



## The Daily Bulletin: 2020-05-12

### PUBLIC/HOUSE BILLS

H 1065 (2019-2020) [HONOR MARYANN BLACK, FORMER MEMBER](#). Filed May 8 2020, *A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF MARYANN BLACK, FORMER MEMBER OF THE GENERAL ASSEMBLY*.

As title indicates. Includes several whereas clauses.

Directs the Secretary of State to transmit a certified copy of the resolution to the family of the late former Representative MaryAnn Black.

**Intro. by Morey, Hawkins, Alston, Reives.**

[JOINT RES](#)

[View summary](#)

[Government, General Assembly](#)

H 1066 (2019-2020) [COMMUNITY COLLEGE SYSTEM FUNDING PRIORITIES](#). Filed May 12 2020, *AN ACT TO APPROPRIATE FUNDS FOR THE 2020-2021 FISCAL YEAR FOR ENROLLMENT GROWTH AT NORTH CAROLINA'S COMMUNITY COLLEGES AND FOR LEGISLATIVELY MANDATED SALARY INCREASES FOR COMMUNITY COLLEGE PERSONNEL*.

Appropriates \$40.2 million in recurring funds from the General Fund to the Community Colleges System Office (CC System Office) for the 2020-21 fiscal year to fully fund enrollment growth at community colleges.

Appropriates \$62 million in recurring funds from the General Fund to the CC System Office for the 2020-21 fiscal year to fund a legislatively mandated 5% salary increase for local community college personnel, effective July 1, 2020. Excludes from eligibility persons separated from service prior to June 30, 2020, and those employees issued paychecks for services provided prior to July 1, 2020.

Repeals any conflicting provisions if HB 966 (Appropriations Act of 2019) or the described Committee report becomes law.

Effective July 1, 2020.

**Intro. by Sauls, Hurley.**

[APPROP](#)

[View summary](#)

[Education, Higher Education, Employment and Retirement, Government, Budget/Appropriations, State Agencies, Community Colleges System Office](#)

H 1067 (2019-2020) [MODERNIZE DEBT SETTLEMENT PROHIBITION](#). Filed May 12 2020, *AN ACT TO MODERNIZE AND EXPAND THE PROHIBITION OF DEBT SETTLEMENT BY MAKING DEBT SETTLEMENT AN UNFAIR TRADE PRACTICE, CLARIFYING THE DEFINITION OF DEBT SETTLEMENT, EXPANDING CIVIL REMEDIES AVAILABLE TO DEBTORS, LIMITING DEBT SETTLEMENT ACTS THAT ARE AUTHORIZED, AND MAKE OTHER ADMINISTRATIVE AND TECHNICAL CHANGES*.

Recodifies Article 56 of GS Chapter 14 as Article 7 of GS Chapter 75, now titled Adjusting and Debt Settlement Prohibited (was, Debt Adjusting). Makes the following changes to the Article.

Modifies and adds to the Article's defined terms. Defines debt adjusting as entering into or making a contract with a debtor whereby the debtor agrees to pay a certain amount of money periodically to the person engaged in the debt adjusting business and that person, for consideration, agrees to distribute or distributes the money among one or more creditors pursuant to an

agreed upon plan. Modifies the definition used for debt adjusting to no longer include the business or practice of holding oneself out as acting or offering or attempting to act for consideration as an intermediary between debtor and creditors to settle, compound, or alter payment terms of a debtor, and receiving money or other property for payment to or distribution among the debtor's creditors. Adds the defined term debt settlement, defined to mean the business whereby any person holds themselves out as acting for consideration as an intermediary between a debtor and one or more of the debtor's creditors for the purpose of reducing, settling, or altering the terms of the payment of any debt of the debtor (previously, included in the definition of debt adjusting; eliminates further specifications previously provided). Amends the definition of person to include "other entity." Eliminates the defined terms debt adjuster and nominal consideration. Adds the defined term affiliate.

Adds a new provision to expressly prohibit any person, directly or through affiliates, from engaging in, offering to engage in, or attempting to engage in debt adjusting or debt settlement. Modifies the existing language concerning criminal punishment for a violation of the Article to include debt settlement, thereby making both debt adjusting and debt settlement a Class 2 misdemeanor. Additionally, expands the provisions regarding enjoining actions brought under the Article, to include debt settlement, and allow a superior court judge to enjoin the continuation or offering of any debt adjusting or debt settlement business or services as an unfair trade practice. Adds that the authorized actions and remedies are in addition to other remedies available under GS Chapter 75.

Makes clarifying changes to the provisions providing for authorized acts under the Article and modifies the language to reflect the Article's defined terms, as amended. More specifically includes as an authorized act a licensed attorney acting within the attorney-client relationship with the debtor who has entered into any arrangement with a person engaged in, directly or through affiliates, in debt adjusting or debt settlement, excluding services provided to a debtor by an attorney or in the name of an attorney. Adds to the conditions for credit counseling, education and debt management by an organization to qualify as an authorized act to now require that the organization charges no fee or a fee to cover debt management plan administration that is no more than \$40 for origination or setup and 10% of the monthly payment disbursed under the plan, which is no more than \$40. Eliminates the previously authorized act of intermittent or casual adjustment of a debtor's debt for compensation for an individual or person who is not a debt adjuster, not engaged in or holding oneself out as being engaged in debt adjusting.

Deems contracts for debt adjusting or debt settlement void per se and deems any violation of the Article as an unfair trade practice under GS 75-1.1.

Applies to offenses committed on or after July 1, 2020.

**Intro. by Howard, Saine, Wray.**

GS 14, GS 75

[View summary](#)

**[Business and Commerce, Consumer Protection, Courts/Judiciary, Civil, Civil Law, Criminal Justice, Criminal Law and Procedure](#)**

H 1068 (2019-2020) **[EMERGENCY ARTS COUNCIL FUNDING](#)**. Filed May 12 2020, *AN ACT TO PROVIDE FUNDING FOR NONPROFIT ARTS ORGANIZATIONS NEGATIVELY IMPACTED BY THE COVID-19 PANDEMIC*.

States legislative findings regarding the impact of COVID-19 on nonprofit community arts organizations.

Directs the State Controller to transfer \$3 million from the Coronavirus Relief Reserve to the Coronavirus Relief Fund (Reserve and Relief Fund, respectively; both established in SL 2020-4) for the 2019-20 fiscal year. Appropriates \$3 million in nonrecurring funds from the Relief Fund to the Department of Natural and Cultural Resources (DNCR) for the 2019-20 fiscal year. Specifies that the funds remain available until December 1, 2020. Requires the funds to be allocated to the NC Arts Council (Council) to be distributed to nonprofit arts organizations negatively impacted by the COVID-19 emergency for continuity of operation purposes. Restricts use to purposes consistent with specified federal Treasury guidance or subsequent congressional act. Directs DNCR and the Council to develop criteria for the disbursement of grants.

Directs the Council to report to the specified NCGA committee and division by August 1, 2020, on the distribution of funds, and by February 1, 2020, on recipient use of funds. Provides for transfer of any allocation disallowed by federal law back to the Reserve, as specified.

**Intro. by Carney, Elmore, Presnell, Fisher.**

APPROP

[View summary](#)**Government, Cultural Resources and Museums, State Agencies, Department of Natural and Cultural Resources (formerly Dept. of Cultural Resources), Office of State Budget and Management, Nonprofits**

H 1069 (2019-2020) **RETIREMENT TECHNICAL CORRECTIONS ACT OF 2020**. Filed May 12 2020, *AN ACT TO MAKE TECHNICAL CHANGES TO THE STATUTES GOVERNING THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, THE LEGISLATIVE RETIREMENT SYSTEM, THE SUPPLEMENTAL RETIREMENT INCOME PLAN, AND THE ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) PROGRAM TRUST*.

#### Section 1

Amends GS 128-21 and GS 135-1, which define terms applicable to provisions governing the Retirement System for Counties, Cities, and Towns [Local Government Employees' Retirement System (LGERS)] and the Teachers' and State Employees' Retirement System (TSERS), to add the defined term *duly acknowledged*. Defines the term to mean notarized, including electronic notarization, or verified through an identity authentication service approved by the Department of State Treasurer.

#### Section 2

Amends the following statutes pertaining to the Retirement System specified to provide for payment of a member's contributions to the System in one lump sum, if the member is not eligible for a retirement benefit, when the member attains 72 years of age (currently, 70 and one-half years of age) or has ceased to be an employee of the respective System: GS 135-5(m4) (concerning TSERS); GS 128-27(m3) (concerning LGERS); GS 135-74(c1) (concerning the Judicial Retirement System); and GS 120-4.31(c1) (concerning the Legislative Retirement System). Consolidates repetitive language in each statute concerning members actively contributing to other Retirement Systems. Makes corrections to statutory cross-references and references to other Systems. Makes clarifying and technical changes to each, and makes language gender neutral.

Effective January 1, 2021, and applies to members on or after that date. Provides that the statute that is in effect on the day the member attains 70 and one-half years of age is applicable to a member that attains age 70 and one-half on or before December 31, 2019.

#### Section 3

Amends GS 135-90, concerning the purpose of the Supplemental Retirement Income Act, to remove disability from the specified conditions triggering supplemental retirement income payments as allowed under the Internal Revenue Code.

Amends GS 135-92 to include individuals required under the Internal Revenue Code to be eligible for participation in the Supplemental Retirement Income Plan (Plan) in the Plan's stated membership eligibility, if the individuals voluntarily elect enrollment. Makes technical and clarifying changes.

Amends GS 135-94 to remove the responsibility of the Department of State Treasurer and the Plan's Board of Trustees to provide members with alternative payment options for benefit distribution from the Plan upon disability.

#### Section 4

Amends GS 147-86.70, which sets forth defined terms applicable to Article 6F, Achieving a Better Life Experience (ABLE) Program Trust. Amends the definition given for *ABLE account* to add a sibling to those specified individuals that may act on behalf of the account owner. Makes conforming changes to GS 147-86.71 to add a sibling as an alternative to the specified parties who must sign the ABLE account application if the contributor is not the account owner, and clarifies that a sibling appointed as signatory of the account, like other specified account administrators, has no beneficial interest in the account. Adds *sibling* as a defined term and defines the term to mean a brother, sister, stepbrother, or stepsister (previously, this is the definition given for the term *member of the family*, which has now been eliminated). Makes conforming changes to replace *member of the family* with *sibling* throughout the Article. Applies to actions taken on behalf of an ABLE account owner on or after the date the act becomes law.

**Intro. by C. Smith, McNeill.**

GS 120, GS 128, GS 135, GS 147

[View summary](#)**Courts/Judiciary, Education, Employment and Retirement, Government, General Assembly, State Government, State Personnel, Local Government**

H 1070 (2019-2020) **CREDIT FOR CERTAIN MILK PRODUCERS**. Filed May 12 2020, *AN ACT TO PROVIDE A TAX CREDIT FOR CERTAIN MILK PRODUCERS*.

Identical to [S 713](#), filed 5/7/20.

Enacts Article 3M, Milk Producer Tax Credit, of GS Chapter 105. Allows producers of qualifying milk, defined as Grade "A" milk, a tax credit for each calendar year quarter in which the USDA uniform price is less than the announced production price promulgated by the Board of Agriculture. Applies to taxpayers who produce milk in the State for wholesale and for shipment on a weekly or more frequent basis. Details credit calculation for a taxable year with quarter multipliers ranging from \$8,750 to \$15,000 based on annual pounds of qualifying milk produced ranging from 500,000 pounds to over 7.5 million pounds. Requires the taxpayer to elect for the credit to be applied against franchise tax or income tax. Specifies that the tax is refundable. Requires necessary record keeping for substantiation and places the burden of credit eligibility upon the taxpayer. Adds that the Department of Revenue must include the following information in the economic incentives report required by GS 105-256, itemized by credit and by taxpayer: the number of taxpayers that took the credits allowed under new Article 3M; the volume of milk produced with respect to which the credits were taken; and the total cost to the General Fund of the credits taken. Repeals the entire Article on January 1, 2025, effective for milk produced on or after that date.

Directs the Revenue Laws Study Committee to biennially review the milk producer tax credit to determine if the economic benefit provided outweighs the cost of the tax expenditure.

Effective for taxable years beginning on or after January 1, 2020.

Amends GS 106-814 to require the Board of Agriculture (Board) to quarterly promulgate the announced production price for milk in the State. Requires the Board to consider the average price of milk in the top five states where milk is imported to NC, the average transportation cost of importing milk, and the cost of production in NC.

**Intro. by McNeely, Hurley, Fraley.**

STUDY, GS 105, GS 106

[View summary](#)**Agriculture, Business and Commerce, Government, General Assembly, Tax**

## ACTIONS ON BILLS

## PUBLIC BILLS

### **H 1065: HONOR MARYANN BLACK, FORMER MEMBER.**

*House: Passed 1st Reading*

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

### **H 1066: COMMUNITY COLLEGE SYSTEM FUNDING PRIORITIES.**

*House: Filed*

*House: Passed 1st Reading*

*House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House*

**H 1067: MODERNIZE DEBT SETTLEMENT PROHIBITION.**

*House: Filed*

*House: Passed 1st Reading*

*House: Ref to the Com on Finance, if favorable, Rules, Calendar, and Operations of the House*

**H 1068: EMERGENCY ARTS COUNCIL FUNDING.**

*House: Filed*

*House: Passed 1st Reading*

*House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House*

**H 1069: RETIREMENT TECHNICAL CORRECTIONS ACT OF 2020.**

*House: Filed*

*House: Passed 1st Reading*

*House: Ref to the Com on Pensions and Retirement, if favorable, Rules, Calendar, and Operations of the House*

**H 1070: CREDIT FOR CERTAIN MILK PRODUCERS.**

*House: Filed*

**No local actions on bills**

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