



The Daily Bulletin: 2020-05-13

PUBLIC/HOUSE BILLS

H 1071 (2019-2020) [STATE/FEDERAL FUNDS FOR SCHOOL CONNECTIVITY](#). Filed May 12 2020, *AN ACT TO APPROPRIATE STATE FUNDS FOR THE SCHOOL CONNECTIVITY INITIATIVE IN ORDER TO MAXIMIZE ELIGIBILITY FOR FEDERAL FUNDS.*

Appropriates \$4.6 million in recurring funds and \$15 million in nonrecurring funds from the General Fund to the Department of Public Instruction (DPI) for the 2020-21 fiscal year for the School Connectivity Initiative.

Reenacts and incorporates by reference the provisions of GS Chapter 143C, the State Budget Act. Provides for the continued validity of any 2019 legislation expressly appropriating funds to an agency, department or institution covered under the act unless expressly repealed or amended by the act. Provides that this act supersedes any conflicting provision of HB 966 (Appropriations Act of 2019) if that act becomes law.

Effective July 1, 2020.

Intro. by Horn, Clemmons, Fraley.

[APPROP](#)

[View summary](#)

[Education, Government, Budget/Appropriations, State Agencies, Department of Public Instruction](#)

PUBLIC/SENATE BILLS

S 715 (2019-2020) [2020 REDISTRICTING COUNTY CLUSTER PROCESS](#). Filed May 13 2020, *AN ACT TO ESTABLISH A PROCESS FOR THE CREATION AND SELECTION OF COUNTY CLUSTER MAPS TO BE USED WHEN REVISING DISTRICTS FOR THE SENATE AND THE HOUSE OF REPRESENTATIVES FOLLOWING THE RETURN OF THE 2020 DECENNIAL CENSUS.*

Includes whereas clauses concerning legislative redistricting. Sets forth 14 defined terms.

Details a seven-step process for establishing cluster maps to use for the apportionment of seats and the nomination and election of members of the NCGA Senate and House of Representatives following the return of the 2020 census. Defines a cluster as a grouping of one or more counties that is capable of containing a whole number of legislative districts. Requires the State Board of Elections (State Board) to develop and provide, through the Executive Director, to the Senate Pro Tempore, the House Speaker, and their Principal Clerks, a cluster map set from the data from the 2020 decennial census, as defined, within 28 days of receipt of the data. Defines a cluster map set to mean the total collection of optimum cluster maps for consideration prior to revising the legislative districts. Authorizes the State Board to delegate development responsibility to the Department of Mathematics at Duke University or the School of Government at UNC-Chapel Hill. Requires the Executive Director to ensure that each cluster map in the set includes specified notes and tables, shapefiles and block assignment files, and is provided in Portable Document Format. Requires the NCGA Principal Clerks to make the cluster map set available to legislators within 29 days of the date the data from the 2020 decennial census is provided to the State. Requires legislative committees tasked with reapportioning legislative districts to post the cluster map set on its website within 30 days of the date the data from the 2020 decennial census is provided to the State, and allows for at least five days of public comment before taking any committee action. Requires all legislative committees tasked with legislative redistricting to meet jointly to receive in-person public comment on the cluster map set provided by the State Board within 37 days of the date the data from the 2020 decennial census is provided to the State. Expressly prohibits legislative committees tasked with legislative redistricting to consider incumbency protection or partisan advantage when selecting a cluster map.

Appropriates \$25,000 in nonrecurring funds from the General Fund to the State Board for the 2020-21 fiscal year for contracting to develop a cluster map set. Specifies that the funds remain available until August 31, 2021. Reenacts and incorporates by reference the provisions of GS Chapter 143C, the State Budget Act. Provides for the continued validity of any 2019 legislation expressly appropriating funds to an agency, department or institution covered under the act unless expressly repealed or amended by the act. Provides that this act supersedes any conflicting provision of HB 966 (Appropriations Act of 2019) if that act becomes law. Effective July 1, 2020.

Intro. by Clark, Woodard.

APPROP

[View summary](#)

Government, Budget/Appropriations, Elections, General Assembly, State Agencies, State Board of Elections

S 717 (2019-2020) **PED/MILITARY OCCUPATIONAL LICENSURE**. Filed May 13 2020, *AN ACT TO EXPEDITE OCCUPATIONAL LICENSURE FOR MILITARY SPOUSES, PUBLICIZE LICENSURE INFORMATION, AND REPORT DATA REGARDING APPLICANTS WHO ARE MILITARY SPOUSES AND APPLICANTS THAT HAVE MILITARY TRAINING, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.*

Identical to [H 1053](#), filed 4/30/20.

Amends GS 93B-15.1 regarding licensure for individuals with military training and experience or military spouses. Makes organizational changes to separate the notification requirements for occupational licensing boards that find the military trained applicant or the military spouse applicant does not satisfy the licensure, certification, or registration requirements; however, the existing requirements remain for both applicants. Adds that an occupational licensing board must notify a military spouse applicant who has a pending complaint with the respective licensing agency in another jurisdiction within 30 days of the board's receipt of written notice of the disposition of the pending complaint.

Further amends the statute by adding to the information each occupational licensing board must publish to its website, currently limited to licensure, registration, or certification criteria, to include a document that contains a summary of the opportunities available to veterans and military spouses under the statute's provisions. Additionally, requires the Secretary of the Department of Military and Veterans Affairs to publish on the Department's website both documents occupational licensing boards are required to publish on its website under the statute (previously, required licensure criteria to be published on the Department's website, but did not place this responsibility on the Secretary).

Amends GS 93B-2 regarding annual reporting requirements for occupational licensing boards. Adds to the required contents of the annual reports, requiring occupational licensing boards to report on the following data for both military trained applicants and military spouses: the number of applicants, the number granted a license, the number denied a license for any reason, and a summary of the reasons for denial. Prohibits disclosure of any identifying information of any applicant in reporting this information. Additionally, amends GS 93B-15.1 to require the State Board of Education to report this same information regarding teacher licensure for military trained applicants and military spouses. Lastly, amends GS 93B-2 to require all occupational licensing boards to annually electronically file the information collected on military trained applicants and military spouses with the Secretary of the Department of Military and Veterans Affairs.

Requires each occupational licensing board to include the newly required reporting criteria under GS 93B-2, as amended, for fiscal year 2019-20 in annual reports by October 31, 2021.

Effective December 1, 2020, and applies to applications for licensure received on or after that date.

Intro. by Bryan, Wells, D. Davis.

GS 93B

[View summary](#)

Business and Commerce, Occupational Licensing, Government, State Agencies, Department of Military & Veterans Affairs, Military and Veteran's Affairs

S 718 (2019-2020) **VARIOUS SALES TAX CHANGES**. Filed May 13 2020, *AN ACT TO MAKE VARIOUS SALES AND USE TAX CHANGES, AS RECOMMENDED BY THE REVENUE LAWS STUDY COMMITTEE*.

Part I

Amends GS 105-164.13E to modify and add to items that may be exempt from sales and use tax by qualified farmers. Exemptions now include (1) baby chicks and poults, without the qualification that the baby chicks and poults be sold for commercial poultry or egg production, and (2) livestock, which previously were not included in the exemptions. Effective July 1, 2020, and applies to sales occurring on or after that date.

Adds livestock to the defined terms set out in GS 105-164.3 as it applies to sales and use tax under Article 5. Defines the term to include cattle, sheep, goats, swine, horses, or mules. Effective July 1, 2020, and applies to sales occurring on or after that date.

Amends GS 105-237.1, which authorizes the Secretary of Revenue (Secretary) to compromise a taxpayer's liability under the general tax collection law when the Secretary makes one or more of eight specified findings and also determines that the compromise is in the best interest of the State. Adds to the specified findings to extend this authority to include when the Secretary finds that the assessment is for sales tax an auctioneer licensed in the State failed to collect for the sale of livestock at auction. Adds further required predeterminations, including that the taxpayer made a good faith effort to comply with the tax laws, including being registered as a retailer on or before July 1, 2020. Specifies that the new provisions apply to assessments for any tax due for a reporting period ending prior to July 1, 2020. Excludes persons that received specific written advice from the Secretary for the transactions at issue.

Amends GS 105-164.4J to establish a grace period for filings beginning on or after February 1, 2020, and ending prior to October 1, 2020, to prohibit the Department of Revenue from taking any action to assess any tax due during the grace period for a person who conducted a sale of tangible personal property on behalf of the property owner, for which the person was compensated, that was conducted at the owner's home or farm, regardless of how the sale was conducted. Excludes persons who received specific written advice from the Secretary for the transactions at issue or persons who collected tax and failed to remit it to the Department of Revenue.

Part II

Amends GS 105-164.13 concerning identified agricultural sales and use tax exemptions. Amends the exemption set out for sales of equipment, accessories, attachments or repair parts for equipment that are sold to a large fulfillment facility or used in the facility for distribution, so long as the sales do not include electricity. Expands the exemption to also include equipment, accessories, attachments or repair parts for equipment that are sold to a contractor or subcontractor if the purchase is for the use in the performance of a contract with the large fulfillment facility, or the equipment is used at the facility for baling previously used packaging for resale, federally required sanitizing, or material handling. Effective July 1, 2020, and applies to sales occurring on or after that date.

Allows a refund for large fulfillment facilities that are eligible taxpayers of State and local sales and use taxes paid on purchases eligible for exemption under amended GS 105-164.13 if the purchases were made on or after April 1, 2020, but before July 1, 2020. Details refund request procedures and requirements, and requires the requests to be made on or after July 1, 2020, and before October 1, 2020. Bars refunds after this date and deems those taxes that are not refunded not an overpayment and not subject to interest.

Part III

Expands the sales and use tax exemptions set out in GS 105-164.13 to exempt from retail sales and use tax (1) sales of a digital audio work or a digital audiovisual work that is a qualifying education expense under specified State law to the operator of a home school, and (2) sales of a digital audio work or digital audiovisual work that consists of nontaxable service content when the electronic transfer of the work occurs contemporaneously with the provision of the nontaxable service in real-time.

Amends and adds to the definitions set out in GS 105-164.3 that apply to Article 5 concerning sales and use tax. Adds the term additional digital goods, defined to mean a magazine, newspaper, newsletter, report or other publication, a photograph, or a greeting card, if transferred electronically. Adds the term digital book, defined to mean a work that is generally recognized in the ordinary and usual sense as a book that is transferred electronically. Adds the term educational service, defined to mean the delivery of instruction or training, whether provided in real-time, on-demand, or at another set time, by or on behalf of a

qualifying entity where at least one of four criteria applies, including: the instruction or training is part of an enrolled student's curriculum or encompassed within the institution's accreditation or prepares enrolled students for gainful employment in a recognized occupation, or the participant is evaluated by an instructor or connected to the presenter or instructor by the internet or other networks that provide live interaction. Adds the term qualifying educational entity, defined to mean an elementary or secondary school or an institution of higher education, as those terms are defined by specified USC sections as of January 1, 2020. Finally, adds the defined term specified digital products, defined to mean digital audio works, digital audiovisual works, and digital books. Rewrites the definition for certain digital property, now defined to mean specified digital products and additional digital goods, as those terms are defined; excludes an information service or an education service. Modifies terminology to now define digital audio work and digital audiovisual work, rather than audio work and audiovisual work, and adds to the definition of each to specify that the terms are limited to work transferred electronically.

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

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

Intro. by Newton.

GS 105

[View summary](#)

Agriculture, Business and Commerce, Development, Land Use and Housing, Property and Housing, Education, Government, State Agencies, Department of Revenue, Tax

S 719 (2019-2020) **RETIREMENT PROTECTION ACT**. Filed May 13 2020, *AN ACT TO MAKE CERTAIN CHANGES TO PRESERVE THE INTEGRITY OF AND CLARIFY THE POLICY OBJECTIVES OF THE GENERAL ASSEMBLY FOR THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM.*

Section 1.1

Amends GS 135-6(l) (concerning the Retirement System for Teachers and State Employees, TSERS) and GS 128-28(m) (concerning the Retirement System for Counties, Cities, and Towns, LGERS) with identical changes, requiring that the contribution-based benefit cap factor be included in the actuary of the retirement systems' periodic reports to the Board of Trustees. Clarifies that the actuary is to include experience studies, all other actuarial calculations, and all assumptions used by the actuary in the annual valuations of System assets provided to the Board of Trustees. Provides that the materials provided by the actuary to the Board of Trustees will become effective the first day of the month following adoption unless a different date is specified in the adopting resolution. Prohibits the effective date from retroactively affecting a contribution rate. Makes other clarifying changes.

Amends GS 150B-1(d), adding subsection (30), exempting from the Rules of GS Chapter 150B, Article 2A, the Retirement System Board of Trustees established under GS 128-28 and GS 135-6 when adopting actuarial tables, assumptions, and contribution-based benefit cap factors after presentation of recommendations from the actuary. This exemption includes, but is not limited to, 11 specified actuarial tables, assumptions, methods, and factors. Applies to actuarial tables, assumptions, and contribution-based benefit cap factors adopted or changed on or after the date the act becomes law.

Section 1.2

Amends GS 135-6(n) and (o), and GS 128-28(o) and (p), with identical changes, requiring the Board of Trustees to adopt any necessary contribution-based benefit cap factors for the Retirement System, at least once in every five-year period, taking into account actuarial investigation results. Authorizes the Retirement Systems Division to increase receipts from retirement assets or pay the costs directly from the retirement assets in order to pay for the statutes' administration. Makes other clarifying changes.

The above changes are effective when they become law and apply to actuarial investigations and calculations made on or after that date.

Section 2.1

Repeals the following statutory subsections, which concern forfeiture of benefits under the specified retirement system for felony convictions found to be directly related to the member's office or employment: GS 135-18.10A(b) (concerning TSERS); GS 128-38.4A(b) (concerning LGERS); GS 135-75.1A(b) (concerning the Consolidated Judicial Retirement System, JRS); and GS 120-4.33A(b) (concerning the Legislative Retirement System (LRS)).

Section 3.1

Amends the following statutory subsections to specify that the forfeiture of creditable service provided in each existing law applies, regardless of whether creditable service was earned by virtue of membership in the System, accrued by conversion of sick leave at the point of the member's retirement, accrued by transfer of service from another retirement system, purchased by the member, or accrued by any other means: GS 135-4(gg) (concerning elected government officials vested in TSERS on July 1, 2007); GS 135-4(ii) (concerning members vested in TSERS on December 1, 2012); GS 128-26(w) (concerning elected government officials vested in LGERS on July 1, 2007); GS 128-26(x) (concerning members vested in LGERS on December 1, 2012); GS 135-56(g) (concerning members vested in JRS on July 1, 2007); GS 135-56(j) (concerning members vested in JRS on December 1, 2012); GS 120-4.12(f) (concerning members vested in LRS on July 1, 2007); and GS 120-4.12(g) (concerning members vested in LRS on December 1, 2012). Clarifies that creditable service attributable to the conversion of sick leave accrues in the respective System on the date of retirement, service transferred to the respective System from another system accrues in the System on the effective date of the transfer, and purchased services accrues in the respective System on the date of the purchase.

Section 3.2

Amends the following statutes, which prohibits members whose retirement benefits have been forfeited under State law from subsequently purchasing or repurchasing either those benefits or any creditable service associated with those benefits, to further add that service cannot be used for purposes of eligibility for benefits in any retirement system that provides reciprocal benefits: GS 135-18.10B (concerning TSERS); GS 128-38.4B (concerning LGERS); GS 135-75.1 (concerning JRS); and GS 120-4.33B (concerning LRS).

Intro. by Wells, Edwards, Perry.

[GS 120](#), [GS 128](#), [GS 135](#), [GS 150B](#)

[View summary](#)

[Courts/Judiciary](#), [Employment and Retirement](#), [Government](#), [APA/Rule Making](#), [General Assembly](#), [State Government](#), [State Personnel](#), [Local Government](#)

S 720 (2019-2020) [GSC CONFORMING AMENDS./2019 LAND-USE CHANGES](#). Filed May 13 2020, *AN ACT TO COMPLETE THE CONSOLIDATION OF LAND-USE PROVISIONS INTO ONE CHAPTER OF THE GENERAL STATUTES AS DIRECTED BY S.L. 2019-111, AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION.*

Updates the statutory cross references in GS 6-21.7.

Amends GS 143-755 to update statutory cross references and make technical and clarifying changes.

Amends GS 160D-102, which sets out the definition of terms used in GS Chapter 160D, as follows. Amends the definition of comprehensive plan to now mean a comprehensive plan that has been officially adopted by the governing board under GS 160D-501. Corrects the statutory cross reference in the definition of *local act*. Deletes the term "vested right." Makes additional clarifying changes.

Amends GS 160D-107 by referring to a "vesting plan" instead of a "phased vesting plan," update a statutory cross reference, and make additional clarifying and technical changes.

Amends GS 160D-108 as follows. Amends the permit choice provision to now provide that if a land development regulation is amended between the time a development permit application was submitted and a development permit decision is made or if a land development regulation is amended after a development permit decision has been challenged and found to be wrongfully denied or illegal, then GS 143-755 (permit choice) applies. Removes provisions for site-specific vesting plans from the statute and places them in new GS 160D-108.1. Amends the provisions remaining in GS 160D-108 as follows. Specifies that amendments in land development regulations are not applicable or enforceable without the written consent of the owner with

regard to: (1) buildings or uses of buildings or land for which a development permit application has been submitted and subsequently issued, (2) subdivisions of land for which a development permit application authorizing the subdivision has been submitted and issued, (3) a site-specific vesting plan, (4) a multi-phased development, and (5) a vested right established by the terms of a development agreement. Provides that the establishment of a vested right under the above does not preclude vesting under one or more other subdivisions of this subsection or vesting by application of common law principles. Provides that a vested right precludes any action by a local government that would change, alter, impair, prevent, diminish, or otherwise delay the development or use of the property allowed by the applicable land development regulation or regulations, except where a change in State or federal law mandating local government enforcement occurs after the development application is submitted that has a fundamental and retroactive effect on the development or use. Sets local development permits to expire one year after issuance unless work authorized by the permit has substantially commenced; allows local land development regulation to provide for a longer permit period. Sets the statutory vesting to expire for an uncompleted development project if development work is intentionally and voluntarily discontinued for a period of not less than 24 consecutive months, and the statutory vesting period granted by this statute for a nonconforming use of property expires if the use is intentionally and voluntarily discontinued for a period of not less than 24 consecutive months. Sets out instances in which the period is tolled. Removes the provision setting building permits to expire six months after issuance. Provides that where multiple local development permits are required to complete a development project, the applicant may choose the version of each of the local land development regulations applicable to the project; this applies only to subsequent development permit applications filed within 18 months of the date following the approval of an initial permit. Amends the definition of *multi-phased development* to be a development containing 25 acres (was, 100 acres) or more that is (1) submitted for development permit approval to occur in more than one phase and (2) subject to a master development plan with committed elements showing the type and intensity of use of each phase. Makes additional organizational and clarifying changes.

New GS 106D-108.1, concerning site-specific vesting plans, includes language removed from GS 106D-108 and makes the following changes. Removes site plan from the list of examples of allowable plan forms. Amends two of the five conditions under which an established vested right may be changed to include conditions where upon findings, by ordinance (ordinance was not previously required) after notice and an evidentiary hearing: (1) that natural or man-made hazards on or in the immediate vicinity of the property, if uncorrected, would pose a serious threat to the public health, safety, and welfare if the project were to proceed as contemplated in the site-specific vesting plan or (2) that the landowner or his representative intentionally supplied inaccurate information or made material misrepresentations that made a difference in the approval by the local government of the site-specific vesting plan or the phased development plan. Provides that if a local government fails to adopt a development regulation setting forth what constitutes a site-specific vesting plan triggering a vested right, a landowner may establish a vested right with respect to property upon the approval of a zoning permit, or otherwise may seek appropriate relief from the Superior Court Division.

Amends GS 160D-111 to provide that the enactment of GS Chapter 160D does not amend the geographic area within which local government development regulations adopted before January 1, 2021 (was, January 1, 2019), are effective. Makes additional clarifying changes.

Amends GS 160D-201 to specify that all of the powers granted by GS Chapter 106D may be exercised by any city within its corporate limits and within any extraterritorial area established under GS 160D-202 (was, under Article 2, Planning and Development Regulation Jurisdiction). Adds that if a city elects to adopt zoning or subdivision regulations, they must be applied to the city's entire planning and development regulation jurisdiction. If a county, however, chooses to do so, each may be applied to all or a part of the county's planning and development regulation jurisdiction. Specifies that a local government's planning and development regulation jurisdiction does not include an area in which it has ceded jurisdiction according to an agreement under GS 160D-203.

Amends GS 160D-307 to require a county to make appointments to a joint municipal-county planning agency or board of adjustment within 90 days of receiving a city's request to make the appointments (was, within 90 days following the hearing). Makes additional clarifying changes.

Amends GS 160D-403 to provide that a development approval expires one year from the date of issuance if the work authorized by the approval has not been substantially commenced; removes references to different periods specified by a quasi-judicial development approval or a local ordinance. Removes language immediately expiring a development approval in instances when after commencement, the work or activity is discontinued for 12 months. Allows local development regulations to provide for development approvals of longer duration for specified types of development approvals. Makes additional clarifying and conforming changes.

Amends GS 160D-405 as follows. Removes the provision concerning a judicial challenge to the constitutionality of an ordinance or development regulation. Provides that an appeal of a notice of violation or other enforcement order stays enforcement of the action appealed from and accrual of fines assessed during the pendency of the appeal to the board of adjustment and any subsequent appeal in accordance with GS 160D-1402 or during the pendency of any civil proceedings authorized by law or appeals therefrom, unless specified conditions are met. Adds that GS 160D-1403.2, limiting a local government's use of the defense of estoppel, applies to proceedings under this statute. Makes additional clarifying changes.

Amends GS 160D-501 to require local governments, as a condition of adopting and applying zoning regulations under GS Chapter 160D, to adopt and reasonably maintain a comprehensive plan or land use plan. Provides that a land use plan use text and maps to designate the future use or reuse of land. Makes conforming changes. Makes additional clarifying and organizational changes.

Amends GS 160D-601 by adding a provision that prohibits initiating or enforcing an amendment to zoning regulations or a zoning map that down-zones property without the written consent of all property owners whose property is subject to the amendment, unless the down-zoning amendment is initiated by the local government. Defines *down-zoning*.

Amends GS 160D-602, concerning notice of hearing on proposed zoning map amendments, by deleting the provision on actual notice. Makes additional clarifying changes.

Amends GS 160D-603 by requiring the process for handling a written statement from a resident or property owner about a proposed amendment, modification, or repeal to a zoning regulation, be applicable to a map amendment that has been properly initiated as provided under GS 160D-601.

Amends GS 160D-702 to make clarifying and conforming changes. Also prohibits a zoning regulation from setting a minimum square footage of any structures subject to regulation under the NC Residential Code for One- and Two-Family Dwellings.

Amends GS 106D-703 by adding that unless consented to in writing by the petitioner, a local government may not require, enforce, or incorporate into the zoning regulations any condition or requirement not authorized by otherwise applicable law, including the specified examples. Makes additional clarifying changes.

Amends GS 160D-705 by giving examples of impermissible conditions and safeguards. Makes additional clarifying changes.

Amends GS 160D-706 to provide that when adopting regulations under Article 7 (Zoning Regulation), a local government may not use a definition of *building*, *dwelling*, *dwelling unit*, *bedroom* or *sleeping unit* that is inconsistent with (was, *dwelling unit*, *bedroom*, or *sleeping unit* that is more expansive than) any definition of those terms in another statute or rule adopted by a State agency; specifies that this includes the State Building Code Council.

Amends GS 160D-705 by making technical and clarifying changes.

Amends GS 160D-804 by adding that a county regulation may provide that in lieu of required street construction, a developer may provide funds to a county to be used for the development of roads to serve the occupants, residents, or invitees of the subdivision or development. Requires that the funds be transferred to a city for the development of roads. Allows any city receiving such funds to expend the funds outside its corporate limits for the purposes specified in the agreement between the municipality and county. Makes conforming and clarifying changes.

Recodifies GS 160D-804(g) as GS 160D-804.1. Amends new GS 160D-804.1, concerning performance guarantees, as follows. Makes the type of performance guarantee at the election of the developer. Adds that the duration of the performance guarantee is initially one year, unless the scope of work necessitates a longer duration; sets the completion date in the case of a bonded obligation as one year from the date the bond is issued, unless the scope of the work necessitates a longer duration. Requires a local government to return letters of credit or escrowed funds upon completion of the required improvements to its specifications or upon acceptance of the required improvements, if they are subject to local government acceptance. Provides that when required improvements secured by a bond are completed to the local government's specifications, or are accepted by the local government, if subject to its acceptance, upon the developer's request, the local government must timely provide written acknowledgment of completion. Adds provisions for determining the amount of the performance guarantee. Adds that the local government may require the performance guarantee to be posted either at the time the plat is recorded or at a subsequent time. Allows a developer to post one type of a performance guarantee for all development matters related to the same project. Excludes from the statute performance guarantees associated with erosion control and stormwater control measures. Applies to performance guarantees issued on or after the effective date of this act.

Amends GS 160D-804 by adding the following. Prohibits requiring a developer or builder to bury power lines in the specified circumstances. Prohibits setting a minimum square footage of any structures subject to regulation under the NC Residential Code for One- and Two-Family Dwellings.

Amends GS 160D-807 to make clarifying changes and to make language gender-neutral.

Amends GS 160D-903 to provide that property that is exempt from municipal zoning under (c) of the statute is subject to the county's floodplain regulation or all floodplain regulation provisions of the county's unified development ordinance. Makes additional clarifying changes.

Repeals GS 160D-916(b), which allowed local governments to establish official transportation corridor maps and enact and enforce ordinances pursuant to Article 2E of GS Chapter 136.

Amends GS 160D-947 by updating statutory cross-references and making technical changes.

Amends GS 160D-1005 by referring to hearing generally, instead of a public hearing.

Amends GS 160D-1006 by updating statutory cross references and makes clarifying changes.

Amends GS 160D-1007 by updating conforming changes.

Amends GS 160D-1104 by making clarifying changes and updating statutory cross-references. Provides that GS 153A-352(g) and GS 160A-412(g) (requiring that if a specific building framing inspection as required by the North Carolina Residential Code for One- and Two-Family Dwellings results in 15 or more separate violations of that Code, the inspector must forward a copy of the inspection report to the Department of Insurance) expire on the effective date of this act and not October 1, 2021. Specifies that GS 160D-1104(f), requiring the same, expires October 1, 2021.

Amends GS 160D-1106 as follows. Changes reference to "city" to "local government." Amends the requirements to be met before a local government can accept and approve (without further responsibility to inspect), a design or proposal for a component or element in the construction of a building from a licensed architect or professional engineer, to require that the necessary certification be made on a form created by the NC Building Code Council that contains the specified information. Adds that in accepting certifications of inspection, a local government must not require information other than that specified in the statute. Adds to the definition of *component* that examples include a foundation and a prepared underslab with slab-related materials without concrete.

Amends GS 160D-1110 by adding that if a local government reviews residential building plans for structures regulated under the NC Residential Code for One- and Two-Family Dwellings, all initial reviews for the building permit must be performed within 15 business days of plan submission. Prohibits requiring residential building plans for one- and two-family dwelling from being sealed by a licensed engineer or architect unless required by the Building Code. Makes additional clarifying changes.

Amends GS 160D-1113 by making clarifying and conforming changes.

Amends GS 160D-1116 as follows. Adds that a permit holder may request and be issued a temporary certificate of occupancy if the conditions of the NC State Building Code are met. Removes the provision allowing a local government to require an applicant for a temporary certificate of occupancy to post suitable security. Clarifies that it is a Class 1 misdemeanor for any person who owns, leases, or controls a building to occupy or allows the occupancy of a building (or part of a building) before a certificate of compliance or temporary certificate of occupancy has been issued under the statute. Makes organizational changes to the statute.

Amends GS 160D-1121, GS 160D-1123, GS 160D-1124, and GS 160D-1125 to update statutory cross references and makes clarifying changes.

Amends GS 160D-1129, concerning regulations authorized as to the repair, closing, and demolition of nonresidential buildings or structures, to provide that regulations adopted under the statute are also applicable within defined geographical areas designated for improvement and investment in an adopted comprehensive plan. Makes additional clarifying changes.

Enacts new GS 160D-1130, which provides as follows. Allows the governing board of a local government or its delegated commission to petition the superior court for the appointment of a receiver to rehabilitate, demolish, or sell a vacant building, structure, or dwelling upon the occurrence of any of the five specified occurrences, each of which is deemed a nuisance per se.

Sets out the required content of the petition. Sets out requirements for providing notice to all owners of the property, mortgagees, and other parties in interest. Sets out requirements to be met when appointing a receiver and for replacing a receiver. Allows the court, instead of appointing a qualified receiver to rehabilitate or sell a vacant building, structure, or dwelling, to appoint an owner or other party in interest in the property to rehabilitate or demolish the property if that person meets the specified requirements. Gives a receiver appointed to rehabilitate or demolish a vacant building, structure, or dwelling the right of possession with authority to take the specified actions, including contracting for labor and supplies, borrowing money for rehabilitation or demolition using the receiver's lien against the property as security, and foreclosing on the receiver's lien or accepting a deed in lieu of foreclosure. Sets out actions that may be taken by a receiver appointed to sell. Sets out actions that must be taken when a receiver forecloses on the lien. Requires a receiver, following the court's ratification of the sale of the property, to sign a deed conveying title to the property to the buyer, free and clear of all encumbrances, other than restrictions that run with the land. Requires the receiver to file a final accounting and a motion to dismiss the action. Sets the tenure of a receiver appointed to rehabilitate, demolish, or sell a vacant building, structure, or dwelling at no longer than two years after the rehabilitation, demolition, or sale of the property. Allows the local government to charge the owner of the building, structure, or dwelling subject to the receivership an administrative fee equal to 5 percent of the profits from the sale, or \$100, whichever is less. This applies to any nuisance per se described in GS 160A-439.1 or GS 160D-1130, as enacted by this section, that occurs on or after October 1, 2018, or any action listed in GS 160D-1130(a)(1) through (4) that was not complied with as of that date.

Amends GS 160D-1201 by amending the statute's heading.

Amends GS 160D-1203 to provide that the reference hearings are administrative hearings.

Amends GS 160D-1207 to require that when conducting inspections as part of a targeted effort to respond to blighted or potentially blighted conditions, the local government must provide notice to all owners and residents of properties in the affected area about the periodic inspections plan and information regarding a legislative (was, public) hearing regarding the plan, and hold a legislative (was, public) hearing regarding the plan.

Amends GS 160D-1208 by updating statutory cross references and making clarifying changes.

Amends GS 160D-1312, concerning acquisition and disposition of property for redevelopment, to make the required hearing a legislative hearing instead of a public hearing.

Amends GS 160D-1401 to update statutory cross-references.

Amends GS 160D-1402, concerning appeals of quasi-judicial decisions of decision-making boards when that appeal is in the nature of certiorari. Now requires the court to allow the record to be supplemented with affidavits, testimony of witnesses, or documentary or other evidence if, and to the extent that, the petition raises any of the three specified issues, in which case the rules of discovery set forth in the North Carolina Rules of Civil Procedure apply to the supplementation of the record. Specifies that whether the record contains competent, material, and substantial evidence is a conclusion of law, reviewable de novo. Adds that an action filed under this statute is not rendered moot, if during the pendency of the action, the aggrieved person loses the applicable property interest as a result of the local government action being challenged and exhaustion of an appeal described herein is required for purposes of preserving a claim for damages. Provides that if the court concludes that a permit was wrongfully denied because the denial was not based on competent, material, and substantial evidence or was otherwise based on an error of law, the court must remand with instructions that the permit be issued, subject to any conditions expressly consented to by the permit applicant as part of the application or during the board of adjustment appeal or writ of certiorari appeal. Adds that if the court concludes that a zoning board decision upholding a zoning enforcement action was not supported by substantial competent evidence or was otherwise based on an error of law, the court must reverse the decision. Adds that an appeal under this statute is stayed as provided in GS 160D-405. Makes additional clarifying changes.

Enacts new GS 160D-1403.1 providing as follows. Allows a *person with standing*, as defined, to bring an original civil action seeking declaratory relief, injunctive relief, damages, or any other remedies provided by law or equity, in superior court or federal court to challenge the enforceability, validity, or effect of a local land development regulation for any of the following claims: (1) the ordinance, either on its face or as applied, is unconstitutional; (2) the ordinance, either on its face or as applied, is ultra vires, preempted, or otherwise in excess of statutory authority; (3) the ordinance, either on its face or as applied, constitutes a taking of property. Sets out the procedure when the decision being challenged is from an administrative official charged with enforcement of a local land development regulation. Requires the action to be commenced within one year after the date on which written notice of the final decision is delivered to the aggrieved party. Sets out provisions governing joinder.

Provides that an action filed under this statute is not rendered moot, if during the pendency of the action, the aggrieved person loses the applicable property interest as a result of the local government action being challenged and exhaustion of an appeal described herein is required for purposes of preserving a claim for damages under this statute. Stays an appeal under this statute as provided in GS 160D-405.

Enacts new GS 160D-1403.2 prohibiting a local government from asserting before a board of adjustment or in any civil action the defense of estoppel as a result of actions by the landowner or permit applicant to proceed with development authorized by a development permit if the landowner or permit applicant is challenging conditions that were imposed and not consented to in writing by a landowner or permit applicant.

Amends GS 160D-1405 by adding that when a use constituting a violation of a zoning or unified development ordinance is in existence prior to adoption of the zoning or unified development ordinance creating the violation, and that use is grandfathered and subsequently terminated for any reason, a local government must bring an enforcement action within 10 years of the date of the termination of the grandfathered status, unless the violation poses an imminent hazard to health or public safety.

Provides that nothing bars a party in an action involving the enforcement of a development regulation or in an action under GS 160D-1403.1 from raising as a claim or defense in such proceedings the enforceability or the invalidity of the ordinance.

Makes additional clarifying changes.

Repeals Section 2.6(j) of SL 2019-111, which repealed Article 3 of GS Chapter 168 (Family Care Homes). Instead, repeals GS 168-20, GS 168-21, and GS 168-22, leaving only GS 168-23 in Article 3 (Certain private agreements void). Amends that statute to provide that any restriction, reservation, condition, exception, or covenant in any subdivision plan, deed, or other instrument of or pertaining to the transfer, sale, lease, or use of property which would permit residential use of property but prohibit the use of the property as a family care home as defined in GS 160D-907 is void as against public policy to the extent of the prohibition and shall be given no legal or equitable force or effect.

Provides that Sections 12 and 13 incorporate in GS Chapter 160D the provisions of Sections 1.4 and 1.5 of SL 2019-111 and apply to applications for down-zoning amendments and for driveway improvements submitted on or after July 11, 2019, and to appeals from decisions related to such applications filed on or after that date. Specifies that sections 5, 10, 14, 16, 17, 18, 45, 46, 47, 48, and the amendments to GS 160D-1405(c) in Section 46 incorporate in Chapter 160D of the General Statutes the provisions of Sections 1.2, 1.3, 1.6, 1.7, 1.8, 1.9, 1.10, 1.12, 1.13, 1.14, 1.15, and 1.17 of SL 2019-111, clarify and restate the intent of existing law, and apply to ordinances adopted before, on, and after the effective date of this act.

Repeals Section 3.2 of SL 2019-111, which made Part II of that act effective January 1, 2021, and applicable to local government development regulation decisions made on or after that date. Now makes Part II of SL 2019-111 effective when this act becomes law.

Provides that valid local government development regulations that are in effect at the time of the effective date of Part II of SL 2019-111 remain in effect but local governments must amend those regulations to conform to the provisions of Part II of SL 2019-111 on or before July 1, 2021. Part II of SL 2019-111 applies to local government development regulation decisions made on or after the earlier of: (1) the effective date of the amendments to local development regulations made to conform to the provisions of Part II of SL 2019-111 or (2) July 1, 2021.

Authorizes the Revisor of Statutes to substitute the effective date of this act for January 1, 2021, throughout GS Chapter 160D.

Repeals Section 4.33 of SL 2020-3, which extended the effective date of Part II of SL 2019-111 to August 1, 2021.

Intro. by Edwards, Wells, D. Davis.

GS 6, GS 143, GS 153A, GS 160A, GS 160D

[View summary](#)

Courts/Judiciary, Civil, Civil Law, Development, Land Use and Housing, Building and Construction, Land Use, Planning and Zoning, Government, Local Government

S 721 (2019-2020) [NC A&T STATE UNIVERSITY/AG/DOCTORAL FUNDS](#). Filed May 13 2020, *AN ACT TO APPROPRIATE ADDITIONAL FUNDS TO NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY TO PROVIDE FUNDS TO*

SUPPORT AGRICULTURAL RESEARCH AND COOPERATIVE EXTENSION PROGRAM ACTIVITIES AND TO SUPPORT ITS DOCTORAL PROGRAMS.

Appropriates \$2.5 million in additional recurring funds from the General Fund to the UNC Board of Governors (BOG) for the 2020-21 fiscal year to be allocated to NC A&T University to support agricultural research and cooperative extension activities by matching federal funds awarded to the University as a land-grant university pursuant to specified federal law. States legislative findings and intent for future fiscal years regarding required matching to comply with eligibility requirements under federal law.

Appropriates \$7.5 million in additional recurring funds from the General Fund to UNC BOG for the 2020-21 fiscal year to be allocated to NC A&T University to support its doctoral programs, including supporting new faculty and graduate services for the programs.

Provides that this act supersedes any conflicting provision of HB 966 (Appropriations Act of 2019) if that act becomes law.

Effective July 1, 2020.

Intro. by Robinson, Garrett.

APPROP

[View summary](#)

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

S 722 (2019-2020) **UMSTEAD EXEMPT/DAIRY/NC A&T STATE UNIVERSITY**. Filed May 13 2020, *AN ACT TO PERMIT NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY TO SELL DAIRY PRODUCTS AT UNIVERSITY-OWNED FACILITIES TO SUPPORT THE AGRICULTURAL RESEARCH PROGRAM AT THE UNIVERSITY.*

Amends GS 66-58, which prohibits the sale of merchandise or services by governmental units, to allow NC A&T University to sell dairy products and by-products of heavy cream at University-owned facilities that are produced at the University Farm at NC A&T, so long as any profits are used to support the Agricultural Research Program and the College of Agriculture and Environmental Sciences at the University.

Repeals Section 8.14 of HB 966 (Appropriations Act of 2019) if HB 966 becomes law.

Intro. by Robinson, Garrett, Clark.

GS 66

[View summary](#)

Agriculture, Government, State Agencies, UNC System

S 723 (2019-2020) **PED STUDY - DPS/HEALTH SERVICES/FUNDS FOR FTE**. Filed May 13 2020, *AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF PUBLIC SAFETY, HEALTH SERVICES, TO FUND ONE FULL-TIME SOCIAL RESEARCH SPECIALIST III TO ANALYZE DATA ON INMATE HEALTH CARE, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION COMMITTEE.*

Identical to [H 141](#), filed 2/20/19.

Appropriates \$82,115 for 2019-20 from the General Fund to the Department of Public Safety (DPS), Health Services Section, to fund one full-time Social Research Specialist III, or equivalent classification, responsible for combining and analyzing data on inmate health care in order to identify factors that increase inmate health care costs and ways in which DPS can limit those factors. Provides that the Social Research Specialist III reports directly to the Director of the Division of Health Services.

Effective July 1, 2019.

Intro. by Waddell.

APPROP

[View summary](#)

**Courts/Judiciary, Criminal Justice, Corrections
(Sentencing/Probation), Government, Budget/Appropriations,**

**Public Safety and Emergency Management, Health and
Human Services, Health**

S 724 (2019-2020) **PED OVERSIGHT/EPP CHANGES**. Filed May 13 2020, *AN ACT TO MAKE CHANGES TO THE EDUCATOR PREPARATION PROGRAM PERFORMANCE STANDARDS AND DATA REPORTING SYSTEM, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.*

Identical to [H 107](#), filed 2/19/2019.

Amends GS 115C-269.35 regarding accountability for educator preparation programs (EPP). Requires the State Board of Education (State Board) to include in the performance standards the State Board adopts to govern the accountability of EPPs the information bases of EPP completer employment, disaggregated with respect to race, sex, and ethnicity. Requires the data for EPP completer employment to include: (1) number of students employed as beginning teachers under initial professional licenses within the first year of EPP completion; (2) the number of students retained in the profession; and (3) the perseverance of beginning educators in the profession, determined as specified. Removes these three employment data points from the indicators that recognized EPPs are required to include in their annual performance reports to the State Board. Makes conforming changes. Applies to EPPs authorized by the State Board on or after the date the act becomes law and to reports submitted to the State Board and reviews by the State Board of an EPP beginning with the 2019-20 academic year.

Amends GS 115C-269.45 regarding sanctions of EPPs. Provides for a small group exception, established by rule by the State Board, for circumstances in which disaggregation of performance data with respect to race, sex, and ethnicity is not possible due to the small number of program participants in a demographic group. Provides parameters for the small group exception rule. Requires the State Board to adopt the rule by October 1, 2019, and apply the rule beginning with the data collected from the 2018-19 academic year for purposes of the annual report made available to the public by December 15, 2020, and annually thereafter, pursuant to GS 115C-269.50.

Amends GS 115C-269.50 regarding EPP report cards. Requires the performance and other data reported by each EPP, as provided in GS 115C-269.35, to be easily compared to the data of other EPPs through the use of a formulaic, performance-based weighted model adopted by the State Board (currently, does not specify availability of EPP report card comparison through a State Board-adopted model). Effective July 1, 2020, and applies beginning with data from the 2020-21 academic year.

Directs the State Board to develop a formulaic, performance-based weighted model for comparing the annual EPP report card data pursuant to GS 115C-269.50, as amended. Requires the State Board to consult with the Department of Public Instruction (DPI) and the Professional Educator Preparation and Standards Commission (PEPSC), and meet the described conditions, in designing the weighted model. Requires the State Board to report to the specified NCGA Committee by November 15, 2019.

Intro. by Waddell.

STUDY, GS 115C

[View summary](#)

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

S 725 (2019-2020) **PED/LOW-PERFORMING SCHOOL DISTRICTS**. Filed May 13 2020, *AN ACT TO REQUIRE CONSIDERATION OF EARLY CHILDHOOD LEARNING IN IMPROVEMENT PLANS FOR LOW-PERFORMING LOCAL SCHOOL ADMINISTRATIVE UNITS AND TO REQUIRE THAT COMPREHENSIVE NEEDS ASSESSMENTS FOR LOW-PERFORMING LOCAL SCHOOL ADMINISTRATIVE UNITS INCLUDE ANALYSIS OF EARLY CHILDHOOD LEARNING, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.*

Identical to [H 1050](#), filed 4/29/20.

Amends GS 115C-105.39A to require the superintendent of a local school administrative unit that has been identified as low-performing by the Board of Education to include in the preliminary improvement plan, that the superintendent is required to

submit to the State Board within 30 days after identification, specific strategies to improve early childhood learning with measurable goals.

Requires the Department of Public Instruction (DPI) to ensure that the comprehensive needs assessment tool used when providing support to low-performing administrative units through Regional Support Teams includes an examination of early childhood learning. Requires the assessment to at minimum examine five components for preschool through third grade: (1) training levels of early childhood teachers and support staff; (2) the student-teacher ratio; (3) alignment of preschool curricula to curricula of K-3 grades; (4) kindergarten transition supports; and (5) kindergarten preparedness.

Applies beginning with local school administrative units identified as low-performing during the 2019-20 school year.

Intro. by D. Davis, Waddell, Ford.

[GS 115C](#)

[View summary](#)

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

S 726 (2019-2020) [PED REPORT/STUDENT FINANCIAL ASSISTANCE](#). Filed May 13 2020, *AN ACT TO MAKE NECESSARY IMPROVEMENTS TO ENSURE STATE FUNDS FOR POSTSECONDARY EDUCATIONAL FINANCIAL AID PROGRAMS ARE FULLY EXPENDED AND TO GAUGE THE EFFECTIVENESS OF THOSE PROGRAMS, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.*

Identical to [H 1052](#), filed 4/30/20.

Section 1

Amends GS 116-209.45 to detail information required to be included in the State Education Assistance Authority's annual report to the specified NCGA committee regarding the Forgivable Education Loans for Service Fund and loans awarded from the Funds. Requires the reports to include the total number of loan recipients who have met employment service requirements for loan forgiveness or elect cash loan repayment. Requires the individual records used to generate the annual reports to be retained for five years.

Requires the State Education Assistance Authority (Authority) to include initial information on loan recipients of the Forgivable Education Loans for Service program, including recipients' field of work, in its annual report by December 1, 2020.

Directs the Authority to develop and maintain a record-keeping system to track repayment methods used by recipients of State-funded educational loans that are eligible for forgiveness based on individual employment service requirements. Provides that the system should facilitate other specified data reporting requirements on State-funded education loan programs and inform as to whether the programs are meeting NC employment needs. Requires the Authority to report implementation progress to the specified NCGA committees by January 1, 2021.

Section 2

Effective July 1, 2021, amends GS 116-209.14 to require the Authority to biennially develop and maintain a strategic plan that sets performance goals, as specified, of the Authority in the administration of State-funded financial assistance for postsecondary programs. Requires the Authority to make the current strategic plan available on its website. Requires the Authority to include its implementation of its strategic plan in the existing annual reporting requirement to the Governor and the NCGA. Expands the required components of the annual reports to include the strategic plan adopted and data metrics on State-funded financial assistance program administration and program recipients, as specified.

Directs the Authority to report on its progress in meeting the requirements of GS 116-209.14, as amended, to the specified NCGA committees by January 1, 2021.

Section 3

Appropriates \$700,000 in recurring funds from the General Fund to the UNC Board of Governors to be allocated to the Authority for administrative costs in the administration of the UNC Need-Based Financial Aid Program.

Section 4

Directs the Office of State Budget and Management (OSBM) to develop recommendations on increasing transparency in administrative cost reporting for the Need-Based Scholarships for Students Attending Private Institutions of Higher Education Program, including a method for reporting funding received by the Authority in its financial statements. Requires OSBM to report its recommendations and associated timeline for any proposed legislative changes to the specified NCGA committees by June 30, 2020.

Intro. by D. Davis, Waddell, Ford.

[APPROP, GS 116](#)

[View summary](#)

[Business and Commerce, Education, Higher Education, Employment and Retirement, Government, Budget/Appropriations, State Agencies, UNC System, Office of State Budget and Management](#)

S 727 (2019-2020) [REVENUE LAWS RECOMMENDATIONS](#). Filed May 13 2020, *AN ACT TO MAKE VARIOUS CHANGES TO THE REVENUE LAWS*.

Part I. IRC Update

Amends GS 105-228.90 to update the term *Code* as it applies to the general administration of taxation to mean the Internal Revenue Code as enacted as of May 1, 2020 (currently, January 1, 2019).

Amends GS 105-130.5 to expand the additions to federal taxable income that must be made in determining State corporate net income to include: (1) a taxpayer's interest expense deduction that exceeds the interest expense deduction allowed under the Code as of January 1, 2020, for the 2019 and 2020 taxable year (provides that the provision is meant to decouple from the modification of limitation on business interest allowed under the CARES Act); and (2) the amount of any forgiveness of indebtedness on a covered loan, as defined in the federal CARES Act (provides that this provision is meant to decouple from the loan forgiveness allowed under the federal CARES Act).

Amends GS 105-153.5(a)(2)a., concerning charitable contributions, to provide for the term *Code* to mean the IRC as enacted as of January 1, 2020, for taxable year 2020, as it applies to the subdivision. Also, adds that for taxable years beginning on or January 1, 2021, a taxpayer can only carry forward the charitable contributions from taxable year 2020 that exceed the applicable percentage limitation for the 2020 taxable year allowed under the subdivision. Provides that the purpose of the new provisions is to decouple from the modification of limitations on charitable contributions during 2020 allowed under the federal CARES Act.

Amends GS 105-153.5(a)(2)b. to modify the allowable itemized deduction an individual may elect to deduct from their gross income for mortgage expense and property tax. Prohibits the amount allowed as a deduction for interest paid or accrued during the taxable year under the Code with respect to any qualified residence from including the amount for mortgage insurance premiums treated as qualified residence interest for taxable years 2014 through 2020 (currently limited to taxable year 2014, 2015, 2016, and 2017).

Similarly, amends GS 105-153.5(c2) to modify the required adjustments to an individual's gross income, which are decoupled from federal requirements. Requires the taxpayer to add the amounts excluded from the taxpayer's gross income for the discharge of qualified principal residence indebtedness and qualified tuition and related expenses under the Code for taxable years 2014 through 2020 (currently limited to taxable year 2014, 2015, 2016, and 2017).

Further amends GS 105-153.5(c2), adding 12 new decoupling provisions and requiring taxpayers to make the specified additional adjustments to their adjusted gross income as specified relating to deductible 2018, 2019 and 2020 net operating losses, excess business losses, excess net operating loss carryforward deductions, excess interest expense deductions, employer paid qualified education loans excluded from gross income, deductions of qualified charitable contributions, and forgiveness of covered debt on a covered loan.

Part II. Excise Tax Changes

Section 2.1

Amends GS 105-113.4 to modify the definition of *sale* under Article 2A, Tobacco Products Tax, to more specifically include transfer of possession and transfer of ownership, rather than a transfer generally.

Section 2.2

Amends GS 105-113.4A to require licensees under Article 2A to more specifically display a license at each place of business for which it is issued (was, display at the place of business for which it is issued) and specifies that it be in a conspicuous place. Requires the Secretary of Revenue (Secretary) to make available, rather than provide, a list of licensees upon request of a manufacturer licensee. Amends GS 105-259 to similarly allow the Department of Revenue (Department) to make available, rather than provide, this tax information to all entities licensed under Article 2A (was, to aid in the administration of the tobacco products).

Amends GS 105-449.77 to require the Secretary to make available, rather than annually provide, to each licensee a list of all licensees under Article 36C, governing motor fuels tax. Makes conforming changes to maintain the Secretary's duty to monthly update the list.

Amends GS 105-449.139 to similarly require the Secretary to make available, rather than provide, a list of licensed alternative fuel providers under Article 36D to each licensed bulk-end user and licensed retailer, and vice-versa. Makes conforming changes to maintain the Secretary's duty to annually update the lists.

Section 2.3

Amends GS 105-113.4B, concerning licensees under Article 2A, and GS 105-449.76, concerning licensees under Article 36C, to more clearly differentiate license cancellation and revocation procedures. Makes changes to cancellation procedures to now require the licensee's request to cancel to include a proposed effective date of cancellation and requires the license be returned to the Secretary on or before the proposed effective date (previously required immediate return upon request). Adds that a request to cancel that does not include a proposed effective date will result in the cancellation of the license 15 days after the Department receives the written request. Establishes protocol for when a license is unable to be returned. Requires the Secretary to notify the licensee when the license is canceled. Finally, in regards to license revocation, provides that if a person whose license may be revoked fails to attend the noticed hearing on the revocation, the license revocation is effective 15 days after the noticed hearing.

Section 2.4

Amends GS 105-113.4E to require the manufacturer of modified risk tobacco products rather than the taxpayer to substantiate that the product qualifies as a modified risk tobacco product. Also subjects the manufacturer rather than the taxpayer to the reduced tax rate provided under the statute, and makes the manufacturer rather than the taxpayer responsible for notifying the Department of expiration or USFDA withdrawal of product qualification. Makes conforming changes.

Section 2.5

Enacts GS 105-113.4G to establish general recordkeeping requirements for licensees under Article 2A and all persons required to make reports under Article 2A. Requires the records to be open to inspection by the Secretary or an authorized representative at all times, and requires records to be preserved for a period of three years. Makes conforming changes to repeal GS 105-113.26 and GS 105-113.40.

Section 2.6

Amends GS 105-113.13, concerning licensed distributors of cigarettes, and GS 105-113.38, concerning wholesaler dealers or retailer dealers of other tobacco products, to remove the qualification of requiring a bond to protect the State from loss, specifically, in the event of the distributor or dealer's failure to pay taxes. Instead, provides for the bond requirement simply to protect the State.

Section 2.7

Amends GS 105-113.27, which prohibits the sale or offering for sale non-tax-paid cigarettes, to add a qualifying phrase to provide for instances which exceptions to this general prohibition are provided for in Article 2A.

Section 2.8

Amends GS 105-187.76, GS 105-187.77 and GS 105-187.80 to correct the name of the Mining and Energy Commission as the Oil and Gas Commission.

Section 2.9

Amends GS 105-449.37 to update the term International Fuel Tax Agreement as the term is used in Article 36B, which governs motor carrier taxation. Now defines the term to mean the Articles of Agreement adopted by the International Fuel Tax Association, Inc., as amended as of December 1, 2018 (was, as of January 1, 2017).

Section 2.10

Amends GS 105-449.49 to allow licensed motor carriers in the State that are subject to the International Fuel Tax Agreement to apply for a temporary permit authorizing the motor carrier to operate a qualified motor vehicle in the State for 30 days without the required decal. Requires the licensed motor carrier to be in compliance with the motor carrier tax provisions of Article 36B. Describes application parameters. Requires a motor carrier operating under a temporary permit to keep a copy of the permit in the motor vehicle. Makes conforming changes to GS 105-449.47.

Section 2.11

Amends GS 105-449.69A to add to the provisions concerning the issuance of temporary licenses for importing, exporting, distributing, or transporting motor fuel in the State in response to a disaster declaration. Expands the provisions to also include temporary licensing during a state of emergency, defined by statutory cross-reference. Modifies the provisions concerning the duration of the temporary licenses issued in response to a disaster declaration, which previously stated that the temporary licenses expires upon the expiration of the disaster declaration. Now provides that a temporary license issued in response to a disaster declaration or a state of emergency is effective on the date the applicant engages in business in the State and expires 30 days after that date. Allows for a request for a 30 day extension of the temporary license prior to its expiration if the disaster declaration or state of emergency remains in effect. Prohibits issuance or renewal if the licensee failed to comply with Article 36C (previously, if the licensee failed to file the requested returns or make payments of the required taxes). Modifies the application requirements to now require application within seven calendar days of engaging in business in the State (was, from the date of the disaster declaration). Further specifies that the application must be filed when a state of emergency or a disaster declaration is in effect. Maintains the existing application criteria concerning required information.

Section 2.12

Amends GS 105-449.134 to specify that the revocation and cancelation procedures set forth for licensure under Article 36C, concerning motor fuels, apply to revocation and cancelation of licenses under Article 36D, concerning alternative fuels (previously only referred to revocation procedures).

Section 2.13

Amends GS 119-19 to require the Secretary to give notice of summary revocation of a kerosene license and notice of a hearing on the proposed revocation of a kerosene license to be sent by certified mail rather than registered mail.

Part III. Sales and Use Tax Changes

Section 3.1

Amends GS 105-164.14 to allow nonprofit entities a semiannual refund, and certain governmental entities an annual refund, of sales and use taxes paid by it under Article on direct purchases of items (was, tangible personal property and services, which are now included in the defined term items by SL 2019-169). Effective July 1, 2020, and applies to purchases made on or after that date.

Section 3.2

Amends GS 105-164.16 to make clarifying changes regarding use tax on purchases by removing references to out of state purchases.

Section 3.3

Amends GS 105-164.4J, which governs marketplace-facilitated sales. Redefines the scope of the statute to make the statute applicable to a marketplace facilitator engaged in business in the State (previously, limited to marketplace facilitators that make sales sourced to this State that meet certain gross sale or transaction thresholds in the previous or current calendar year). Makes conforming changes. Effective July 1, 2020, and applies to sales occurring on or after that date.

Section 3.4

Amends GS 105-164.4, concerning privilege tax, to specify that the retail sale or the use, storage, or consumption in the State of a digital code is treated the same as the retail sale or the use, storage, or consumption in the State of certain digital property for which the digital code relates. Under existing provisions, the general tax rate of 4.75% applies to the sales price of certain digital property.

Section 3.5

Amends GS 153A-154.1, concerning local meals taxes imposed by counties, and GS 160A-214.1, concerning local meals taxes imposed by cities, to set forth uniform provisions governing local meals taxes. Establishes that the each statute preempts local acts in the event of conflict, respectively. Places responsibility of remitting the local meals tax on prepared food and beverages on retailers that are required to remit State and local sales and use tax; requires the tax to be remitted to the county or city on or after the effective date of the levy of the local meals tax. Adds defined terms to GS 153A-154.1. Adds to the defined terms set forth in GS 160A-214.1 to include prepared food and beverages. Both statutes define *prepared food and beverages* to include prepared food, and alcoholic beverages that meet at least one of the conditions of prepared food, as the term is defined under the Code. Makes organizational changes. Effective July 1, 2020, and applies to sales occurring on or after that date.

Part IV. Personal Income Tax Changes

Section 4.1

Corrects a statutory cross reference in GS 105-131.8, concerning income tax credits.

Section 4.2

Repeals GS 105-153.5(b)(10) to eliminate the state income tax deduction allowed for cancellation of debt income recognized as federal income for certain taxable years.

Section 4.3

Amends GS 105-154 concerning tax payments on behalf of nonresident owners or partners. Current law allows a business manager to include a copy of an affirmation of a nonresident partner, who is not an individual, to pay the tax with its corporate, partnership, trust, or estate income tax return, with the manager's report to the Secretary regarding the business earnings in the State and the distributive share of the income of each nonresident owner or partner. Adds that the affirmation must be annually filed by the nonresident partner and submitted by the manager by the due date of the report or the manager is required to pay the tax on the nonresident partner's share.

Section 4.4

Enacts GS 105-252.1 to prohibit using a truncated taxpayer identification number (TTIN) on any state tax return, statement, or other document required to be filed with or furnished to the Department unless specifically authorized by GS Chapter 105.

Amends GS 105-228.90 to add *taxpayer identification number (TIN)* and *TTIN* to the defined terms set out that apply to the general administration of the Chapter. Makes conforming changes to GS 105-163.1(12a).

Section 4.5

Amends GS 105-241.13 concerning taxpayer requests for review of the Department's proposed denial of a refund or a proposed assessment, including the Department scheduling a conference with the taxpayer. Specifies that the conference can be rescheduled if there is mutual agreement of the Department and the taxpayer.

Part V. Corporate Tax Changes

Section 5.1

Amends GS 105-122, concerning corporate franchise or privilege tax. Requires the addition for the amount of indebtedness the corporation owes that creates net interest expense, but does not create qualified interest expense, as defined by statutory cross reference (previously, detailed adjustments for borrowed capital). Makes conforming changes. Effective for taxable years beginning on or after January 1, 2021, and applicable to the calculation of franchise tax reported on the 2020 and later corporate income tax returns.

Section 5.2

Amends GS 105-130.4, concerning allocation and apportionment for corporate tax purposes. Provides that a wholesale content distributor's amount of receipts sourced to the State (was, amount of income apportioned to the State) cannot be less than 2% of the total domestic gross receipts of the wholesale content distributor from advertising and licensing activities. Amends GS 105-122(c1) to eliminate duplicate language. Effective for taxable years beginning on or after January 1, 2020.

Section 5.3

Repeals GS 105-130.5(a)(21) and (b)(25), concerning adjustments to federal income in determining State income tax, to conform to the repeal of GS 105-153.5(b)(10) that eliminates the State income tax deduction allowed for cancellation of debt income recognized as federal income for certain taxable years.

Section 5.4

Amends GS 105-130.5A, concerning the Department's proposed assessment or refund for corporations. Provides that when a refund is determined in whole or in part by a proposed assessment to an affiliated group member pursuant to the statute, the refund cannot be issued until the proposed assessment to the affiliated group member has become collectable under state law. Requires the refund to reflect any changes made by the Department under the statute.

Section 5.5

Repeals GS 105-130.11(b)(4), which set out an income tax exemption for nonrelated business income concerning parking facilities for nonprofit entities.

Part VI. Tax Enforcement and Administration Changes

Section 6.1

Amends GS 105-236.1 to authorize the Secretary to appoint employees of the Criminal Investigations Section of the Tax Enforcement Division to serve as revenue law enforcement officers having the responsibility and subject matter jurisdiction to enforce GS 105-259, which governs secrecy of tax information by State officers, employees and agents, when the offense involves a tax imposed under GS Chapter 105.

Section 6.2

Amends GS 105-241.8 to allow the Secretary to propose a tax assessment at any time with no statute of limitations if the taxpayer, as a trustee, collected taxes on behalf of the State but did not remit all the taxes held in trust when due. Applies to assessments not barred by the statute of limitations on or after the date the act becomes law.

Section 6.3

Amends GS 105-242.2, concerning personal civil liability for unpaid taxes of a business entity, to define the scope of the act to exclude the criminal liability of any person.

Section 6.4

Amends GS 105-243.1 to redefine *overdue tax debt* to mean any part of a tax debt that remains unpaid 60 days or more (was, 90 days or more) after it becomes collectible under state law and excludes tax debt for which an installment agreement was in place for the tax debt within 60 days (was, 90 days) after the tax debt become collectible. Provides for a collection assistance fee of 20% to be imposed on any overdue tax debt (previously, imposed on an overdue tax debt that remains unpaid 60 days or more after the debt is deemed collectible under state law). Requires the Department to notify the taxpayer that the fee will be imposed at least 60 days prior to its imposition and allows the Department to include the fee notice on the notice of collection. Makes conforming changes. Effective August 1, 2020, and applies to tax debts that become collectible on or after that date.

Amends SL 2019-169, Section 5.1, to postpone related changes made by Section 5.1 of that act to GS 105-243.1 from January 1, 2020, to August 1, 2020.

Section 6.5

Amends GS 93B-1 to exclude the Department from the term State agency licensing board, as the term applies to occupational licensing regulations.

Part VII. Extend Certain Sunsets

Amends GS 105-269.8 to extend the sunset for individuals to donate all or a portion of their State tax refunds to aid in the early detection of breast cancer and cervical cancer from taxable years beginning on or after January 1, 2021, to on or after taxable years beginning on or after January 1, 2026.

Amends GS 160A-239.1 to extend the sunset of Article 10A, Special Assessments for Critical Infrastructure Needs, from July 1, 2020, to July 1, 2025, which allows local governments to finance certain infrastructure needs through special assessments, for projects that have not been approved under a final assessment resolution.

Part VIII. Effective Date

Intro. by Newton.

[GS 93B](#), [GS 105](#), [GS 119](#), [GS 153A](#), [GS 160A](#)

[View summary](#)

**Business and Commerce, Government, State Agencies,
Department of Revenue, Tax, Local Government**

S 728 (2019-2020) [FUNDING ASSISTANCE FOR SMALL-SCALE LANDLORDS](#). Filed May 13 2020, *AN ACT TO ESTABLISH A LOAN PROGRAM WITH THE NORTH CAROLINA HOUSING FINANCE AGENCY TO ASSIST CERTAIN SMALL-SCALE LANDLORDS DUE TO THE COVID-19 EMERGENCY*.

Directs the NC Housing Finance Agency (Agency) to provide loans to eligible landlords experiencing economic hardship caused by the COVID-19 pandemic. Defines *eligible landlord* to mean a landlord of residential property who has no more than 25 existing tenants residing in property situated in the State and who relies on rents received from rental properties as the landlord's primary source of income. Details limitations and requirements of the loans, including that the loans have a 0% interest rate; capping the term and amount of loans at 66 months and \$5,000 per eligible landlord; limiting application to one individual per household (though spouses can be listed together); requiring repayment upon the occurrence of a triggering event (defined to include the expiration of the State of Emergency period, breach of the loan agreement, notice of housing code or rental property ordinance violations, and failure to keep the premises in a fit and habitable condition); and prioritizing landlords with current tenants who are displaced students or individuals unable to pay rent as a result of the COVID-19 pandemic.

Appropriates \$3 million in nonrecurring funds from the General Fund to the Agency for the 2019-20 fiscal year for the loan program. Requires the Agency to exhaust any federal funds received for the same purpose before using any State funds.

Requires the Agency to submit a quarterly report to the specified NCGA committee on the number of loan applicants, loans issued, loan amounts, location of loans, loan repayment, and defaulted loans, loans with triggering events, and recapture.

Intro. by Murdock, Waddell, Nickel.

[APPROP](#)

[View summary](#)

**Development, Land Use and Housing, Property and Housing,
Government, Budget/Appropriations**

S 729 (2019-2020) [GSC MODERNIZE PARTITION LAWS](#). Filed May 13 2020, *AN ACT TO MODERNIZE THE STATUTES ON PARTITION OF PROPERTY AND TO MAKE TECHNICAL, CONFORMING, AND MODERNIZING AMENDMENTS TO THE ELECTIVE LIFE ESTATE STATUTE, AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION*.

Part I

Enacts new GS Chapter 46A, Partition, with three Articles organized as provided. Recodifies specified statutes of GS Chapter 46 regarding partition into new GS Chapter 46A, as identified. Adds new provisions and modifies recodified provisions as they appear in new GS Chapter 46, as follows, and modernizes language throughout.

Requires partitions of property under the Chapter to be by special proceeding pursuant to the procedure set out in Subchapter XII of GS Chapter 1, except as modified by the Chapter.

Adds a new requirement for the court to allocate among all cotenants of property subject to a partition proceeding, in proportion to each cotenant's property interest, reasonable attorneys' fees incurred by any cotenant for the common benefit of all cotenants, unless a cotenant shows that doing so would be inequitable. Excludes attorneys' fees incurred in disputing the method of partition or the division of partition proceeds; instead, provides for those attorneys' fees incurred to be allocated by the court among cotenants aligned on that issue, according to property interest. Additionally authorizes the court to allocate other attorneys' fees among the parties.

Concerning venue, requires a petitioner that commences a proceeding for property located in more than one county in one of the counties in which part of the property is located, to file notice of lis pendens in each of the other counties in which the property is located.

Concerning petition by a cotenant or personal representative, requires a petitioner to serve and join all tenants in common and joint tenants of the property. Allows the petitioner to also serve any other person with interest in the property, any lessee of the property, and any holder of a lien, mortgage, or deed on the property. Does not require service or joinder of spouses of cotenants unless the spouse is also a cotenant.

Concerning unknown or unlocatable parties, requires the court to authorize service by publication under GS 1A-1, Rule 4, if at filing or subsequently thereafter, the petitioner shows that the petitioner cannot ascertain, after due diligence, the name or location of a person the petitioner is required or chooses to serve (previously, authorized service by publication and limited the requirement to persons not unknown or unlocatable at the time of filing). Now requires the court to appoint a guardian ad litem under GS 1A-1, Rule 17, to represent the any unknown or unlocatable person (previously, simply required appointment of a disinterested person).

Expands the provisions concerning the distinction between surface ownership and mineral interests to include title to oil and gas as distinct interests from surface ownership, similar to mineral interests.

Amends the provisions concerning the partition of real property subject to a contingent future interest, to require that all of the following parties are represented by an appointed guardian ad litem: unborn individuals (currently included in existing law); parties not in being; parties who are minors or incompetent adults and who do not have a guardian of the estate or general guardian; and unknown or unlocatable parties.

Specifies that partition must be done by one of the following methods: (1) actual partition; (2) partition by sale; (3) actual partition of part of the property and partition sale of the remaining part; or (4) partition of part of the property by actual partition or by partition sale, with the remainder held in cotenancy. Adds a new provision prohibiting ordering continued cotenancy over a cotenant's objection.

Enacts a new statute that expressly establishes the right of a cotenant to contribution from the other cotenants for payment of the real property's carrying costs, as defined, and for the lesser of (1) the value added by improvements as of the proceeding's commencement, or (2) the actual cost of the improvements. Provides for the procedure for asserting this right. Establishes that a cotenant's right to contribution for property taxes is limited to the amount of property taxes paid by the cotenant during the 10 years preceding the filing, plus interest at the legal rate set in GS 24-1. Specifies that the new provisions do not affect the right of cotenants outside a real property partition proceeding initiated under the Chapter.

Adds to the authorized court orders before final determination of a proceeding to include orders relating to access to the property for the purpose of inspecting, surveying, appraising, or selling the property. Adds a new requirement to mandate that the party applying to the court for such orders before a final determination must serve a copy of the application on all other parties and any other person the court may require. Provides procedure for a hearing on the application within 10 days of service a person filed a response in opposition; otherwise, allows for a decision without a hearing.

Concerning mediation, eliminates language concerning a list of certified mediators available through the clerk or the Administrative Office of the Courts. Further, now allows for a party to move for the court to order mediation before considering whether to order a sale. No longer allows a clerk to order mediation.

Regarding the appointment of commissioners to divide and apportion real estate, requires the commissioners to be sworn according to GS Chapter 11 (was, sworn by the magistrate, the sheriff or deputy, or any other authorized person, to do justice among the tenants in common according to their best skill and ability). Authorizes the court to remove a commissioner and appoint a new commissioner when any commissioner unreasonably delays or neglects to perform their duties. No longer provides for contempt liability and a \$50 civil penalty.

Adds a new provision to allow for commissioners to adjust the shares or owelty charged on the shared to account for a court order for contribution or any other court order, as they find necessary to make an equitable partition. Provides that owelty bears interest at the legal rate under GS 24-1 until paid.

Regarding dedication of streets, now expressly includes interests of an incompetent adult which cannot be affected until a dedication is approved by a superior court judge.

Requires the commissioners to serve a copy of their report filed in the office of the superior court clerk on all parties. Authorizes the commissioners to employ a disinterested surveyor to prepare a map of the real property (previously, authorized to use the county surveyor or another surveyor if he or she is absent or connected with the parties).

Requires the clerk to confirm the report of the commissioners within 10 days of service of the report on all the parties (was, within 10 days of the report's filing). Changes terminology regarding impeachment of the proceedings and decrees for mistake, fraud, or collusion, to now provide for relief from the order of confirmation for the same reasons.

Now requires the confirmed commissioners' report and the order of confirmation to be enrolled and certified to the register of deeds and registered in the office of each county where the real property is located (was, in the office where the real estate is situated). Removes provisions concerning probate.

Enacts a new statute authorizing the clerk of superior court to issue an order for possession of real property apportioned under Article 2, in favor of the party to which an apportionment has been made and against any party in possession at the time of application, if three conditions are met: (1) that no appeal from the order of confirmation has been made or a judge has confirmed the report; (2) the report and confirmation have been duly recorded; and (3) 10 days' notice has been given to the party applying for the order of possession to each party remaining in possession at the time of application. Details the procedure and effect of an order of possession.

Concerning partition by sale, specifies that if two or more parties claim the same undivided interest in the property, the court is not required to decide the issue before ordering a partition sale of the property.

Establishes that in a partition sale, the court is not required to appoint more than one commissioner. Eliminates requirements concerning certification of notice prior to sale to persons who filed a written request to be given notice of any resale.

Concerning cotenants' bidding and offers, require adjustments to be made for court orders concerning lack of contribution by one or more cotenants to the payment of carrying costs or improvements (was, expenses of real property).

Expands the provisions concerning the sale of mineral interests to include the sale of oil and gas interests pursuant to the same restrictions.

Updates statutory references concerning the assessment of fees when the sale of real property is required for public purposes, and now expressly includes attorneys' fees.

Expressly prohibits a petitioner from prevailing upon a petition for revocation of a partition sale if the petitioner was mailed notice of the sale as specified under law, as amended.

Concerning sale proceeds, now requires the court to secure to each cotenant the cotenant's ratable share upon receipt of the sale proceeds by either the court or the commissioner (was, at the time that the order of confirmation becomes final). Adds new language to require the court to set the matter for a hearing on the court's own motion or a motion of a party or commissioner if the ratable share due to each cotenant has yet to be determined.

Details separate provisions for sale proceeds belonging to minors and incompetent adults, and parties imprisoned or unknown or unlocatable. Allows for parties to seek disbursement of these proceeds by motion.

Concerning the partition of personal property, now requires commissioners to serve a copy of their report filed with the court on all parties. Changes the terminology to provide for relief from the confirmation order, rather than impeachment, for fraud, mistake or collusion. Establishes that a court is not required to appoint more than one commissioner in a partition sale of real property. Provides that the provisions regarding the partition sale proceeds of real property apply to the partition sale proceeds of personal property.

Makes further conforming, clarifying, technical, and organizational changes throughout the Chapter.

Applies to partition proceedings commenced on or after October 1, 2020.

Part II

Makes conforming changes to the following statutes concerning procedure provided for in new GS Chapter 46A: GS 1-301.2; GS 1-394; GS 1-502; and GS 6-21.

Applies to partition proceedings commenced on or after October 1, 2020.

Part III

Makes technical, clarifying, and conforming changes to GS 1-394; GS 1-502; GS 6-21; GS 11-11; GS 31A-6; GS 39-13.5; GS 93A-43; and GS 136-96.

Enacts GS 41-11.2, concerning sale of standing timber, granting life tenants standing to initiate a proceeding for the sale of timber under GS Chapter 46A.

Part IV

Amends GS 29-30 to add to the circumstances that bar a surviving spouse from taking a life estate to include (1) that the surviving spouse has waived the right to take a life estate in lieu of an intestate or elective share by an express written waiver, (2) the surviving spouse has executed a written declaration permitting the deceased spouse to convey or encumber the real estate without the consent or joinder of the surviving spouse, or (3) the real estate in which the deceased spouse had an interest was either apportioned to or sold to another person in a partition proceeding initiated before the deceased spouse's death. Makes further clarifying and technical changes. Adds to the elective share petition requirements, recording of notice indicating the county and file number of the clerk's filing with the register of deeds in every county where real property to be claimed under the filing is located. Concerning debts that attach to the household furnishings in the dwelling house and life estates taken by election, includes debts secured by such property (1) by a mortgage or deed given by the deceased spouse to secure the loan whereby the proceeds are used to pay the purchase price of the encumbered property (previously did not specify proceeds restrictions), and (2) by a mortgage or deed of trust on property with respect to which the elective life estate provided for does not apply.

Part V

Effective October 1, 2020.

Intro. by Edwards, Bryan, D. Davis.

[GS 1](#), [GS 6](#), [GS 11](#), [GS 29](#), [GS 31A](#), [GS 39](#), [GS 41](#), [GS 46](#), [GS 46A](#), [GS 93A](#), [GS 136](#)

[View summary](#)

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

S 730 (2019-2020) [THE NO PATIENT LEFT ALONE ACT](#). Filed May 13 2020, *AN ACT PROVIDING FOR CERTAIN UNRESTRICTED HOSPITAL PATIENT RIGHTS THAT WILL NOT BE IMPACTED DURING DECLARED DISASTERS AND EMERGENCIES; AND APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF*

HEALTH SERVICE REGULATION, TO DEVELOP AND DISSEMINATE TO HOSPITALS FREE INFORMATIONAL MATERIALS EXPLAINING THESE RIGHTS.

Enacts GS 131E-79.3 to establish the right for any minor admitted to a licensed hospital to designate a parent, guardian, or person standing in loco parentis to have the unrestricted privilege of being present while the minor patient is receiving hospital care. Similarly, establishes the right for every adult admitted to a licensed hospital to designate a spouse or health care agent to have the unrestricted privilege of being present while the adult is receiving hospital care. Provides for the rights to be superior and unaffected by any termination, suspension or waiver by the hospital, the Department of Health and Human Services (DHHS), or a gubernatorial disaster or emergency declaration. Bars licensed hospitals from requiring a patient to waive the rights granted by the statute. Mandates that each licensed hospital post information materials developed by DHHS explaining the rights specified in a conspicuous place on the licensed premises.

Directs DHHS, Division of Service Regulation (DSR) to develop and disseminate the informational materials to licensed hospitals pursuant to new GS 131E-79.3. Appropriates \$5,000 to DSR for this purpose.

Intro. by Daniel, Perry, Krawiec.

APPROP, GS 131E

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Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Health Care Facilities and Providers

S 732 (2019-2020) **CREATE MEDICAID ACCESS TO DOULA SERVICES.** Filed May 13 2020, *AN ACT TO PROVIDE COVERAGE FOR DOULA SERVICES UNDER THE NORTH CAROLINA MEDICAID PROGRAM STATE PLAN.*

Directs the Department of Health and Human Services (DHHS), Division of Health Benefits (DHB), to submit an amendment to the Centers for Medicare and Medicaid Services (CMS) adding coverage under the Medicaid State Plan for antepartum, intrapartum, and postpartum services provided to a pregnant recipient by a doula. Requires the coverage to include labor and delivery support for at least four visits during the antenatal period and seven visits during the postpartum period. Requires the described coverage to begin August 1, 2021.

Appropriates \$500,000 in nonrecurring funds from the General Fund to DHB for the 2020-21 fiscal year to make necessary changes to the NCTracks Medicaid Management Information System to add the described coverage and to enroll new providers of that coverage.

Directs DHB to study seven specified components in preparation for the addition of the described coverage, including (1) the necessary qualifications possessed by a doula in order to be enrolled as a provider, (2) the appropriate rate schedule for the new coverage, and (3) any anticipated costs and savings to the Medicaid Program that may be incurred or achieved by providing coverage for services provided by a doula. Directs DHB to submit a study report by April 1, 2021, to the specified NCGA committee chairs and division. Requires inclusion of a copy of the State Plan amendment required by the act, including the proposed reimbursement methodology to be used.

Intro. by Murdock, Waddell, Marcus.

APPROP, STUDY

[View summary](#)

Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Health Care Facilities and Providers, Health Insurance, Social Services, Public Assistance

S 733 (2019-2020) **UNC CAPITAL PROJECTS.** Filed May 13 2020, *AN ACT TO AUTHORIZE THE ACQUISITION OR CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENT PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.*

Provides that the act's purpose is to authorize: (1) the acquisition or construction of specified UNC capital improvement projects for specified constituent institutions and (2) the financing of the projects with described funds available, or other funds, or any combination of the funds, but not including funds received for tuition or appropriated from the General Fund unless previously authorized by statute. Specifies the authorized capital improvement projects and their costs to be the Morehead Chemistry Laboratory HVAC Upgrades at UNC-Chapel Hill (\$22 million), Phase 1 of the Campus-Wide Life Safety Upgrades at UNC-Chapel Hill (\$6.5 million), and Phase 2 of the Lower Campus Residence Halls at Western Carolina University (\$20 million). Allows financing to include revenue bonds and/or special obligation bonds. Authorizes the Director of the Budget to increase or decrease the cost, or change the method, of funding for the projects at the request of the UNC Board of Governors (UNC BOG) and on a determination that it is in the best interest of the State. Permits consultation with the Joint Legislative Commission on Governmental Operations.

Authorizes the UNC BOG to issue at one time or from time to time special obligation bonds, pursuant to GS 116D-26 and subject to the approval of the Director of Budget, for the purpose of paying all or any part of the cost of providing for the authorized projects. Caps the maximum principal amount of the bonds at the specified project cost provided by the act plus 5% to pay issuance expenses, fund reserve funds, pay capitalized interest, and pay any other additional costs, plus any increase in the specific project costs authorized pursuant to the act.

Intro. by Newton, Gunn.

UNCODIFIED

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[Government, State Agencies, UNC System](#)

LOCAL/SENATE BILLS

S 716 (2019-2020) [30TH SENATORIAL DISTRICT LOCAL ACT-1](#). Filed May 13 2020, *AN ACT RELATING TO THE 30TH SENATORIAL DISTRICT*.

Blank bill.

Intro. by Berger.

[Caswell, Rockingham, Stokes, Surry](#)

[View summary](#)

S 731 (2019-2020) [20TH SENATORIAL DISTRICT LOCAL ACT-1](#). Filed May 13 2020, *AN ACT RELATING TO THE 20TH SENATORIAL DISTRICT*.

Blank bill.

Intro. by Murdock.

[Durham](#)

[View summary](#)

ACTIONS ON BILLS

PUBLIC BILLS

S 714: [PED/DEQ ORGANIZATIONAL STRUCTURE](#).

Senate: Passed 1st Reading

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

S 715: 2020 REDISTRICTING COUNTY CLUSTER PROCESS.

Senate: Filed

S 717: PED/MILITARY OCCUPATIONAL LICENSURE.

Senate: Filed

S 718: VARIOUS SALES TAX CHANGES.

Senate: Filed

S 719: RETIREMENT PROTECTION ACT.

Senate: Filed

S 720: GSC CONFORMING AMENDS./2019 LAND-USE CHANGES.

Senate: Filed

S 721: NC A&T STATE UNIVERSITY/AG/DOCTORAL FUNDS.

Senate: Filed

S 722: UMSTEAD EXEMPT/DAIRY/NC A&T STATE UNIVERSITY.

Senate: Filed

S 723: PED STUDY - DPS/HEALTH SERVICES/FUNDS FOR FTE.

Senate: Filed

S 724: PED OVERSIGHT/EPP CHANGES.

Senate: Filed

S 725: PED/LOW-PERFORMING SCHOOL DISTRICTS.

Senate: Filed

S 726: PED REPORT/STUDENT FINANCIAL ASSISTANCE.

Senate: Filed

S 727: REVENUE LAWS RECOMMENDATIONS.

Senate: Filed

S 728: FUNDING ASSISTANCE FOR SMALL-SCALE LANDLORDS.

Senate: Filed

S 729: GSC MODERNIZE PARTITION LAWS.

Senate: Filed

S 730: THE NO PATIENT LEFT ALONE ACT.

Senate: Filed

S 732: CREATE MEDICAID ACCESS TO DOULA SERVICES.

Senate: Filed

S 733: UNC CAPITAL PROJECTS.

Senate: Filed

LOCAL BILLS

S 716: 30TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Filed

S 731: 20TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Filed

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