



## The Daily Bulletin: 2019-04-05

### PUBLIC/HOUSE BILLS

H 574 (2019-2020) **FIX OUR DEMOCRACY**. Filed Apr 3 2019, *AN ACT AMENDING THE NORTH CAROLINA CONSTITUTION TO ESTABLISH THE CITIZENS REDISTRICTING COMMISSION; REENACTING LEGISLATION THAT ESTABLISHED A NONPARTISAN METHOD OF ELECTING SUPREME COURT JUSTICES AND COURT OF APPEALS JUDGES BEGINNING 2020; EXTENDING THE WAITING PERIOD FOR FORMER LEGISLATORS WHO BECOME LOBBYISTS; MODERNIZING THE VOTER REGISTRATION PROCESS BY ESTABLISHING THE FAIR ELECTIONS PROGRAM; INCREASING TRANSPARENCY IN THE LEGISLATIVE PROCESS BY REQUIRING FORTY-EIGHT HOURS NOTICE OF MEETINGS OF ALL LEGISLATIVE COMMITTEES; AND DIRECTING THE LEGISLATIVE SERVICES OFFICER TO DEVELOP A PLAN TO PROVIDE LIVE VIDEO AND AUDIO STREAMING OF ALL MEETINGS OF LEGISLATIVE COMMITTEES AND COMMISSIONS MEETING IN THE LEGISLATIVE COMPLEX.*

Includes whereas clauses.

Part I.

Subject to approval by voters at the primary election in March 2020, makes the following changes to Article II of the NC Constitution.

Adds new Sec. 25 establishing the 15-member Citizens Redistricting Commission (Redistricting Commission) that will prepare and adopt plans for revisiting the districts and apportioning the members of districts for the House of Representatives of the US Congress and the Senate and House of Representatives of the General Assembly. Requires that plans be adopted by a vote of at least three members from each of the following: (1) the members affiliated with the political party having the highest number of registered affiliates; (2) the members affiliated with the political party having the second highest number of registered affiliates; and (3) the members not affiliated with either of the two political parties having the highest number of registered affiliates. Sets out requirements for appointing members to the Redistricting Commission, which must consist of four persons affiliated with the political party with the highest number of registered affiliates and four affiliated with the political party with the second-highest number of affiliates, appointed by the specified NCGA leaders, and an additional five persons not affiliated with either of the two parties with the highest and second-highest number of registered affiliates, one person affiliated with the political party with the highest number of registered affiliates, and one person affiliated with the party with the second-highest number of registered affiliates, all selected by the six members who were appointed by legislative leadership. Term of office is four years. Prohibits the following from serving on the Redistricting Commission: (1) an individual, or their relative, who has been appointed to, elected to, or been a candidate for any elective public office; been appointed to a State board or commission; has served as an officer or executive committee member of a political party, or as an officer, paid employee, or paid consultant of a candidate's campaign committee, or has been a registered lobbyist; (2) an individual who is or has ever been an employee of the General Assembly or Congress, or is or has ever been a consultant or under contract with those entities; (3) an individual who has ever had a financial relationship with the Governor; or (4) an individual who has ever contributed more than \$1,000 to any candidate for public office. Prohibits members of the Redistricting Commission, while serving, or within five years after service, from being appointed to a state board or commission; serving as an officer or executive committee member of a political party; or as an officer, paid employee, or paid consultant of a candidate's campaign committee; or registering as a lobbyist. Requires the Redistricting Commission, as soon as practicable after the return of the decennial census, to appoint a special master who will draw a final plan that the Redistricting Commission must adopt in the event that the Redistricting Commission is unable to adopt a plan. Requires dismissing members if they are unable to adopt a plan and select a special master.

The above provisions are effective January 1, 2020.

Makes conforming changes to Section 3 and Section 5, regarding the election of senators and representatives, and amends the requirements for districts to now require that they meet the following goals: (1) one person, one vote; (2) minimizing the number of split counties, municipalities, and other communities of interest; and (3) compactness. Effective beginning with the redistricting done upon the return of the 2020 decennial census.

If the constitutional amendments are approved, then effective January 1, 2020, enacts Article 1B, Redistricting, in GS Chapter 120, which provides as follows. Sets out definitions for terms used in the Article. Specifies the duties of the Redistricting Commission, which in addition to those discussed in the constitutional amendment above, include maintaining meeting notes, plans, and data used to develop the plans, and maintaining a website to disseminate information about the Redistricting Commission, which must allow the public to view meetings and hearings and submit plans and comments. Requires the position of chair to rotate every two months and sets out additional requirements for the rotation. Sets out requirements for staffing. Sets out requirements for recording information submitted to the Redistricting Commission, and requires adopting a procedure for members to document verbal conversations between members and individuals holding public office or declared candidates for public office, that includes a least the specified information.

Sets out redistricting standards related to district populations, district boundaries, contiguous territories, and compactness. Prohibits (1) drawing a district for the purpose of favoring a political party, incumbent legislator or member of Congress, or other person or group; (2) drawing a district for the purpose of augmenting or diluting the voting strength of a language or racial minority group; (3) making any use of political affiliations of registered voters; previous election results; demographic information, other than population head counts; or the location of incumbents' residences.

Sets out steps the Redistricting Commission must take in preparation for redistricting, including holding at least 21 public hearings throughout the state.

Sets out the process for adopting the legislative and congressional district plans, as discussed above in the constitutional changes, with plans to be adopted by April 1 of each year ending in one. Provides that if an adopted plan is held invalid, then a new district plan is to be adopted under the same process, modified as necessary to reflect the timing and nature of the holding.

Makes a conforming repeal of GS 120-133, which concerned the confidentiality of redistricting communications with legislative employees.

## Part II.

Enacts new Article 28 to GS Chapter 163A, Nomination and Election of Appellate Justices and Judges, providing the following.

New GS 163A-1700 provides for the applicability of Article 28 to the nomination and election of justices of the Supreme Court and judges of the Court of Appeals (hereafter, justices and judges).

New GS 163A-1701 provides for a nonpartisan primary election method for the nomination of justices and judges when there are more than two candidates for a single office or the number of candidates for a group of offices exceeds twice the number of positions to be filled when the filing period closes. Provides for the canvass of the primary and determination of nominations in the primary and election winners.

New GS 163A-1702 provides for the form for notice of candidacy, the withdrawal of candidacy, and the certification of the candidate as a registered voter. Requires justices and judges to file their notices of candidacy with the State Board no earlier than noon on the second Monday in February and no later than noon on the last business day in February preceding the election. Prohibits any person from filing a notice of candidacy for more than one office or group of offices governed by Article 28 or GS 163A-974, including Governor, Lieutenant Governor, all State executive officers, superior and district court judges, US Congress members, and district attorneys. Requires designation of candidacy at the time of filing when there are two or more vacancies for the office of justice or judge.

New GS 163A-1703 establishes a filing fee of 1% of the annual salary of the office sought. Provides for fee refunds for the withdrawal of candidacy or upon death of the candidate, as specified.

New GS 163A-1704 provides for the filing of a written petition in lieu of payment of the filing fee, as specified.

New GS 163A-1705 provides for the certification of notices of candidacy by the State Board and subsequent notification of local boards of elections.

New GS 163A-1706 authorizes the State Board to extend the filing period for five days for any offices for which candidates have not filed that are to be filled under Article 28. Details the process to be followed when a candidate is disqualified or dies

before the primary, a candidate is alive and fails to withdraw after close of filing, or a candidate dies, is qualified, or fails to qualify after the person is elected.

New GS 163A-1707 provides for elections to fill a vacancy in an office that is created after the primary filing period opens but more than 60 days before the general election. Provides that the State Board must designate a special filing period of one week for candidates for that office. Provides for a second primary election if two or more qualified candidates file and the vacancy occurs more than 63 days before the date of the second primary for members of the General Assembly, and a general election if two or more qualified candidates file and the vacancy occurs more than 64 days before the date of the second primary which must be held on the same day as the general election for members of the General Assembly.

New GS 163A-1708 permits any person who will become qualified by age or residence to register to vote in the general election for which the primary is held, even though not so qualified by the date of the primary, to register for the primary and general election prior to the primary and then to vote in the primary after being registered. Prohibits such persons from registering earlier than 60 days nor later than the last day for making application to register for primary elections pursuant to GS 163A-865(d) prior to the primary.

New GS 163A-1709 sets the primary date for the same date as established for primary elections under GS 163A-700(b), which provides for primaries to be on the Tuesday next after the first Monday in May preceding each general election to be held in November.

New GS 163A-1710 provides for the form of official ballots. Requires official ballots to be printed by the county board of elections, as specified. Provides requirements for the distribution of official ballots.

New GS 163A-1711 provides for counting ballots in primaries and elections to be in the same manner for nonpartisan municipal elections under Part 2 of Article 27 of GS Chapter 163A.

New GS 163A-1712 establishes that the conduct of elections are governed by Article 20 of GS Chapter 163A (Conduct of Primaries and Elections), except as provided by Article 28.

Makes conforming changes to GS 18C-112(e)(1), GS 163A-700(b), GS 163A-743, GS 163A-873, GS 163A-974(a), GS 163A-975, GS 163A-979(a), GS 163A-980(b), GS 163A-984(c)(1), and makes a technical change to GS 163A-1114.

Amends GS 163A-1005 to exempt elections under new Article 28 of GS Chapter 163A from the provisions for unaffiliated candidates nominated by petition. Amends GS 163A-1006 to exempt nonpartisan elections, except for elections under new Article 28 of GS Chapter 163A, from the statute's provisions concerning declaration of intent and petitions for write-in candidates in partisan elections.

Effective January 1, 2020, and applies to elections held on or after that date.

#### Part III.

Amends GS 163A-308, extending the amount of time that a former legislator must wait before registering as a lobbyist to two years. Previously the waiting period was either the close of session or six months after leaving office, whichever was later. Extends the amount of time a public servant or former public servant must wait before registering as a lobbyist to two years after leaving office or end of employment (was, six months). Extends the amount of time an employee of any State agency must wait before registering to lobby the State agency that previously employed them to two years (was, six months).

Effective October 1, 2019.

#### Part IV.

Amends GS 163A-864 by adding the requirement that the State Board of Elections make the voter registration application forms available for completion and submission on a secure website.

Enacts new GS 163A-864.1 allowing an individual to register to vote or change voter registration online if the individual: (1) is eligible to register to vote and (2) possess a current and valid North Carolina driver's license (including a learner's permit or provisional license) or a special identification card for nonoperators. Requires the State Board to establish a secure website for the completion and submission of voter registration applications. Specifies information that the website must allow an individual to submit, including information to establish eligibility and the individual's email address. Requires the county board of elections, upon receipt of an online application, to verify specified applicant information. Requires the Division of

Motor Vehicles (DMV) to transfer the applicant's digital signature in the DMV records to the State Board if the State Board verifies the driver's license or Social Security number. Requires the State Board to notify the applicant if the State Board cannot verify the driver's license or Social Security number.

Amends GS 163A-871 to add specified identifying information submitted during the online voter registration application process to the information that is confidential.

Effective December 1, 2019.

Part V.

Amends GS 163A-862 and GS 163A-865 authorizing county boards of elections to accept automatic voter registration.

Amends GS 163A-883 to require, beginning January 1, 2020, the Division of Motor Vehicles, in consultation with the State Board of Elections, to develop and implement a method by which eligible individuals shall be automatically registered to vote. Requires DMV officials taking driver's license applications to affirmatively inquire whether the applicant wishes to register to vote or update their registration, note the applicant's response, and register the applicant to vote if the applicant wishes. The applicant must attest to the information provided for voter registration. Confidentiality of voter information must be maintained by the State Board of Elections.

The above provisions are effective January 1, 2020.

Amends GS 163A-884 to require, beginning January 1, 2021, voter registration agencies (which include state offices that accept applications for public assistance, services for persons with disabilities, and unemployment benefits) to provide, in consultation with the State Board of Elections, an application process for automatic voter registration with each recertification, renewal, or change of address relating to the service or assistance of the agency. Specifies certain procedural requirements substantially similar to those provided for in GS 163A-883, as amended. Does not require an agency to provide automatic voter registration to a person with disability at the person's home. Requires electronic transmittal of applications to the appropriate board of elections.

Amends GS 163A-885 to authorize automatic voter registration at the time of restoration of citizenship, effective January 1, 2020. Further amends the statute to authorize online voter registration at the time of restoration of citizenship, effective January 1, 2021.

Amends GS 115D-5 and GS 116-11 to require, beginning January 1, 2021, the State Board of Community Colleges and the UNC Board of Governors, in consultation with the State Board of Elections, to provide each person enrolled and registering for courses as a student at a State community college or a State college or university in the UNC System the option for automatic voter registration. Specifies certain procedural requirements substantially similar to those provided for in GS 163A-883 and GS 163A-844, as amended. Provides that applications to register accepted by a State community college or constituent institution of UNC entitles a registrant to vote in any primary, general or special election unless the registrant made application later than the 25th calendar day immediately preceding the election; permits continuing acceptance of applications during that period.

The above provisions are effective January 1, 2021.

Requires the State Board of Elections to develop education and outreach programs to inform voters of automatic registration procedures established by the act.

Part VI.

Adds new Part 4, Fair Elections Program, to Article 23 of GS Chapter 163A.

Establishes the Fair Elections Fund (Fund) as a separate, nonreverting account in the General Fund, administered by the State Treasurer. Requires investment earnings credited to the assets of the Fund to become part of the assets of the Fund.

Establishes the Fair Elections Program (Program) under which the candidate campaign committee of a candidate for nomination or election to office in this state may receive a grant from the Fund for the candidate's primary campaign or general election campaign. The Part defines primary campaign as the period beginning on the day following the close of the filing period under GS 163A-974 and ending on the day of a primary held for the purpose of nominating a candidate for such office. General election campaign is defined as, in the case of a candidate nominated at a primary, the period beginning on the day

following the primary and ending on the date the treasurer files the final statement for the campaign or, in the case of a candidate nominated without a primary, the period beginning on the day following the day on which the candidate is nominated and ending on the date the treasurer files the final statement for the campaign.

Provides that a candidate campaign committee is eligible to receive grants for a primary campaign and a general election campaign if each of the five specified conditions are met, including that the candidate agrees to limit the campaign expenditures of the candidate's candidate campaign committee in accordance with new GS 163A-1510.3(c). Under (c), a candidate in the Program is required to limit the expenditures of the candidate's candidate campaign committee before a primary campaign and a general election campaign to the amount of qualifying contributions allowed under Part 4 and any personal funds provided by the candidate. For a primary, campaign expenditures are limited to the sum of (1) the amount of qualifying contributions and personal funds that have not been spent before the primary campaign and (2) the amount of the grant for the primary campaign. For a general election campaign, limits expenditures to the sum of (1) the amount of qualifying contributions and personal funds that have not been spent before the general election campaign, (2) any unexpended funds from any grant for a primary campaign, and (3) the amount of the grant for the general election campaign.

Requires each candidate for nomination or election to State executive office or State legislative office in the state to file an affidavit with the Bipartisan State Board of Elections and Ethics Enforcement (State Board) certifying in writing whether or not the candidate intends to abide by the expenditure limits. If the candidate intends to abide by the limits, the affidavit must also include additional specified written certifications concerning funding from the Fund. Sets out further requirements for filing the affidavit. Provides that a candidate who does not intend to participate in the Program and certifies as such is not required to file the affidavit. Candidates who do not file the affidavit as well as those who certify their intent not to abide by the limits are referred to as nonparticipating candidates and those who certify the candidate's intent to abide by the expenditure limits are referred to as participating candidates. Requires the State Board to prepare a list of participating and nonparticipating candidates, which is to be available for public inspection.

Provides a procedure under which a participating candidate may withdraw from the Program.

Sets out the amount of qualifying contributions the candidate campaign committee of a candidate is required to receive in order to be eligible for grants from the Fund with the required amount set according to the office being sought. Sets out the following additional requirements applicable to candidates making qualifying contributions: (1) the candidate campaign committee must return the portion of any contribution from any individual, including the candidate, that exceeds \$100 and any excess portion is not considered in calculating the aggregate contribution amounts; (2) regarding contributions from individuals residing in municipalities in the candidate's district (for candidates for State Senator or Representative), no contribution will be counted unless the contribution is at least \$5; (3) all contributions received by an exploratory committee established by the candidate that meet the criteria for qualifying contributions to candidate campaign committees must be considered in calculating the aggregate amounts.

Requires each individual contributing more than \$50 to a candidate campaign committee established to aid or promote the success of a participating candidate for nomination or election to also include a certification containing the same information required by GS 163A-1422(a)(1). Sets out three types of contributions that are not deemed to be qualifying contributions that must be returned to the contributor or transmitted to the State Board to be deposited in the Fund. Requires that any additional contributions received after a candidate campaign committee receives the applicable aggregate amount of qualifying contributions to be transmitted to the State Treasurer to be deposited in the Fund.

Sets the grant amounts from the Fund as follows: (1) for candidates for Governor, \$1.25 million for a primary and \$10 million for a general election; (2) for candidates for State executive office other than Governor, \$375,000 for a primary and \$1 million for a general election; (3) for candidates for State Senator, \$35,000 for a primary and \$85,000 for a general election; (4) for candidate for State Representative, \$14,000 for a primary and \$34,000 for a general election. Sets out additional provisions governing the grant amount in the case of special elections, failure to expend the entire grant for the primary campaign, and lack of opponent in the general election. Sets out amounts of grant funds available to third-party candidate and petitioning candidates.

Sets out the process for applying for a grant from the Fund.

Prohibits depositing any contribution, loan, or the candidate's own moneys or any other moneys received by the candidate or the treasurer on behalf of the candidate campaign committee into the depository account after the initial deposit of moneys from the Fund into the qualified candidate campaign committee's depository account.

Provides that a qualified candidate campaign committee that received moneys from the Fund for a primary campaign and whose candidate is the party nominee will receive a grant for a general election campaign; sets out the process and timing of that payment.

Allows the candidate campaign committee for a candidate intending to participate in the Program to borrow moneys on behalf of a campaign for a primary or a general election in an aggregate amount not to exceed \$1,000. Prohibits an individual or political committee, except the candidate or, in a general election, the State executive committee of a political party, from endorsing or guaranteeing a loan in an aggregate amount in excess of \$500. Requires all loans to be repaid in full before the date the candidate campaign committee applies for a grant; a candidate who fails to repay any loans or to certify the repayment of any loans to the State Board will not receive grants from the Fund. Allows candidates intending to participate in the Program to provide personal funds for the candidate's campaign for nomination or election, not to exceed the following: (1) for a candidate for Governor, \$20,000; (2) for a candidate for State executive office other than the Governor, \$10,000; (3) for a candidate for State Senator, \$2,000; and (4) for a candidate for State Representative, \$1,000.

Sets out penalties and repayment when an expenditure is made or incurred in excess of applicable expenditure limits by a qualified candidate campaign committee that received a grant.

Sets out procedures for filing required weekly supplemental campaign finance statements, and filing a declaration of excess expenditures when a participating candidate campaign committee makes expenditures or incurs an obligation to make expenditures that exceeds 100% of the applicable expenditure limits. Sets out penalties for failure to file the required statement or declaration.

Requires the State Board to give each participating candidate a copy of the voter registration list for the state or applicable district.

Prohibits a local committee, legislative caucus committee, or legislative leadership committee from making an organization expenditure for the benefit of a participating candidate or the candidate campaign committee of a participating candidate for the office of State Senator in an amount exceeding \$10,000 for a general election campaign or for the office of State Representative in an amount exceeding \$3,500 for a general election campaign; prohibits making an organization expenditure for State legislative office for a primary campaign.

Requires the State Board to compile and analyze the five categories of information and report its analysis biennially, along with any recommendations for adjustments to the grant amounts, to the Joint Legislative Elections Oversight Committee.

Allows any person, business entity, organization, or political committee to contribute to the Fund.

Effective December 1, 2019, and applies to election grants sought on or after that date.

#### Part VII.

Amends GS 143-318.14A to specify that reasonable public notice (might intend to require adequate public notice, as defined below) of all commission, committee, and standing subcommittee meetings must be given to all General Assembly members; members of the commission, committee, or subcommittee; and to the Legislative Services Office (was, only that reasonable public notice must be given without specifying the recipient of the notice). Requires that the notice be posted on General Assembly's website by the Legislative Services Office. Defines adequate public notice as written or electronic notice that is posted and mailed or e-mailed to those who requested notice at least 48 hours before the time of the meeting. Requires that the notice include the time, date, location, and to the extent known, the agenda of the meeting. Requires that the agenda for a noticed meeting be readily available for public inspection no less than 24 hours in advance of the time of the meeting and prohibits changing the agenda except for items of an emergency nature, after the notice has been made available to the public. Requires that commission, committee, or standing subcommittee members receive the text of all bills, proposed committee substitutes, and amendments that will be considered during the scheduled meeting no later than 24 hours in advance of the meeting. Prohibits considering or acting on a bill, proposed committee substitute, or amendment that has not been made available to the members as required.

Requires the Legislative Services Office to develop a plan to install equipment providing live video and audio in both chamber and all committee rooms. The plan must be submitted to the chairs of the Legislative Services Commission and the chairs of the Joint Legislative Oversight Committee on General Government by April 1, 2020.

**Intro. by Clemmons, Autry, Dahle, Graham.**[CONST, GS 18C, GS 115D, GS 116, GS 120, GS 143, GS 163A](#)[View summary](#)[Constitution, Courts/Judiciary, Court System, Government, Elections, General Assembly](#)

H 589 (2019-2020) [LET NC VOTE ACT](#). Filed Apr 3 2019, *AN ACT PROVIDING FOR AUTOMATIC VOTER REGISTRATION AT DRIVERS LICENSE OFFICES, PUBLIC AGENCIES, COMMUNITY COLLEGES, AND COLLEGES AND UNIVERSITIES OF THE UNIVERSITY OF NORTH CAROLINA SYSTEM; REQUIRING THE BIPARTISAN STATE BOARD OF ELECTIONS AND ETHICS ENFORCEMENT TO IMPLEMENT AN OUTREACH CAMPAIGN INFORMING CITIZENS ABOUT AUTOMATIC VOTER REGISTRATION; ALLOWING INDIVIDUALS WHO MEET THE CRITERIA TO REGISTER TO VOTE OR CHANGE VOTER REGISTRATION ONLINE; REESTABLISHING SAME DAY REGISTRATION, INCLUDING ON ELECTION DAY; REESTABLISHING THE PROGRAM TO PREREGISTER SIXTEEN AND SEVENTEEN YEAR OLDS; TO MAKE CHANGES TO PHOTOGRAPHIC IDENTIFICATION TO VOTE IN PERSON; AND TO RESTORE THE LAST SATURDAY OF EARLY ONE-STOP VOTING.*

#### Part I.

Amends GS 163A-883 by requiring, beginning January 1, 2019, that the Division of Motor Vehicles implement a method by which eligible individuals applying for a new, renewal, or correction of a drivers license, or special identification card, are automatically registered to vote or able to update voter registration if the voter has moved. Also amends GS 163A-884 to require, starting January 1, 2020, that offices that accept the following information provide an application process for automatic voter registration when an applicant applies for service or assistance, or updates information for such services or assistance: (1) applications for a program of public assistance under Article 2 of GS Chapter 108A or Article 13 of GS Chapter 130A; (2) applications for State-funded State or local government programs providing services to persons with disabilities; or (3) claims for benefits under GS Chapter 96 of the General Statutes, the Employment Security Law. Both statutes include the following. Requires the person taking the application to notify the applicant of six items related to qualifications to vote, penalties for providing false information, and use of information provided by the applicant. Applicants failing to declare party affiliation are designated as unaffiliated. Requires applications to be transmitted electronically to the appropriate board of elections in five business days. Limits use of information related to a declination to register to purposes of voter registration. Requires that information acquired for automatic voter registration be kept confidential. Provides that if a person who is ineligible to vote becomes registered under this statute, the presumption is that the person's registration is officially authorized and is not attributed to any fault of the person. Specifies that the Department of Transportation (DOT) and the agencies in GS 163A-884 are not required to determine eligibility for voter registration and voting.

Makes conforming changes to GS 163A-862 and GS 163A-865 requiring county boards of elections to accept automatic voter registration.

Amends GS 163A-885 by requiring the educational programs and procedures presented to individuals applying to register to vote at the time they are restored to citizenship to include information on automatic voter registration. Makes conforming changes to GS 163A-885, concerning voter registration upon restoration of citizenship.

Amends GS 115D-5 to require, beginning January 1, 2020, that the State Board of Community Colleges provide each person enrolled and registered for courses in a state community college with the option for automatic voter registration. Also amends GS 116-11 to require the same of the UNC Board of Governors for college and university students. Requires the person taking the application to notify the applicant of six items related to qualifications to vote, penalties for providing false information, and use of information provided by the applicant. Applicants failing to declare party affiliation are designated as unaffiliated. Requires applications to be transmitted electronically to the appropriate board of elections in five business days. Limits use of information related to a declination to register to purposes of voter registration. Requires that information acquired for automatic voter registration be kept confidential. Applications to register accepted under these statutes allow the registrant to vote in any election unless the registrant applies later than the twenty-fifth calendar day immediately preceding such election. Provides that if a person who is ineligible to vote becomes registered under this statute, the presumption is that the person's registration is officially authorized and is not attributed to any fault of the person. Specifies that the State community colleges, State colleges, or universities in the UNC system are not required to determine eligibility for voter registration and voting.

Requires the Bipartisan State Board of Elections and Ethics Enforcement to inform voters of the automatic voter registration procedures.

Changes to GS 163A-862, GS 163A-865, GS 163A-883, and GS 163A-885 are effective January 1, 2020. Changes to GS 163A-884, GS 163A-885, GS 115D-5, and GS 116-11 are effective January 1, 2021.

#### Part II.

Enacts new GS 163A-866.5 allowing a person to register to vote and then vote in the person's county of residence on election day or during the one-stop voting period. Requires that the person complete a voter registration form, including the attestation that the person meets each eligibility requirement and provide proof of residence by presenting one of the specified valid documents. A person voting on the same day as registering will vote a retrievable ballot. Sets out requirements for verifying registration and counting the ballot. Allows an individual who will become old enough to register and vote in the general election for which a primary is held, even though they are not so qualified by the date of the primary, to register for the primary and general election before the primary and then vote in the primary and general election after being registered under the statute.

Makes conforming changes to GS 163A-843, GS 163A-865, GS 163A-1144, GS 163A-1300, GS 163A-1587, and GS 163A-1588.

#### Part III.

Amends GS 163A-80 to allow a person who is at least 16 years old but will not be 18 by the next election who is otherwise qualified to register to preregister to vote and be automatically registered upon reaching the age of eligibility. Requires the State Board of Elections to develop a form for preregistering to vote. Makes conforming changes to GS 163A-863, GS 163A-883 (concerning voter registration at driver's license offices), GS 163A-884 (voter registration at other public agencies), and GS 163A-888 (voter registration at public high schools). Amends GS 115C-81.45 to include instruction on preregistration in the high school civic and citizenship education course. Amends GS 115C-47 to encourage local boards of education to adopt policies to promote student voter preregistration. Encourages the State Board of Elections and Department of Public Instruction to improve outreach to high school students on voter registration and preregistration programs when students are eligible to do either one.

#### Part IV.

Amends GS 163A-864, requiring the State Board to make voter registration forms available for completion and submission online.

Enacts GS 163A-864.5, permitting individuals to register to vote or change voter registration online if eligible to vote and possess either an NC driver's license or special identification card issued by the DMV. Requires the State Board to establish a secure website for voters to submit voter registration applications, applications reporting a change of personal information or party affiliation, eligibility information, or the individual's email address. Provides for verification of online applications, updating of the statewide registration database, and searching for duplicate registrations by the county board of elections and State Board.

Amends GS 163A-871, providing for the confidentiality of any online registration data or email addresses submitted under new GS 163A-864.5. Makes technical and clarifying changes.

Provides Part IV is effective January 1, 2020.

#### Part V.

Requires that voter photo identification cards be available on request by July 1, 2019. Requires the adoption of temporary rules to implement GS 163A-869.1, by April 15, 2019.

Amends GS 163A-1145.1, setting out requirements for photo identification to vote in person, to allow the use of all the specified forms of identification whether the identification is expired or unexpired or is without an expiration (previously applied only to specified military and veteran identification); adds government-issued identification cards to the list of allowable identification.

#### Part VI.

Amends SL 2018-129, Section 1(c), by removing the January 1, 2019, sunset on the provision allowing one-stop voting on the last Saturday before the election.

**Intro. by Meyer, Morey, Farmer-Butterfield, John.**

[GS 115C](#), [GS 115D](#), [GS 116](#), [GS 163A](#)

[View summary](#)

**Education, Elementary and Secondary Education, Higher Education, Government, Elections, State Agencies, Community Colleges System Office, UNC System, Department of Transportation**

## PUBLIC/SENATE BILLS

S 522 (2019-2020) [VARIOUS CHANGES TO CHARTER SCHOOL LAWS](#). Filed Apr 2 2019, *AN ACT TO MAKE VARIOUS CHANGES TO THE LAWS AFFECTING CHARTER SCHOOLS*.

### Part I

Amends GS 115C-218.100(b), concerning dissolution of a charter school, which mandates that net assets of the school purchased with public funds to be deemed the property of the local school administrative unit in which the school is located. Creates an exception, and deems capital-sourced assets the property of the county or counties providing the funding, or divided between the counties in proportion to the funds provided. Defines capital-sourced assets.

Amends GS 115C-218.105 to authorize counties to provide funds to charter schools by direct appropriation under GS 153A-458, as enacted, with use limited to three described purposes, including the acquisition of real property; the acquisition, construction, renovation or replacement of buildings and other structures; and the acquisition or replacement of furniture and furnishings. Provides parameters for the funds to be evidenced by promissory note and secured by deed of trust, which can be released upon the school's repayment of the capital funds provided.

Amends GS 153A-149 to add the provision of capital funds for charter schools to the authorized purposes for which a county can levy property taxes.

Enacts GS 153A-458 to authorize counties to appropriate funds and lease real property to charter schools, provided the use of funds is limited to the purposes set out in GS 115C-218.105(b1), as enacted.

Applies beginning with the 2019-20 fiscal year.

### Part II

Amends Section 5.3 of SL 2017-57, as amended, which creates the Needs-Based Public School Capital Fund (Fund) to be used to award grants to counties designated as a development tier one area or a development tier two area under GS 143B-437.08. Authorizes a qualified county, defined as a county designated as a development tier one area, to use a grant awarded from the Fund for building capital needs for an approved charter school. Specifies that building capital needs for an approved charter school can include the acquisition or improvement of a property by the charter school. Establishing grant funds to be matched by the qualified county using grant funds for a charter school at a 1:1 ratio, and caps an award to a qualified county at \$3 million. Adds additional requirements for qualified counties using grant funds for charter schools, requiring the mandated agreement between the county and the Department of Public Instruction (DPI) to include provisions stating that: (1) the property being acquired or improved by grant funds is owned by the nonprofit organization which holds the charter, and amounts provided by the county are evidenced by promissory note and secured by deed of trust, with the effects as described, which can be released upon repayment of funds provided; (2) the property cannot be conveyed without approval of the State Board of Education (State Board); and (3) acknowledgement that upon dissolution, all capital-sourced assets are deemed property of the county under GS 115C-218.100(b), as amended.

Applies to grant fund applications submitted on or after July 1, 2019.

### Part III

Enacts GS 115C-218.37 to designate the Superintendent of DPI as an applicable elective representative who can approve the issuance of private activity bonds to finance or refinance a charter school facility, after public hearing and following reasonable public notice, in accordance with applicable state and federal law. Charges the Superintendent with determining procedures for

the public hearings and provides that the hearings are to be conducted by the Superintendent or his or her designee. Defines charter school facility and applicable elected representative.

#### Part IV

Amends GS 115C-218.6, to allow the State Board to renew a charter for less than the standard 10 year period, if the percent of students who scored at or above proficient for all end-of-grade and end-of-course tests taken in the previous school year is at least five percentage points lower than in the local school administrative unit in which the charter school is located (previously, if the charter school's student academic outcomes for the preceding three years have not been comparable to those of students in the local school administrative unit in which the charter school is located). Maintains the remaining situations in which the renewal period can be less than the standard period.

#### Part V

Amends GS 115C-218.1 to require charter applications to include a nationwide criminal background check for each member of the board of directors of the proposed charter to ensure no member has a conviction of a crime listed in GS 115C-332 or a substantially similar crime in another state. Requires the check to include a social-security number trace and any known aliases. Also requires charter applications to include a certification of each board member certifying whether the board member has been convicted of any felony or misdemeanor, and if so, include the year of the charge, the charge, and the disposition of the charge.

#### Part VI

Enacts GS 115C-218.45 regarding permissible enrollment priority by a charter school. Adds priority for children of permanent employees of a charter partner, up to 50% of the school's total enrollment. Requires a separate lottery if applications from these children exceeds 50% total enrollment. Defines charter partner to mean any legal entity authorized to transact business in the state under specified GS Chapters that has, individually or as a consortium, made one or more specified donations to the charter school valued at at least \$50,000, including land on which the school is built, the school building or the space the school occupies, or major renovations to the existing school building or other capital improvements, as detailed. For every year of such enrollment priority, requires the charter partner to enter into a memorandum with the charter school to specify the duration of priority and the support the charter partner will provide, such as internships, tutoring, and career counseling. Prohibits this enrollment priority from displacing students enrolled at the time the charter application or material revision providing for the new priority is approved by the State Board.

Further amends GS 115C-218.1 to require charter applications to include whether the charter intends to provide enrollment priority to children of employees of a charter partner, and if so, to identify that charter partner.

Amends GS 115C-218.7 to deem adoption of enrollment priority for children of employees of a charter partner as a material revision of the charter.

Amends GS 115C-218.15, regarding charter school operation. Establishing that persons affiliated with a charter partner are eligible for membership on the board of directors of a charter school that provides enrollment priority to the children of employees of the charter partner, subject to the existing requirements of subsection (b), and provided that such persons do not constitute a majority of the board, and if the charter partner is leasing the building or space to the school, the lease must provide that the building or space is available without cost and the term of lease is no less than the duration of the charter.

Applies beginning with the 2019-20 school year.

#### Part VII

Makes the following additional changes to Article 14A, Charter Schools, of GS Chapter 115C.

Amends GS 115C-218. Defines the term *Higher Education Institution Authorizer (HEI Authorizer)* to mean the board of trustees of a community college under the jurisdiction of the State Board of Community Colleges or the board of trustees of a constituent institution of the UNC System designated as participating in the NC Promise Tuition Plan pursuant to GS 116-143.11.

Enacts GS 115C-218.4 to permit an applicant for a charter school to submit an application that meet the requirements of GS 115C-218.1 to a HEI Authorizer. Requires such an application to include how the HEI Authorizer is to be involved in the planning, operation, or evaluation of the charter school. Requires the HEI Authorizer to timely notify and give the applicant at

least five business days to correct issues in the initial application. Authorizes the HEI Authorizer to authorize a charter school if it finds: (1) the application requirements are met under the Article and rules of the State Board; (2) the applicant has the ability to operate the school and would be likely to operate the school in an educationally and economically sound manner; and (3) authorizing the application would achieve one or more purposes set out in GS 115C-218.

Requires the HEI Authorizer to make a final decision by August 15 in the year immediately preceding the year in which the charter school proposes to begin operation. Requires approved charters to enter into a written agreement with the HEI Authorizer with terms and conditions incorporated from the application and any additional terms and conditions imposed by the HEI Authorizer. Permits State funds available to the HEI Authorizer to be used to support the charter school so long as the written agreement contains provisions ensuring the return of any assets to the HEI Authorizer to the extent they were purchased with State funds upon dissolution.

Requires the State Board to approve the charter school for a period not to exceed 10 years upon receipt of the application and written agreement filed by the HEI Authorizer and upon recommendation of the Superintendent. Subjects charter schools approved in this manner to the same requirements of a charter school approved pursuant to GS 115C-218.5. Establishes that termination, nonrenewal, or assumption of a charter school authorized by an HEI Authorizer cannot be initiated by the State Board until the State Board has consulted with the HEI Authorizer pursuant to GS 115C-218.95(b), as enacted.

Makes conforming changes throughout the Article to provide for the authority of the HEI Authorizer and charters to be approved by the HEI Authorizer. Specifies that the Charter School Advisory Board cannot review applications submitted to the HEI Authorizer.

Amends GS 115C-218.3 to specify the State Board can include in its rules for fast-track replication of a high-quality charter school currently operating in the State, a charter school authorized by an HEI Authorizer and approved by the State Board. Makes conforming changes.

Amends GS 115C-218.6 to provide that the HEI Authorizer can request charter renewal.

Amends GS 115C-218.7 to require a HEI Authorizer to submit a material revision of the provisions of a charter pursuant to GS 115C-218.4 consistent with the provisions of the statute for State Board approval.

Amends GS 115C-218.20 and GS 115C-218.90 to extend civil and criminal immunity under the statutes to HEI Authorizers.

Enacts GS 115C-218.95 to prohibit the State Board from initiating the termination, nonrenewal, to assumption of a charter school authorized by an HEI Authorizer until the State Board has consulted with the HEI Authorizer. Permits the State Board, the HEI Authorizer and the charter school to enter into an agreement to provide an opportunity to address concerns that could lead to such decisions.

Amend GS 115C-533 to allow the State Board to offer a system of property insurance to any charter school approved pursuant to GS 115C-218.4, as enacted.

Makes conforming changes to GS 14-33, GS 14-458, GS 20-84, GS 105-228.90, GS 135-5.3, GS 136-18, and GS 160A-307.1.

#### Part VIII

Amends Section 8.35 of SL 2014-100, as amended, to remove the maximum enrollment cap of 2,592 students for virtual charter schools participating in the Virtual Charter School Pilot. Instead, allows enrollment to increase annually by 20% for each participating school. Makes conforming changes. Applies beginning with the 2019-20 school year.

**Intro. by Tillman.**

[GS 14, GS 20, GS 105, GS 115C, GS 135, GS 136, GS 153A, GS 160A](#)

[View summary](#)

**[Business and Commerce, Corporation and Partnerships, Education, Elementary and Secondary Education, Government, State Agencies, Department of Public Instruction, State Board of Education, Nonprofits](#)**

S 523 (2019-2020) REV. LAWS CLARIFYING & ADMINISTRATIVE CHANGES. Filed Apr 2 2019, AN ACT TO MAKE VARIOUS CLARIFYING AND ADMINISTRATIVE CHANGES TO THE REVENUE LAWS.

### Part I. Business Tax Changes

Amends GS 105-154(d), concerning payment of tax by a manager of a business on behalf of nonresident owners or partners of the business. Prohibits the manager from requesting a refund of an overpayment made on behalf of a nonresident owner or partner if the manager has previously filed the return and paid the tax due. Instead, permits the nonresident owner or partner to request a refund of an overpayment made on its behalf by the manager on its own income tax return, within the statute of limitations provisions of GS 105-241.6. Effective for taxable years beginning on or after January 1, 2019, and applies to a request for refund filed on or after that date.

### Part II. Personal Income Tax Changes

Amends GS 105-153.8(e), concerning jointly filed income tax returns, to provide relief from liability on state tax returns for a spouse who qualifies for relief from liability for federal tax under section 6015 of the Internal Revenue Code (previously described the relief from tax liability attributable to a substantial understatement by the other spouse). Effective for taxable years beginning on or after January 1, 2018.

### Part III. Sales and Use Tax Changes

#### Section 3.1

Amends GS 105-164.3, which sets forth defined terms applicable to Article 5, Sales and Use Tax. Adds the term *item* and defines the term to mean personal property, certain digital property, or a service, unless the context requires otherwise. Makes conforming changes throughout the statute and the Article to refer to an item, as appropriate, and modify the current use of "item" which does not intend the new term's meaning. Amends *advertising and promotional direct mail* and *bundled transaction* to refer to an item rather than a product. Amends *capital improvement* to exclude performing repairs or replacement of electrical components, gas logs, water heaters and similar tangible personal property (was, similar individual items) that are not part of new construction, reconstruction, or remodeling; repair, replacement or installation of electrical or plumbing components, water heaters, gutters, and similar tangible personal property (was, similar individual items) that are not part of new construction, reconstruction, or remodeling; or repair, replacement, or installation of gas logs, water heaters, pool heaters, and similar tangible personal property (was, similar individual items) that are not part of new construction, reconstruction, or remodeling. Adds a new defined term, *certain digital property*, and defines the term to mean an audio work, an audiovisual work, a book, magazine, a newsletter, a report, or another publication, or a photograph or greeting card, that is delivered or accessed electronically. Specifies that certain digital property items specified are not considered tangible personal property and are taxable under the Article if sold in a tangible medium. Excludes an information service from *certain digital property*. Makes conforming changes throughout the statute and the Article to refer to certain digital property rather than digital property. Deletes the term *computer supply*. Amends *delivery charges* to refer to an item rather than personal property or services. Amends *engaged in business* to include maintaining in the State certain digital property for the purpose of lease or rental. Amends *landscaping* to exclude services to trees, shrubs, flowers, or similar tangible personal property (was, similar items) in ports or in buildings. Modifies *remote sale* to include sale of an item by mobile phone application and making items accessible or performing a service sourced in this State. Amends *sale or selling* to include a transaction in which possession of the tangible personal property or certain digital property (was, property) is transferred but the seller retains title or security for the payment of consideration. Amends *secondary metals recycler* to refer to products rather than items. Updates *streamlined agreement* to reflect the agreement amended as of December 14, 2018. Excludes certain digital property, as defined, from *telecommunications service*. Makes further technical, clarifying, and conforming changes.

Effective October 1, 2019, amends certain digital property, as enacted, to remove the qualification that the items described which are delivered or accessed electronically would be taxable under the Article if sold in a tangible medium.

Authorizes the Revisor of Statutes to make necessary technical and conforming changes.

#### Section 3.2

Amends GS 105-164.4 to apply the general privilege tax rate of retailers, 4.75%, of the sales price of certain digital property, applicable regardless of whether the purchaser of the property has a right to use it permanently or to use it without making continued payments. Now provides that the general tax rate applies to the sales price of or gross receipts derived from the sale,

repair, maintenance, and installation services to tangible personal property or certain digital property (previously did not include digital property), which generally becomes a part of or is applied to a purchaser's property, regardless of whether the property is taxed under another subdivision of the statute or is subject to a maximum tax under the statute. Adds that the use tax exemption in GS 105-164.27A(a3) for boats and aircraft can apply to these services. Makes conforming changes.

### Section 3.3

Amends GS 105-164.4B, regarding sourcing principles, to refer to sourcing the sale of an item rather than a product. Makes identical changes to the tax application provisions set forth in GS 105-164.4D regarding bundled transactions.

Amends GS 105-164.4G, regarding tax on entertainment property. Specifies that the tax does not apply to tuition, registration fees, or charges to attend instructional seminars, conferences, or workshops for educational purposes, regardless that the activity is offered as an ancillary purpose of the event. Makes further conforming technical changes.

Makes technical, clarifying and conforming changes to GS 105-164.6 (Complementary use tax).

Amends GS 105-164.11B to specify that the provisions regarding recovering sale tax paid on items resold at retail to specify that the provisions apply to a retailer who pays tax on an item that is separately stated on an invoice or similar billing document given to the retailer at the time of sale. Make clarifying and technical changes.

Amends GS 105-164.12C, concerning food and drink merchants who give away food and drink to patrons or employees for immediate consumption, to make clarifying and technical changes.

Amends GS 105-164.13 to clarify that food and other products (was, items) lawfully purchased under the Supplemental Nutrition Assistance Program, as specified, are exempt from sales tax under the statute. Also clarifies that the removal of waste, trash, debris, grease, snow, and other similar tangible personal property (was other similar items) from property, other than a motor vehicle, are exempt from tax under the Article. Similarly, clarifies the exemption (expiring January 1, 2020) for sales of repair, maintenance, and installation services for a transmission, engine, or rear-end gears, or any tangible personal property (was, any other item) that is purchased, leased, or rented to a professional motor sporting team or team member, as specified. Makes further clarifying and conforming changes.

Makes conforming and clarifying changes to GS 105-164.13E, concerning exemptions for farmers, specifying items (rather than tangible personal property and services) which can be exempt from tax under the statute. Makes further technical changes.

Amends GS 105-164.14(a), concerning refunds for interstate carriers, to clarify that the refund applicant is to furnish the purchase price of the taxable personal property and services (rather than items) listed by the statute. Makes conforming changes.

Amends GS 105-164.16 to make organizational and technical changes.

Makes clarifying and conforming changes to GS 105-164.27A regarding a boat and aircraft direct pay permit.

Amends GS 105-164.42I, concerning certified service provider liability, to refer to a seller's liability for misrepresentation of types of items sold rather than types of products sold.

Amends GS 105-467 to provide local school administrative units and a joint agency created by interlocal agreement among units an annual refund of sales and use taxes on direct purchases of items, rather than direct purchases of tangible personal property and services.

### Section 3.4

Further amends GS 105-164.4 to specify that separately stated charges billed to a customer for the installation of utilities is included in the combined general tax for gross receipts derived from providing telecommunication service and ancillary service, video programming to a subscriber, and from sales of electricity and piped natural gas. Further amends the definition of *capital improvement* in GS 105-164.3 to make clarifying changes, and specify that a utility can recover a portion of the cost of installation of utilities as a contribution in aid of construction, and those charges are included in the general gross receipts derived from services subject to the combined general rate under GS 105-164.4. Further amends GS 105-164.13 to clarify that the exemption does not apply to charges that are included in the gross receipts derived from services subject to the combined general rate under GS 105-164.4.

### Section 3.5

Adds the terms *taxing district* and *taxing area* to GS 105-164.3. Amends GS 105-164.42L, authorizing the Secretary of Revenue (Secretary) to develop databases that provide information on the boundaries of taxing districts and their applicable tax rates (previously referred to taxing jurisdictions). Now provides that the databases can assign the proper tax rate and taxing district to each taxing area within the State. Requires the Secretary to assign the lowest combines tax rate within a specific taxing area where more than one tax rate applies. Provides for similar assignment for street address by nine-digit zip code or five-digit zip code. Makes further clarifying changes.

### Section 3.6

Makes clarifying changes to GS 105-244.3 regarding sales tax base expansion protection.

### Section 3.7

Makes clarifying changes to GS 105-244.4 regarding the reduction of certain sales tax assessments.

### Section 3.8

Amends GS 105-537 to prohibit a county election of whether to levy a sales and use tax in the county from being held within one year from the date of the last preceding election under the same provision. Applies to elections held on or after July 1, 2019.

### Section 3.9

Repeals Section 38.5(x) through Section 38.5(z) of SL 2018-5, which provided for various sales and use tax changes in GS Chapter 105. Makes conforming repeal to the applicable effective dates in Section 38.5(aa) of SL 2018-5.

Adds the terms *property management contract*, *property management services* and *property manager* to GS 105-164.3. Amends GS 105-164.4 to specify that a property management contract is taxable in accordance with GS 105-164.4K, as enacted. Enacts GS 105-164.4K to exempt property management services provided by a property manager under a property management contract from sales and use tax. Details three circumstances whereby repair, maintenance, and installation services taxable under the Article and provided by a property manager under a property management contract are subject to sales and use tax, including services directly provided for an additional charge which the property manager is not obligated to provide under the property management contract. When the property management services are not taxable, a retailer is to collect tax on items sold at retail from the property manager as the consumer, unless an exemption under GS 105-164.13 applies. When property management services are taxable, the property manager acts as a retailer, as specified.

## Part IV. Excise Tax Changes

### Section 4.1

Amends GS 105-113.4A, concerning tobacco product licenses under Article 2A, to clarify that no tax refund is allowed when a licensee cancels (was, surrenders) a license.

Amends GS 105-113.4B to provide for the immediate return of a license by the licensee when the Secretary cancels a license. Also makes changes to refer to certified mail rather than registered mail regarding notice of revocation and notice of hearing.

Amends GS 105-113.21 to specify that the discount and refund provisions apply to licensed distributors.

Amends GS 105-113.10 to specify that the tax exemption applies to licensed manufacturers shipping to other licensed distributors. Clarifies that the exemption does not relieve the manufacturers from filing a report required of Part 2. Also clarifies that a tax exemption for a manufacturer shipping or temporarily storing its cigarettes at an affiliated manufacturer does not relieve the manufacturer from filing a report required of Part 2.

### Section 4.2

Amends GS 105-113.5 to specify that the cigarette tax is levied on sales by a licensed distributor. Places primary liability of the tax with the licensed distributor who first acquires or otherwise handles subject cigarettes. Specifies that a licensed distributor who bring cigarettes made outside the State into the State is the first person to handle cigarettes in the State. Adds that a

licensed distributor that is the consignee of cigarettes made outside the State and shipped into the State is the first person to handle the cigarettes in the State.

Further amends GS 105-113.4A to require licensees to file applications for renewal in the same way as applications are filed to obtain a license. Expands the statute's provisions to apply to renewals. Adds that the Secretary can refuse to issue or renew a license if the applicant has failed to meet any of the license requirements set forth in existing subsection (b). Further amends GS 105-113.4B to allow the Secretary to revoke a license if the licensee fails to meet or maintain the requirements set out in GS 105-113.4A(b).

Amends GS 105-113.12 to provide that a distributor license is in effect until June 30 of the year following the second calendar year after the date of issuance or renewal. Establishes that a license for each place of business is renewable upon signed application with no renewal license tax unless applies for after the June 30 expiration date. Makes conforming changes. Requires an out of state distributor to also meet the provisions of GS 105-113.4A in order to obtain a license.

Amends GS 105-113.36 to clarify that wholesale dealers and retail dealers must obtain a tobacco products license and pay a license tax for each place of business, as defined in existing law. Maintains the license tax at \$25 for wholesale dealers and \$10 for retail dealers. Provides for the license to be in effect until June 30 of the year following the second calendar year after the date of issuance or renewal, unless canceled or revoked prior to expiration. Provides that a license for each place of business is renewable upon signed application with no renewal license tax unless applied for after expiration. Requires out-of-state whole sale dealers of tobacco products other than cigarettes to obtain a license upon compliance with GS 105-113.4A and payment of a \$25 license tax.

Effective January 1, 2020. Establishes that any license issued under Article 2A on or before January 1, 2020, expires on June 30, 2020. Requires the Department of Revenue to notify licensees of the requirement of filing for renewal before June 30, 2020.

#### Section 4.3

Amends GS 105-113.18 to clarify reporting requirements accompanying cigarette tax payments. Provides that licensed distributors are required to file a monthly report covering cigarettes sold, shipped, delivered, or otherwise disposed of in the State, due within 20 days after the end of the month covered in the report (previously concerned sales and other activities; and provided separate reporting requirements for free cigarettes). Adds that the report must show the quantity of all cigarettes transported or caused to be transported into the State by the licensed distributor or licensed manufacturer in the State for sales in the State.

Amends GS 105-113.37 to clarify reporting requirements accompanying tobacco product tax payments. Provides that a monthly report must be filed that covers tobacco products sold, shipped, or otherwise disposed of in the State, due within 20 days after the end of the month covered by the report (previously, the report covered sales and other activities, and provided for designating exempt sales regarding intent to resell).

#### Section 4.4

Amends GS 105-113.26 to require licensees to keep complete and accurate records of all purchases, inventories, sales, shipments, and deliveries (was, all sales). Requires the records to be open for inspection by the Secretary or authorized agent at all times. Makes changes to enact identical provisions regarding wholesale dealers and retail dealers of tobacco products under GS 105-113.40, and further requires those dealers to safely preserve the records for a period of three years in a manner to ensure their security and accessibility for inspection.

#### Section 4.5

Amends GS 105-113.35 to provide that the tax on tobacco products and vapor products does not apply to a no cost sample tobacco product, other than cigarettes, limited to distribution at a qualified adult-only facility, as defined by specified federal law. Makes clarifying changes to subsection (d) concerning certain manufacturer's exemption from the tax if shipping tobacco products other than cigarettes to either a licensed wholesale dealer or retail dealer. Specifies that the exemption does not relieve the manufacturer of the statute's filing requirements. Modifies the limitations provided, to now prohibit a licensed wholesale dealer from selling, borrowing, loaning, or exchanging non-tax-paid tobacco products other than cigarettes to, from, or with another licensed dealer. Makes further clarifying and technical changes.

#### Section 4.6

Enacts GS 105-113.35A to establish a tax for the sale or possession for sale by persons other than licensed wholesale dealers or retail dealers, and upon use, consumption, and possession for use or consumption tobacco products other than cigarettes within the State. Sets the rate as provided in GS 105-113.35, which is 12.8%. Exempts tobacco products other than cigarettes upon which the tax levied in GS 105-113.35 has been paid. Effective for taxable years beginning on or after January 1, 2019.

#### Section 4.7

Adds the terms consumer, delivery sale, deliver seller and delivery service to GS 105-113.4. Enacts GS 105-113.4F, applicable to delivery sales of tobacco products, other than cigars, to consumers in the State regardless of where the delivery occurs. Requires a delivery seller to obtain a license before accepting an order, comply with certain age verification requirements, and report, collect, and transmit all taxes levied on tobacco products other than cigars under Articles 2A and 5. Requires a delivery seller to use a delivery service which obtains a signature of the person accepting delivery who is at least 18 years old and obtains proof of the age of the person accepting the delivery, as specified. Details additional filing requirements for a delivery seller, to be submitted to the Secretary in a memo or a copy of an invoice, no later than the tenth day of the month. Provides for compliance under the statute if a specified federal statute is complied with respect to tobacco products covered under the statute. Details information the memo or invoice must contain. Establishes a penalty of no more than \$1,000 for the first violation, and no more than \$5,000 for subsequent violations. Exempts tobacco products sold by a retailer who purchased them from a licensed distributor or wholesale dealer. Makes all laws applicable to tobacco product retailers also applicable to delivery sellers that sell tobacco products in the State.

Applies to delivery sales occurring on or after October 1, 2019.

#### Section 4.8

Amends the definition of *wholesaler or importer* in GS 104-113.68 as it applies to Article 2C, Alcoholic Beverage License and Excise Taxes. Now includes a resident winery and wine producer (previously did not include resident wine producer) that sells its wines, or wine produced from the permit under contract, at wholesale to a retailer or at retail and a resident brewery that sells its malt beverages or malt beverages produced for the permittee under contract at wholesale to a retailer or at retail (previously only resident breweries producing fewer than 25,000 barrels per year). Limits the terms to person who hold an unfortified winery permit, fortified winery permit, brewery permit, wine importer permit, wine wholesaler permit, malt beverages importer permit, malt beverages wholesaler permit, or wine producer permit.

#### Section 4.9

Amends GS 105-113.84 to expand the monthly reporting requirements to include resident wine producers. Clarifies that the report is informational, and adds that the report must include the amount of beverages sold, delivered, or shipped (was only delivered) to resident wholesalers, importers and purchasers under GS 18B-1001.1 during the period covered by the report.

#### Section 4.10

Amends GS 105-449.47A, regarding tax on motor carriers, to allow the Secretary to refuse a license and issue a decal if the applicant failed to maintain motor vehicle registration on the qualified motor vehicle.

#### Section 4.11

Adds the term *tank wagon for-hire* to GS 105-449.60, concerning Article 36C, Gasoline, Diesel, and Blends. Defines the term as a truck designed or used to carry at least 1,000 gallons of motor fuel and the transporter is compensated for transporting motor fuel owned by another person. Includes the term in *motor fuel transporter* and *transport truck*. Makes technical change to refer to building storage rather than storage facilities in *bulk-end user*, and to remove the requirement of assigned of a terminal control number in *terminal*.

#### Section 4.12

Amends GS 105-449.81 to include in the motor fuel rate tax fuel alcohol (was referred to as fuel grade ethanol) which meets one of the qualifications previously specified. Makes conforming changes.

#### Section 4.13

Amends GS 105-449.105A to remove kerosene sales for the purpose of heating from those distributors can obtain a monthly refund.

## Section 4.14

Amends GS 105-449.115 to require biodiesel providers to give a shipping document to the person who operated a railroad tank car or transport truck into which motor fuel is loaded at the terminal track or bulk plant rack.

## Section 4.15

Amends GS 105-449.115A to add the destination state of the fuel to the information which must be included in the shipping document required of a person operating a tank wagon into which motor fuel is loaded for some other source.

## Part V. Tax Compliance Changes

Amends GS 105-243.1 to extend the date by which a collection assistance fee is imposed from 30 to 60 days after an overdue tax debt remains unpaid. Makes technical and clarifying changes.

Amends GS 105-236 to expand the civil penalty provisions of subdivision (a)(10) to include failure to return file the information returns required under Articles 2A and 2C. Applies to returns due to be filed on or after January 1, 2020.

Enacts GS 105-251.2(c1), authorizing the Secretary to request information of a franchisor with at least one resident franchisee, and the franchisor must provide the information, no more than one time per calendar year. Specifies information the Secretary can request, such as a return or a report. Defines the term as defined in specified federal law.

Enacts GS 105-251.3 to require every person that buys real property in the State from a nonresident seller to give information to the Secretary within 15 days of the closing date of the sale, including the seller's name, address and tax identification number if known, sales price, property address, and any other information required by the Secretary. Allows the Secretary to prescribe the manner of the report.

## Part VI. General Tax Administration Changes

Amends GS 105-241.6 to modify the contingent event exception from the general statute of limitations to request a refund of an overpayment. Allows the period to be extended once, as specified and subject to the restrictions and limitations provided, for litigation or a state audit, or other contingent events. Requires filing a written request to the Secretary prior to the expiration of the statute of limitations.

Amends GS 105-241.8 to specify that the date a federal amended return was filed is presumed to be the date recorded by the IRS.

Amends GS 105-228.90 to modify *federal determination* to mean a change or correction arising from an audit by the IRS Commissioner or an agreement of the US competent authority, and the change or correction has become final (previously did not provide for an agreement, and did not specify the correction is final). Describes when a federal determination is final. Makes conforming changes to GS 105-130.20 and GS 105-159 regarding federal determinations of federal taxable income.

Amends GS 105-163.1, which holds defined terms applicable to Article 4, Withholding. Adds the term *Individual Taxpayer Identification Number (ITIN)* and *Taxpayer Identification Number (TIN)*. Specifies that applied for or expired ITIN numbers are included in *ITIN holder*. Adds the term *payee*. Makes conforming changes. Makes conforming changes to GS 105-163.3 concerning payors' withholding taxes. Effective January 1, 2020.

Amends GS 105-241.20, regarding delivery of notice, to include in the scope of the statute's provisions a denial of a refund (previously only the proposed denial of a refund).

Recodifies GS 105-128, Power of attorney, as GS 105-258.3, and makes clarifying and technical changes to the statute.

**Intro. by Tillman, Hise, Newton.**

[GS 105](#)

[View summary](#)

**[Agriculture, Alcoholic Beverage Control, Business and Commerce, Occupational Licensing, Courts/Judiciary, Civil, Civil Law, Development, Land Use and Housing, Government, Tax](#)**

S 542 (2019-2020) [CYBERSECURITY REGIONAL TRAINING CENTER](#). Filed Apr 2 2019, *AN ACT PERTAINING TO THE CYBERSECURITY REGIONAL TRAINING CENTER*.

Amends Section 37.2 of SL 2018-5 to specify that Montreat College is responsible for establishing, and the Department of Information Technology is to assist the College in establishing (currently, the Department is to partner with the College to establish), the Cybersecurity Regional Training Center (CRTC) in Black Mountain. Adds that the previously specified amount in the Information Technology Reserve Fund is to be disbursed to, rather than used to assist, Montreat College to establish the CRTC.

**Intro. by Hise.**

[View summary](#)

**Government, State Agencies, Department of Information Technology**

S 549 (2019-2020) [CHILD WELFARE/BEHAVIORAL HEALTH PILOT/FUNDS](#). Filed Apr 2 2019, *AN ACT TO ESTABLISH A CHILD WELFARE/BEHAVIORAL HEALTH PILOT PROGRAM AND APPROPRIATE FUNDS FOR THAT PURPOSE*.

Directs the Department of Health and Human Services (DHHS), Division of Social Services, in collaboration with the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (Division), to establish a two-year child welfare and behavioral health pilot project in Davie, Forsyth, Rockingham, and Stoke counties, to provide easier access to comprehensive services for children in foster care in regards to continuity of care, alternatives to therapeutic foster care, and uninterrupted care and services pending treatment of trauma. Establishes the pilot's purpose is to provide a trauma-informed integrated health foster care model to facilitate partnerships between county departments of social services and local management entities/managed care organizations (LME/MCOs) regarding children placed in foster care. Sets nine goals of the pilot, including addressing safety and health needs of children with the application of trauma informed tools, and allowing for wrap-around services for the child to support a singular, unified goal of children in foster care having a single placement.

Appropriates \$300,000 from the General Fund for each year in the 2019-21 fiscal biennium to the Division of Social Services to implement the pilot. Restricts use of the funds to the provision of technical assistance and consultation to the counties, as described, and evaluation of the pilot to determine statewide viability.

Directs the Division of Social Service and the Division to report to the specified NCGA committee by October 1, 2022. Details minimum requirements of the report, including the average cost of providing alternatives to therapeutic foster care and a plan outlining the potential for replication across other counties.

Effective July 1, 2019.

**Intro. by Krawiec.**

[View summary](#)

**APPROP**

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

S 558 (2019-2020) [ENACT NC HEALTHY PREGNANCY ACT](#). Filed Apr 2 2019, *AN ACT ADDRESSING PREGNANCY-RELATED DISCRIMINATION AND REASONABLE ACCOMMODATIONS IN THE WORKPLACE*.

Enacts GS Chapter 168B, The North Carolina Healthy Pregnancy Act.

Establishes the public policy of the State to protect and safeguard the right and opportunity of all persons to seek, obtain, and hold employment without discrimination or abridgment on account of sex by employers that regularly employ 15 or more

employees. Specifies that the policy includes the right to seek, obtain, and hold employment without discrimination on the basis of pregnancy, childbirth, or related medical condition. Sets forth nine defined terms applicable to the Chapter.

Requires an employer, employment agency, labor organization, place of public accommodation, or covered governmental entity to investigate whether there are reasonable accommodations that can be made, and make reasonable accommodations, once a qualified pregnant person has requested an accommodation or a potential accommodation is obvious in the circumstances. Defines *employer* to mean any person employing 15 or more employees within the State. Defines *covered governmental entity* to mean any State department, institution, agency or any political subdivision of the State or any person that contracts with any of those entities for the delivery of public services, including education, health, social services, recreation, and rehabilitation. Defines *reasonable accommodation* to mean, with regard to employment, making reasonable physical changes in the workplace, including 17 enumerated accommodations, ranging from making existing facilities used by employees readily accessible to providing closer access to parking. Enumerates six actions that the term does not require of any employer, including hiring one or more employees for the purpose of enabling the pregnant person to be employed, or making any changes that would impose an undue hardship, as defined, on the employer.

Requires a qualified pregnant person requesting a reasonable accommodation to apprise the employer, employment agency, labor organization, place of public accommodation, or covered governmental entity of her pregnancy. Also requires the qualified pregnant person requesting a reasonable accommodation to submit any necessary medical documentation, make suggestions for possible accommodations known to the person, and cooperate in any discussion and evaluation aimed at determining possible or feasible accommodations.

Requires persons affected by pregnancy to be treated the same for all employment-related purposes as other persons not affected but similar in their ability or inability to work. Establishes the following five actions by an employer which are unlawful, discriminatory practices: (1) to discriminate against a pregnant person with respect to compensation or the terms, conditions, or privileges of employment on the bases of a condition related to pregnancy, including failing to hire or consider for employment or promotion, or to discharge from employment; (2) for an employment agency to fail or refuse to refer for employment or otherwise discriminate against a pregnant person on the basis of a condition related to pregnancy; (3) for a person controlling a training or retraining program to discriminate against a pregnant person with respect to admission into or employment in the training or retraining program on the basis of a condition related to pregnancy; (4) for an employer, labor organization, or employment agency to fail to meet the duties under the Chapter; and (5) for an employer to fail or refuse to make reasonable accommodations for limitations arising from pregnancy, childbirth, or related medical conditions for an applicant or employee if so requested by the applicant or employee, unless the employer demonstrates that it would impose an undue hardship on the operation of the business of the employer.

Prohibits employers, employment agencies, or labor organizations from taking retaliatory action, as specified, against any person, applicant, or member because the person has opposed any practice made a discriminatory practice by the Chapter or because the person has testified, assisted, or participated in any manner in proceedings under the Chapter. Provides examples of retaliation under the statute, including requiring an employee to take leave if another reasonable accommodation can be provided. Further, prohibits any entity or person covered under the Chapter from retaliating against, or coercing, intimidating, threatening, or interfering with a person who exercises rights under the Chapter or assist a person in exercising the person's rights under the Chapter.

Requires employers to post notices of the rights under the Chapter in the employer's place of business, as specified. Also requires individual notice (1) in writing to new employees, (2) orally or in writing to existing employees within 120 days after the effective date of the Chapter, and (3) orally or in writing within 10 days to any employee who notifies the employer of her pregnancy.

Establishes a civil action for enforcement of rights under the Chapter. Authorizes the court to award declaratory or injunctive relief and back pay of no more than three years prior to the date the action was filed. Also authorizes the court to award attorneys' fees to the substantially prevailing party. Establishes a three year statute of limitations, as specified.

Sets forth provisions regarding construction of the Chapter.

Applies to acts occurring on or after October 1, 2019.

**Intro. by McKissick, Steinburg, Waddell.**

[View summary](#)**Business and Commerce, Courts/Judiciary, Civil, Civil Law,  
Employment and Retirement, Government, Health and  
Human Services, Health**

S 564 (2019-2020) **PROTECT PUBLIC FROM DANGEROUS WILD ANIMALS**. Filed Apr 2 2019, *AN ACT PROVIDING FOR PROTECTION OF THE PUBLIC AGAINST THE HEALTH AND SAFETY RISKS THAT CERTAIN DANGEROUS WILD ANIMALS POSE TO THE COMMUNITY*.

Enacts Article 7, Dangerous Wild Animals, to GS Chapter 19A. Sets out definitions for animal control authority; circus; dangerous wild animal; law enforcement officer; person; and wildlife sanctuary. Defines dangerous wild animal as any live animal of specified scientific classifications in the Class Mammalia, and includes the following from specified order and family: grey wolves; all species of felids (except domestic cats) and including hybrids of lions, leopards, clouded leopards, snow leopards, jaguars, cheetahs, and mountain lions; all species of hyenas and aardwolves; all species of bears; apes old world monkeys, new world monkeys (except humans), all species of marmosets, capuchin monkeys, lemurs and lorises.

Prohibits any person from possessing, selling, transferring, or breeding a dangerous wild animal. Also prohibits any person from allowing any member of the public to come into direct or physical contact with a dangerous wild animal, regardless of the animal's age. Specifies that employees, supervised interns or volunteers, and students at public or private universities and colleges engaged in academic coursework or research are not included as members of the public. Provides for ten exemptions, including circuses and wildlife sanctuaries. Excludes persons who lawfully possessed a dangerous wild animal prior to June 1, 2019, so long as the person complies with ten detailed requirements and restrictions, including maintaining specified records and annually registering with local animal control authority with the initial registration by September 1, 2019. Makes ineligible for the prior possession exclusion any person convicted of an offense involving the abuse or neglect of any animal. Requires any person transporting a dangerous wild animal to keep the animal at all times in a species-appropriate cage or travel container and comply with federal transport requirements. Requires any person possessing a dangerous wild animal to keep the animal in a permanent enclosure designed to be escape-proof and having an operable lock. Prohibits any person from allowing members of the public within 15 feet of the animal unless there is a permanent barrier in place, as described. Prohibits any person from knowingly releasing a dangerous wild animal into the wild.

Provides for enforcement of the Article by any State law enforcement officer or any other law enforcement officer with jurisdiction, or any animal control authority with jurisdiction. Specifies that the Article does not prohibit a city or county from adopting or enforcing any ordinance or other law that placed more restrictive restrictions or additional requirements on the possession, sale, transfer, or breeding of dangerous wild animals. Authorizes and provides for the seizure or impounding of animals that are possessed, sold, transferred, bred, or exhibited in violation of the Article upon obtaining a warrant from any judge or magistrate upon probable cause. Provides for temporary holding for animals that pose a direct threat to public safety or are suffering from apparent neglect or cruelty in the custody and control of certain institutions (institutions accredited or certified by the Association of Zoos and Aquariums [AZA], a wildlife sanctuary, duly incorporated nonprofit animal protection organization, veterinary hospital/clinic/practice, or institutions credited by the Association for Assessment and Accreditation of Laboratory Animal Care International; all exempted from the Article), or otherwise holding the animal in place. Sets procedures for a hearing within 14 days from the date of the seizure or impoundment, with five-days' written notice of the hearing. Deems the seized or impounded animal forfeited upon judicial determination of a violation of the Article, with the court ordering the violator to pay all reasonable expenses incurred in caring and providing for the animal from the time it was seized until forfeiture, to an institution accredited or certified by AZA, wildlife sanctuary, duly incorporated nonprofit animal protection organization, veterinary hospital/clinic/practice, or institutions credited by the Association for Assessment and Accreditation of Laboratory Animal Care International. Provides for the transfer of a forfeited animal to an institution (institution accredited or certified by AZA, wildlife sanctuary, duly incorporated nonprofit animal protection organization, veterinary hospital/clinic/practice, or institutions credited by the Association for Assessment and Accreditation of Laboratory Animal Care International) willing and able to take custody.

Specifies that the Article does not prevent law enforcement from humanely euthanizing an animal if no institution is willing and able to provide long-term care for the animal. Specifies that the Article does not prevent voluntary, permanent relinquishment of an animal by its owner to a person legally able to possess the animal and willing and able to take possession. Clarifies that voluntary relinquishment does not affect criminal charges for violations of the Article. Authorizes law

enforcement officers to humanely destroy any dangerous wild animal found to not properly be confined, whether on the property of the owner or running at large, in order to protect public safety. Makes owners liable for costs incurred by law enforcement in humanely destroying or otherwise securing an animal found not properly confined.

Makes each violation of the Article a Class 2 misdemeanor punishable by a fine not to exceed \$5,000. Provides that each animal possessed, sold, transferred, or bred in violation of the Article is a separate offense. Makes any dangerous wild animal owner or custodian whose act or omission in care, control, or containment of that animal results in the animal running loose or causing property damage a Class A1 misdemeanor, with a resulting serious bodily injury to any person making the owner of the animal strictly liable for a Class I felony. Authorizes any person who lives in a county where a dangerous wild animal is kept to bring a civil action against the animal's owner or custodian to enjoin any violation of the Article.

Provides a severability clause. Applies to offenses committed on or after December 1, 2019.

**Intro. by Woodard.**

GS 19A

[View summary](#)

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

S 565 (2019-2020) [EXTREME RISK PROTECTION ORDERS](#). Filed Apr 2 2019, *AN ACT TO AUTHORIZE THE ISSUANCE OF AN EXTREME RISK PROTECTION ORDER TO RESTRICT TEMPORARILY A PERSON'S ACCESS TO FIREARMS IF THERE IS EVIDENCE THAT THE PERSON POSES A DANGER OF PHYSICAL HARM TO SELF OR OTHERS.*

Enacts new GS Chapter 50E, the Extreme Risk Protection Orders Act, providing a court procedure for concerned citizens and law enforcement to obtain an order temporarily restricting a person's access to firearms in situations where a person poses a significant danger of harming themselves or others by possessing a firearm. Includes related legislative findings. Sets out defined terms applicable to the Chapter.

Allows either a family or household member or a law enforcement officer or agency to file a verified petition in district court for an Extreme Risk Protection Order (ERPO) in any county authorized by the venue provisions set out in GS 1-82 (most commonly where the plaintiff or defendant resides). Defines *family or household member* to be (1) a person related by blood, marriage, or adoption to the respondent; (2) a dating partner of the respondent; (3) a person who has a child in common with the respondent; (4) a domestic partner of the respondent; (5) a person who has a biological or legal parent-child relationship with the respondent, including stepparents, stepchildren, grandparents, and grandchildren; and (6) a person who is acting or has acted as the respondent's legal guardian. Sets out information required in the petition, including: (1) a factual allegation that the respondent poses a danger of physical harm to self or others (and in the case of an ex parte ERPO, poses an imminent danger of physical harm to self or others) by having in his or her care, custody, possession, ownership, or control a firearm; (2) an identification of the number, types, and locations of firearms under the respondent's custody or control; (3) an identification of any existing protection order governing the respondent; and (4) an identification of any pending legal action between the petitioner and the respondent. Requires an ERPO petition to be accompanied by a written statement made by a witness that states specific facts supporting the allegation in the petition along with the witness's name and relationship to the petitioner, or an audio and visual recording of the incident the petitioner is using as the basis for the ERPO.

Clarifies that a petition for an ERPO can be granted without delay regardless of whether there is pending action between the petitioner and the respondent. Provides for a petitioner to use the substitute address designated by the Address Confidentiality Program when filing documents required by new Chapter 50E. Prohibits the assessment of court costs or attorneys' fees for filing or service of an ERPO petition or service of any ERPOs, except for sanctions for violations regarding signing and verification of the pleadings under GS 1A-1, Rule 11. Authorizes electronic filing of all documents filed, issued, registered, or served in an action under new Chapter 50E.

Requires a summons be issued and served no later than five days prior to the date set for the full ERPO hearing, with the ERPO petition, any ex parte ERPO that has been issued and the notice of hearing on the ex parte ERPO, and a description of an ERPO attached. Directs the clerk of court to effect service through the appropriate law enforcement agency.

Sets forth the required information that must be included in an ERPO, including (1) a statement of the grounds supporting its issuance; (2) the date and time the ERPO was issued and when it expires; (3) whether a mental health or chemical dependency

evaluation of the respondent is required; (4) the court's address where a responsive pleading can be filed; (5) a description of the relinquishment and retrieval requirements for firearms, ammunition and related permits of the respondent; (6) a description of the process for seeking termination of the ERPO; and (7) a statement that violation of the ERPO is a Class A1 misdemeanor.

Details the parameters of issuing an ex parte ERPO without service or notice. Requires the court to find by clear, cogent, and convincing evidence that the respondent poses an imminent danger of causing physical injury to self or others by having in his or her custody a firearm before a judge or magistrate can issue an ex parte ERPO. Provides that the chief district court judge can designate for each county at least one judge or magistrate to be reasonably available to issue ex parte ERPOs when the court is not in session. Authorizes hearings to consider ex parte relief to be held by video conference.

Details the parameters of issuing a full ERPO, including a hearing on the petition no later than 10 days from either the date an ex parte ERPO was issued, if applicable, or the date the petition was filed. Allows for one continuance of no more than 10 days unless all parties consent or good cause is shown. Permits issuance of a full ERPO when (1) the court finds by a preponderance of the evidence that the respondent poses a danger of causing physical injury to self or others by having in his or her custody a firearm, (2) process was proper, and (3) notice of hearing was proper.

Requires the respondent to immediately surrender to the sheriff possession of all firearms, ammunition, and permits in the custody or control of the respondent upon service of an ERPO, or within 24 hours of service at a time and place specified by the sheriff in the event weapons cannot be surrendered at the time the ERPO is served. Requires the sheriff to issue receipt at the time of surrender or seizure, and file receipt with the court within 48 hours after issuing the receipt. Provides for a warrant to be issued for failure to surrender firearms. Allows the sheriff to charge the respondent a reasonable fee for the storage of any firearms and ammunition taken pursuant to an ERPO. Provides for retrieval if the ex parte ERPO expires and the court does not enter a full ERPO. Otherwise, requires the respondent to file a motion for retrieval within 90 days after an ERPO expires, whereby surrendered firearms, ammunition, and permits must be returned to the respondent within 30 days of the motion unless the court finds the respondent is otherwise precluded from owning or possessing a firearm pursuant to state or federal law. Provides for motion for return by a third party. Authorizes disposal of surrendered firearms that have not been or cannot be returned as specified.

Sets the duration of an ex parte ERPO to be from its effective date to the date the hearing is held, or if a hearing is not held or a continuance not granted, no more than 10 days from its issuance. Requires a full ERPO to be effective for a fixed period of time not to exceed one year. Provides for renewal of any ERPO by the petitioner one or more times prior to its expiration, providing the initial requirements are satisfied and there has been no material change in the circumstances since its issuance. Limits the granting of renewals to open court.

Details the process of terminating an ERPO, with the respondent limited to submitting one motion for termination for every 12-month period the full ERPO is in effect. Requires the court to set a hearing no sooner than 14 days and no later than 30 days from the date of service upon the petitioner. Requires the respondent to prove by a preponderance of the evidence that he or she does not pose a danger of causing physical injury to self or others by having a firearm in his or her custody or care.

Requires the clerk to provide same day notice of ERPO issuance to the sheriff. Requires the sheriff to promptly enter the ERPO into the National Crime Information Center registry; update the orders in the registry upon modification, termination, renewal, or dismissal; and to provide 24/7 access to the orders to the courts. Also requires a copy of the ERPO be issued promptly to and retained by the municipal police department. Provides for notice to the respondent if he or she was not present when the ERPO was issued, and for notice to third parties where applicable.

Makes it a Class A1 misdemeanor for any person to possess, purchase, or receive, or attempt to possess, purchase, or receive, a firearm, ammunition, or permits to purchase or carry concealed firearms for so long as an effective ERPO is entered against that person.

Makes it a Class 2 misdemeanor for any person to knowingly make a false statement when petitioning for an ERPO, and for any person to knowingly make a false statement to law enforcement that an ERPO remains in effect.

Clarifies that the remedies provided in new GS Chapter 50E are not exclusive, and that the Chapter does not affect the ability of law enforcement to remove a firearm or permit from any person, or conduct any search and seizure for firearms, pursuant to other lawful authority.

Specifies that Chapter 50E does not impose any criminal or civil liability on any person or entity for acts or omissions related to obtaining an ERPO.

Amends GS Chapter 15C, providing for the inclusion of petitioners for an ERPO in the Address Confidentiality Program. Makes conforming changes.

Amends GS 14-415.4 to require a court to deny a petition to restore the petitioner's firearm rights if the court finds an ex parte or full ERPO has been issued pursuant to GS Chapter 50E or a similar out-of-state or federal order has been issued against the petitioner and the court order is still in effect.

Directs the Administrative Office of the Courts (AOC) to develop the appropriate forms to implement the processes set out in new GS Chapter 50E.

Effective December 1, 2019.

**Intro. by McKissick, Chaudhuri, Peterson.**

[GS 14, GS 15C, GS 50E](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, Public Safety and Emergency Management](#)

S 567 (2019-2020) [FUNDS./LITTLE ALAMANCE CREEK CONS. EASEMENT](#). Filed Apr 2 2019, *AN ACT TO PROVIDE FUNDS FOR DISSOLUTION OF A CONSERVATION EASEMENT IN ALAMANCE COUNTY*.

Appropriates \$837,755 in nonrecurring funds for the 2019-20 fiscal year to the Department of Environmental Quality (DEQ). Requires the funds to be allocated to the Division of Mitigation Services for dissolving the conservation easement associated with the Little Alamance Creek stream restoration project in Alamance County and held by the State. Requires DEQ to provide the remaining funds needed to dissolve the conservation easement from funds available to DEQ.

**Intro. by Gunn.**

[APPROP](#)

[View summary](#)

[Environment, Government, Budget/Appropriations, State Agencies, Department of Environmental Quality \(formerly DENR\)](#)

S 573 (2019-2020) [ENACT NATUROPATHIC DOCTORS LICENSURE ACT](#). Filed Apr 3 2019, *AN ACT TO ESTABLISH LICENSURE AND EDUCATION STANDARDS FOR THE PRACTICE OF NATUROPATHIC MEDICINE*.

Adds new Article 43, North Carolina Naturopathic Doctors Licensure Act, to GS Chapter 90. Prohibits a person from practicing as a naturopathic physician without a state license issued pursuant to the bill, with specified exemptions. Defines *naturopathic medicine* generally as a system of natural health care that employs diagnosis and treatment using natural therapies and diagnostic techniques. Sets out the techniques that may and may not be used by naturopathic physicians. Makes violations a Class 1 misdemeanor. Establishes the NC Naturopathic Doctors Licensing Board (Board), with seven members (three appointed by the Governor and two each upon recommendation of the Speaker of the House of Representatives and the President Pro Tem. of the Senate, with each member having to come from specified groups) to be appointed by January 1, 2020. Prohibits members from serving more than two consecutive terms. Charges Board with administration of the licensing program. Sets out qualifications for licensure as a naturopathic physician, fees that may be charged by the Board, and the Board's disciplinary authority. Permits criminal record checks for licensees and persons seeking licenses. Creates a six-member Naturopathic Doctors Formulary Council to recommend to the Board, on an ongoing basis, a formulary for naturopathic doctors to use in practice.

Amends GS 90-18 by adding that the practice of naturopathic medicine by a licensed naturopathic doctor does not constitute the practice of medicine or surgery under GS Chapter 90, Article 1, Practice of Medicine.

Enacts new GS 143B-972 requiring the Department of Justice to provide the Board with the criminal history of license applicants; sets out the related process, confidentiality provisions, and allowable fees.

Applies to licenses granted on or after January 1, 2020.

**Intro. by Krawiec, Tillman.**

GS 90, GS 143B

[View summary](#)

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

S 582 (2019-2020) **NC COMPREHENSIVE SCHOOL ACCOUNTABILITY**. Filed Apr 3 2019, *AN ACT TO REQUIRE COMPREHENSIVE SCHOOL ACCOUNTABILITY THROUGH THE REQUIREMENT OF CERTAIN TESTS AND ASSESSMENTS FOR ACADEMIC PROGRESS OF STUDENTS RECEIVING OPPORTUNITY SCHOLARSHIPS AND SCHOLARSHIP FUNDS FOR CHILDREN WITH DISABILITIES*.

Amends GS 115C-112.6, concerning scholarships for students with disabilities who are attending nonpublic schools. Adds that nonpublic schools that accept eligible students receiving scholarship funds must annually academically assess students at the same grade levels as required by the State Board of Education for students in the public schools. Requires students awarded scholarship funds who are enrolled in a nonpublic school to participate in the assessment to maintain eligibility for the scholarship. Sets out assessment measure that are to be used. Requires keeping assessment data for five years and providing assessment data to the student's parent or guardian. Amends GS 115C-112.8 by adding information on compliance with the academic assessment requirement to the items that must be included in the North Carolina State Education Assistance Authority's annual report to the Joint Legislative Education Oversight Committee on the Special Education Scholarships for Children with Disabilities.

Enacts new GS 115C-593.5 creating the same assessment requirements for scholarships for a personal education savings account to be used for qualifying education expenses to attend a nonpublic school. Amends GS 115C-598 to also include reporting on these assessment requirements in the Authority's reporting requirements.

Amends GS 115C-562.5 to require nonpublic schools that accept eligible students receiving scholarship grants to administer at least once in each school year the assessment and tests required by the State Board of Education for public schools administered to comply with federal law according to grade level. Requires test performance data to be retained for five years. Requires a nonpublic school enrolling more than 10 (was, 25) students whose tuition and fees are paid with a scholarship grant to report to the Authority on the aggregate standardized test performance of eligible students. Amends GS 115C-562.2 to require eligible students awarded a scholarship grant to participate in the exams to maintain scholarship grant eligibility. Amends the Authority's reporting requirements to include in the annual report information on the compliance with the testing and assessment requirements.

Enacts new GS 115C-562.7A to require the Authority to select an independent research organization to conduct research for the report on the assessment of the evaluation of the scholarship grants. Requires the Authority to use the tests required in GS 115C-526.5 for purposes of the scholarship grant evaluations. Requires the independent research organization research and report on learning gains or losses of students receiving scholarship grants, and competitive effects on public school performance on standardized tests as a result of the scholarship program. Sets out provisions regarding the evaluation method, aggregating test information, and keeping personally identifiable student information confidential. Requires the Authority to select an independent research organization to conduct the research beginning with the 2019-20 school year, with the first learning gains report due December 1, 2020. Makes conforming changes to SL 2013-360, Section 8.29 and GS 115C-562.7.

Applies beginning with the 2019-20 school year.

**Intro. by Clark, Smith.**

GS 115C

[View summary](#)

**Education, Elementary and Secondary Education**

S 583 (2019-2020) **REDUCE OPP. SCHOL. FUNDS/PUBLIC SCHOOLS FUNDS**. Filed Apr 3 2019, *AN ACT TO FREEZE THE FUNDING FOR THE OPPORTUNITY SCHOLARSHIP PROGRAM AT THE FUNDING LEVEL ESTABLISHED FOR THE 2018-2019 FISCAL YEAR, TO APPROPRIATE THE REDUCTION IN FUNDS FOR THAT PROGRAM TO THE DEPARTMENT OF PUBLIC INSTRUCTION FOR THE PURPOSE OF SCHOOL SYSTEMS EMPLOYING ADDITIONAL SCHOOL-BASED PERSONNEL, AND TO TRANSFER UNEXPENDED FUNDS FOR THE OPPORTUNITY SCHOLARSHIP PROGRAM TO THE PUBLIC SCHOOL BUILDING CAPITAL FUND.*

Amends GS 115C-562.8 to freeze the funding for the opportunity scholarship program at the 2018-19 funding levels. Makes a conforming deletion of GS 115C-562.2(b1) which provided that beginning with the 2017-2018 school year, within the funds appropriated by the General Assembly to award scholarship grants to eligible students, the Authority may award scholarship grants to at least 2,000 more eligible students each school year than were served in the prior school year.

Requires that the funds appropriated to the UNC Board of Governors for the NC Opportunity Scholarship Grant Fund Reserve is decreased for 2019-20 by \$10 million and for 2020-21 by \$20 million. Funds resulting from these decreases are appropriated to the Department of Public Instruction (DPI) in recurring funds for each fiscal year of 2019-21 to be allocated to local school administrative units to hire additional school-based personnel. Requires DPI to report annually to the specified NCGA committee on the use of funds beginning March 15, 2020.

The above provisions are effective July 1, 2019.

Amends GS 115C-562.8 to transfer unexpended funds for the program to the Public School Building Capital Fund. Effective June 30, 2019.

Amends GS 115C-546.2 to require that if funds are transferred from the Opportunity Grant Fund Reserve to the Public School Building Capital Fund, the funds are to be allocated for school capital construction projects on a per average daily membership basis according to the average daily membership for the budget year. Effective July 1, 2019.

**Intro. by Marcus, Searcy, Nickel.**

**GS 115C**

[View summary](#)

**Education, Elementary and Secondary Education**

S 587 (2019-2020) **CONSUMER CREDIT/FINANCE CHARGE RATES**. Filed Apr 3 2019, *AN ACT TO INCREASE THE MAXIMUM FINANCE CHARGE RATES FOR CONSUMER CREDIT INSTALLMENT SALE CONTRACTS AND TO EXPAND THE DEFINITION OF OFFICIAL FEES AS APPLIED TO THOSE CONTRACTS.*

Amends GS 25A-10 which defines official fees for the Retail Installment Sales Act, by providing that it includes fees and charges prescribed by law that actually are or will be paid by the seller (was, paid to public officials) for determining the existence of or for perfecting, releasing, or satisfying a security interest related to a consumer credit sale, or premiums payable for insurance in lieu of perfecting a security interest otherwise required by the seller in connection with a consumer credit sale if the premium does not exceed the fees or charges described above that would otherwise be payable). Makes other clarifying changes.

Amends GS 25A-15 by adding that all balances due under a consumer credit installment sale contract from any person as a buyer or as an endorser, guarantor, or surety for any buyer or otherwise jointly or severally is to be considered a part of the amount financed with regard to the contract for the purposes of computing interest or charges. Provides that the finance charge rates are the rates required to be disclosed under by the Consumer Credit Protection Act, except that official fees must be included in the amount financed and excluded from the finance charge. Changes the caps on the finance charge rate for consumer credit installment sale contracts to 24% per annum where the amount financed is less than \$3,500; 22% for amounts between \$3,500 and \$5,000; 20% for amounts between \$5,000 and \$7,500; and 18% for an amount \$7,500 or greater. Makes additional technical and clarifying changes.

Applies to contracts entered into, renewed, or modified, on or after October 1, 2019.

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

**GS 25A**

[View summary](#)**Banking and Finance**

S 591 (2019-2020) **ONE NC FUNDING FOR SMALL BUSINESSES**. Filed Apr 3 2019, *AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF COMMERCE FOR THE ONE NORTH CAROLINA SBIR/STTR INCENTIVE PROGRAM AND THE COMMUNITY INNOVATION FUND TO BE USED TO PROVIDE GRANTS TO SMALL BUSINESSES AND COMMUNITIES IN THE STATE.*

Appropriates \$5 million in recurring funds for 2019-20 from the General Fund to the One North Carolina Small Business Account for the North Carolina SBIR/STTR Incentive Program and the North Carolina SBIR/STTR Matching Funds Program.

Establishes the Community Innovation Fund in the Department of Commerce and requires that the Fund be used to award competitive grants to assist rural, small, and medium-sized communities in transitioning to a knowledge- and innovation-based economy. Appropriates \$5 million in nonrecurring funds for 2019-20 from the General Fund to the Community Innovation Fund.

Effective July 1, 2019.

**Intro. by Gunn.**

APPROP

**Business and Commerce, Development, Land Use and Housing, Community and Economic Development, Government, Budget/Appropriations, State Agencies, Department of Commerce**

[View summary](#)

S 593 (2019-2020) **INCREASE PODIATRY AND PASTORAL COUNSELOR FEES**. Filed Apr 3 2019, *AN ACT TO INCREASE THE ANNUAL FEES FOR PODIATRISTS AND PASTORAL COUNSELORS.*

Amends GS 90-202.10 by increasing the annual fee for podiatrists from \$200 to \$350. Amends GS 90-389 by increasing the annual fee to be paid by pastoral counselors from \$100 to \$300. Applies to any license or certificate issued or renewed on or after July 1, 2019.

**Intro. by Daniel.**

GS 90

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

[View summary](#)

S 594 (2019-2020) **REGISTER OF DEEDS UPDATES**. Filed Apr 3 2019, *AN ACT TO CLARIFY THE STANDARDS AND REQUIREMENTS FOR THE REGISTRATION OF CERTAIN LAND RECORDS WITH THE REGISTER OF DEEDS, TO MAKE CHANGES TO THE PROHIBITION ON FILING FALSE LIENS OR ENCUMBRANCES, AND TO PROVIDE SUGGESTED FORMS FOR THE REGISTRATION OF ASSUMED BUSINESS NAMES.*

Amends GS 161-14 by amending the size of the margins for paper used to record instruments presented for registration.

Amends GS 161-30 by adding that maps or instruments submitted to a register of deeds electronically for registration are not required to contain on its face the name and address of the person to whom the item is to be returned. The register of deeds is not required to return the item but may do so in accordance with an authorizing agreement. Makes conforming changes.

Amends GS 14-118.6 to make it illegal to present for filing or recording a false lien or encumbrance against the real or personal property of an owner or beneficial interest holder (was, against the real or personal property of a public officer, public employee, or an immediate family member of the public officer or public employee on account of the performance of the public officer or public employee's official duties). Makes a conforming deletion. Provides that if a register of deeds has a

reasonable suspicion that an instrument purposed to be a lien or encumbrance is materially false, fictitious, or fraudulent, the register of deeds may refuse to record the purposed lien or encumbrance. Makes conforming and clarifying changes. Requires that the party submitting an instrument pay the filing fee. Specifies that the presentation of an instrument for recording or filing with a register of deeds or clerk of superior court that purports to be a lien or encumbrance that is determined to be materially false, fictitious, or fraudulent is a violation of GS 75-1.1. Effective December 1, 2019.

Amends GS 66-71.5 by adding specified terms that a person may not include in an assumed business name. Makes conforming changes to the requirements for an assumed business name certificate.

Amends GS 66-71.11 by setting out a form for an assumed business name certificate, and allows a form that complies with the set out form to be sufficient to satisfy the requirements for the certificate's content.

Unless otherwise indicated, effective October 1, 2019.

**Intro. by Daniel, Marcus.**

[GS 14, GS 66, GS 161](#)

[View summary](#)

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

S 596 (2019-2020) [DISORDERLY CONDUCT/UNREASONABLE NOISE](#). Filed Apr 3 2019, *AN ACT TO PROVIDE THAT A PERSON COMMITS DISORDERLY CONDUCT IF THE PERSON MAKES UNREASONABLE NOISE WITH THE INTENT TO INFRINGE UPON ANOTHER PERSON'S EXERCISE OF HIS OR HER RIGHT TO FREE SPEECH OR TO CAUSE PUBLIC INCONVENIENCE, ANNOYANCE, ALARM, OR DISRUPTION.*

Amends GS 14-288.4 by adding that a person commits the offense of disorderly conduct (a Class 2 misdemeanor) if the person makes unreasonable noise (1) with the intent to infringe upon another person's exercise of his or her right to free speech or to otherwise cause public inconvenience, annoyance, alarm, or disruption or (2) in a careless or reckless manner so as to create the risk of infringing upon another person's exercise of his or her right to free speech or the risk of otherwise causing public inconvenience, annoyance, alarm, or disruption. Applies to offense committed on or after December 1, 2019.

**Intro. by Edwards, Daniel, Ford.**

[GS 14](#)

[View summary](#)

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

S 597 (2019-2020) [CREATE AN ADDITIONAL 5 TIER SYSTEM](#). Filed Apr 3 2019, *AN ACT TO DESIGN A FIVE-TIER ECONOMIC DISTRESS SYSTEM THAT MAY BE USED IN ADDITION TO THE CURRENT DEVELOPMENT TIER SYSTEM.*

Amends GS 143B-437.08 by establishing five enterprise tiers, in addition in development tiers, in which an enterprise tier one area is a county whose annual ranking is one of the 20 highest in the State; an enterprise tier two area is a county whose annual ranking is between 21 and 40 in the State; an enterprise tier three area is a county whose annual ranking is between 41 and 60 in the State; an enterprise tier four area is a county whose annual ranking is between 61 and 80 in the State; and an enterprise tier five area is a county that is not in a lower-numbered enterprise tier. Requires the Secretary of Commerce to identify all of the areas of eh state by development tier and enterprise tier.

**Intro. by Edwards, Gunn.**

[GS 143B](#)

[View summary](#)

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

S 598 (2019-2020) [CLARIFY STATE FIRE PROTECTION GRANT FUND](#). Filed Apr 3 2019, *AN ACT TO PROVIDE REIMBURSEMENT FOR LOCAL FIRE DEPARTMENTS PROVIDING PROTECTION TO STATE LANDS*.

Amends GS 58-85A-1 to allow funds in the State Fire Protection Grant Fund to also be used to compensate local fire districts and political subdivisions of the State for providing local fire protection to State lands. Provides that of the funds appropriated annually to the State Fire Protection Grant Fund from the General Fund, no more than \$100,000 is to be allocated to provide compensation to local fire districts and political subdivisions of the State for providing response to emergency calls on State lands not related to the provision of fire protection to State buildings and their contents.

**Intro. by Edwards, J. Davis, D. Davis.**

GS 58

[View summary](#)

**Government, Public Safety and Emergency Management,  
State Government, State Property**

S 600 (2019-2020) [VETS CHILDREN/SHORT-TERM WORKFORCE TRAINING](#). Filed Apr 3 2019, *AN ACT PROVIDING THAT CHILDREN OF WARTIME VETERANS RECEIVING A CLASS I-A, I-B, OR IV SCHOLARSHIP MAY USE THOSE FUNDS TO COVER THE COST OF SHORT-TERM WORKFORCE TRAINING COURSES LEADING TO INDUSTRY CREDENTIALS*.

Amends GS 143B-1225 and GS 143B-1227, as the title indicates.

**Intro. by D. Davis, Ballard, Britt.**

GS 143B

[View summary](#)

**Employment and Retirement, Military and Veteran's Affairs**

S 601 (2019-2020) [SCHOOL-BASED MENTAL HEALTH](#). Filed Apr 3 2019, *AN ACT TO REQUIRE PUBLIC SCHOOL UNITS TO DEVELOP AND IMPLEMENT A SCHOOL-BASED MENTAL HEALTH PLAN THAT INCLUDES A MENTAL HEALTH TRAINING PROGRAM AND SUICIDE RISK REFERRAL PROTOCOL*.

Enacts new GS 115C-375.11 requiring the State Board of Education (Board) to adopt a school-based mental health policy that includes minimum requirements for a school-based mental health plan for public school units and a model mental health training program and model suicide risk referral protocol for public school units. Requires the model mental health training program to be provided to school personnel working with students in grades K-12 and requires that it address the five specified topics. Requires the model suicide risk referral protocol to be provided to school personnel working with students in grades 6-12 and to include guidelines on the identification of students at risk of suicide and procedures and referral sources that address actions that should be taken to address identified students. Requires each public school unit to adopt a plan for promoting student mental health and well-being that includes the minimum specified items. Also requires each public school unit to provide its adopted mental health training program and suicide risk referral protocol to school personnel for free. Requires employees to receive an initial mental health training of at least six hours and subsequent mental health trainings of at least two hours. Sets out additional requirements for the training including timing of training, and delivery of the training. Requires the Superintendent of Public Instruction beginning August 1, 2025, and every five years thereafter, to review the minimum requirements for a school-based mental health plan, model mental health training program, and model suicide risk referral protocol and recommend any needed changes to the State Board of Education which must then update its policies to reflect those recommendations and publish the updates to public school units who must in turn updated their adopted mental health plan. Requires annual reports from each public school to the Department of Public Instruction on specified information about the mental health plan and compliance with the statute. The Department must report this information to the specified NCGA committees by December 15 of each year. Provides immunity from civil liability for the governing body of a public school unit, and its members, employees, designees, agents, or volunteers, for any loss or damage caused by any act or omission relating to the provision of, participation in, or implementation of any component of a school-based mental health plan, mental health training program, or suicide risk referral protocol required by this section, unless that act or omission amounts to gross negligence, wanton conduct, or intentional wrongdoing.

Amends GS 115C-218.75, GS 115C-238.66, GS 116-239.8, and GS 115C-75.9 to require charter schools, regional schools, laboratory schools, and innovative schools to adopt a school-based mental health plan, including mental health training program and suicide risk referral protocol in accordance with new GS 115C-375.11.

Makes conforming changes.

Requires the State Board to adopt a school-based mental health policy, including a model mental health training program and model suicide risk referral protocol, by December 1, 2019. Requires the policy and program to incorporate specified existing requirements. The Superintendent of Public Instruction must ensure that a copy of the school-based mental health policy adopted by the State Board in accordance with this act is made available to each public school unit by December 31, 2019.

Requires each public school unit to adopt a school-based mental health plan by July 1, 2020.

Requires school personnel to complete their initial mental health training by the end of the 2020-21 school year.

**Intro. by D. Davis, Krawiec, Ballard.**

[GS 115C, GS 116](#)

[View summary](#)

[Education, Elementary and Secondary Education, Health and Human Services, Health, Public Health](#)

S 602 (2019-2020) [NC HOPE TUITION PROGRAM](#). Filed Apr 3 2019, *AN ACT TO ESTABLISH THE NC HOPE TUITION WAIVER PROGRAM FOR CERTAIN STUDENTS GRADUATING FROM COOPERATIVE INNOVATIVE HIGH SCHOOLS WHO ATTEND AN NC PROMISE CONSTITUENT INSTITUTION.*

Includes whereas clauses.

Establishes the NC Hope Tuition Waiver Program (Program) to waive the cost of tuition for up to two years for students who (1) graduate from a cooperative innovate high school, (2) earn at least an associate degree prior to graduation from the high school, and (3) meet enrollment requirements and attend Elizabeth City State University, the University of North Carolina at Pembroke, or Western Carolina University. Requires the State to "buy down" the amount of any financial obligation resulting from the waiver of tuition that may be incurred by those universities. Sets out student eligibility requirements.

Makes conforming changes to GS 116-143.11.

Effective July 1, 2019, and applies beginning with the 2019-20 school year.

**Intro. by D. Davis, Steinburg, Britt.**

[GS 116](#)

[View summary](#)

[Education, Elementary and Secondary Education, Higher Education](#)

S 603 (2019-2020) [STUDY OF LOCALITIES ON UNIT ASSISTANCE LISTS](#). Filed Apr 3 2019, *AN ACT TO HAVE THE TREASURER STUDY AND MAKE RECOMMENDATIONS REGARDING COUNTIES AND MUNICIPALITIES WITH REPEATED ISSUES REQUIRING ASSISTANCE BY THE LOCAL GOVERNMENT COMMISSION.*

Requires the Department of State Treasurer to study unit assistance lists prepared and used by the Local Government Commission to identify counties and municipalities requiring assistance. the study is to include (1) whether there are challenges, expenses, or issues commonly occurring among entities recurring on unit assistance lists, including operations of local utility enterprises, insufficient fiscal and internal controls, disasters, or management issues, and (2) whether there are recommendations or modifications that can be implemented to mitigate or avoid unsound practices or violations of GS Chapter 159. Requires a report to the specified NCGA commission by February 1, 2020.

**Intro. by D. Davis, Steinburg, Britt.**

[STUDY](#)

[View summary](#)

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

## Local Government

S 605 (2019-2020) [DOT CASH FLOW/DISASTER RECOVERY](#). Filed Apr 3 2019, *AN ACT TO TRANSFER FUNDS TO THE DEPARTMENT OF TRANSPORTATION TO BE USED FOR CASH FLOW NEEDS AS A RESULT OF DISASTER RECOVERY.*

Requires the State Controller to transfer \$94,700,000 from the Hurricane Florence Disaster Recovery Reserve to the Department of Transportation General Maintenance Reserve in the Highway Fund. These transferred funds must be fully restored to the Reserve, as provided for below.

Requires that of the funds allocated to the Department of Transportation (DOT) under Section 4.1 of SL 2018-136, the Office of State Budget and Management must transfer the remaining sum to the Department of Transportation General Maintenance Reserve.

Allows the DOT to may use the funds transferred above and any funds received from the federal government as reimbursement for the use of funds transferred above, to meet the cash flow needs of the Department due to expenditures related to disaster relief, not to exceed the total aggregate amount of \$300 million.

Requires funds to be expended in a manner that does not adversely affect DOT's eligibility for federal funds that are made available or are anticipated to be made available as a result of the disaster.

Requires DOT, by June 30, 2021, to transfer \$94,700,000 to the Office of the State Controller for deposit in the Hurricane Florence Disaster Recovery Reserve.

Requires DOT to report beginning October 1, 2019, and quarterly thereafter until July 1, 2021, on its use of funds transferred and made available under this act to the Chairs of the Senate Appropriations/Base Budget Committee and the House of Representatives Committee on Appropriations and the Fiscal Research Division.

**Intro. by Rabon, Harrington, J. Davis.**

UNCODIFIED

[View summary](#)

**Government, Public Safety and Emergency Management,  
State Agencies, Department of Transportation**

S 606 (2019-2020) [PRIORITIZE NATIVE NC PLANTS ON HIGHWAY ROW](#). Filed Apr 3 2019, *AN ACT TO PRIORITIZE THE USE OF NATIVE NORTH CAROLINA TREES, SHRUBS, VINES, GRASSES, AND LEGUMES ON HIGHWAY RIGHTS-OF-WAY.*

Includes whereas clauses. Amends GS 136-18, as the title indicates.

**Intro. by Rabon, J. Davis, McInnis.**

GS 136

[View summary](#)

**Transportation**

S 607 (2019-2020) [PREVENT HIGHWAY TO GENERAL FUND TRANSFERS](#). Filed Apr 3 2019, *AN ACT TO ENSURE THAT FUNDS USED FOR HIGHWAY CONSTRUCTION AND MAINTENANCE ARE NOT INADVERTENTLY DIVERTED TO THE GENERAL FUND.*

Amends GS 105-164.13 to exempt from sales tax services provided and property leased or rented as part of a contract to provide the following with respect to driveways, parking lots, sidewalks, roads, and rights-of-way of roads: (1) lane closure and traffic diversion services; (2) flagging services; (3) rental and installation of road signs or signals, arrowboards, work zone lighting and light towers, and radar speed devices; and (4) rental and installation of barrier devices, including cones, barrels, sentry walls, and guardrails. Amends the exemption for the sales price of or the gross receipts derived from the repair, maintenance, and installation services and service contracts listed to include services performed withing the rights-of-way of roads that are related to road construction, maintenance, or repair.

Amends GS 105-164.14 to allow the Department of Transportation (DOT) a refund of sales taxes paid on direct purchases of tangible personal property and services. Provides that sales tax indirectly incurred by DOT on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure owned or leased by DOT and erected, altered, or repaired for use by DOT is considered a sales tax liability incurred on direct purchases by the DOT for these purposes.

Applies to sales made on or after July 1, 2019.

**Intro. by Rabon, J. Davis, McInnis.**

GS 105

[View summary](#)

**Government, Tax, Transportation**

S 608 (2019-2020) [SAVINGS RESERVE/USE FUNDS FOR DISASTER RELIEF](#). Filed Apr 3 2019, *AN ACT TO TRANSFER FUNDS FROM THE SAVINGS RESERVE TO THE HIGHWAY FUND TO BE USED BY THE DEPARTMENT OF TRANSPORTATION FOR CASH FLOW NEEDS RELATED TO DISASTER RELIEF.*

Requires the State Controller to transfer \$301 million for 2018-19 year from the Savings Reserve to the Highway Fund and appropriate those funds to the General Maintenance Reserve to be used by the Department of Transportation (DOT) for costs related to disaster relief.

Requires DOT to ensure that funds transferred in this act are expended in a manner that does not adversely affect DOT's eligibility for federal funds that are made available or are anticipated to be made available as a result of the disaster.

Requires DOT to transfer to the Office of the State Controller any funds received from the federal government as reimbursement for funds expended above and requires that funds transferred above that remain unspent or unencumbered as of June 30, 2021, to revert to the Savings Reserve. Requires the transferred funds to be fully restored to the Savings Reserve by June 30, 2021.

Requires DOT to report by July 15, 2021, the Department on its use of the transferred funds to the chairs of the Senate Appropriations/Base Budget Committee and the House of Representatives Committee on Appropriations and the Fiscal Research Division.

**Intro. by Rabon, Harrington, J. Davis.**

UNCODIFIED

[View summary](#)

**Government, Public Safety and Emergency Management, State Agencies, Department of Transportation, Transportation**

## ACTIONS ON BILLS

**No public actions on bills**

## LOCAL BILLS

### **H 170: ASHEBORO SATELLITE ANNEXATIONS.**

*House: Regular Message Sent To Senate*

### **H 171: CHINA GROVE SATELLITE ANNEXATIONS.**

*House: Regular Message Sent To Senate*

### **H 285: CITY OF SANFORD/VOLUNTARY ANNEXATIONS.**

*House: Regular Message Sent To Senate*

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