



The Daily Bulletin: 2021-08-31

PUBLIC/HOUSE BILLS

H 110 (2021) **LANDLORD SUBMISSION OF HOPE APPLICATION. (NEW)** Filed Feb 17 2021, *AN ACT TO MAKE CHANGES TO THE HOUSING OPPORTUNITIES AND PREVENTION OF EVICTIONS (HOPE) PROGRAM.*

Senate committee substitute deletes the content of the 2nd edition and replaces it with the following.

Enacts a new subsection to Section 3.4 of SL 2021-25 (Additional COVID-19 Response & Relief), relating to emergency rental assistance funds. Directs the NC Office of Recovery and Resiliency (NCORR) to accept applications under the Housing Opportunities and Prevention of Evictions Program (HOPE) submitted by a landlord on behalf of a tenant so long as the submitted application meets the federal requirements for the HOPE program. Makes such applications retroactively eligible for rental arrears, including current or previous tenant addresses, within allowable federal guidelines. Directs NCORR to only allocate funds to the 12 counties listed in subsection (d) of Section 3.4 (counties identified to receive Emergency Rental Assistance funds) that accept applications submitted by landlords on behalf of a tenant, accept applications submitted by tenants, and comply with the use restrictions of subsection (j), as amended.

Amends subsection (j) of Section 3.4, SL 2021-25, to enumerate six specific uses for the emergency rental assistance funds reserved and allotted under Section 3.4. Uses include: (1) covering the cost of a hotel or motel room, excluding incidental charges, occupied by an eligible household that meets applicable program requirements and three additional criteria, including that the household has been displaced from its primary residence or does not have a permanent residence elsewhere; (2) covering the cost of reasonable accrued late fees due to a landlord; (3) covering utility or energy costs for renter households, irrespective of an application for or receipt of rental assistance; (4) complying with fund allotment parameters set forth in subsection (g), with NCORR annually reporting to the specified NCGA committee; (5) ensuring assistance is provided for no longer than 12 months, with a three-month extension permitted if necessary to ensure housing stability (subject to funding availability); and (6) covering rental arrears accrued after March 13, 2020, the date of the specified emergency declaration.

Makes conforming changes to the act's titles.

Intro. by Hanig.

UNCODIFIED

[View summary](#)

Development, Land Use and Housing, Property and Housing, Government, Public Safety and Emergency Management, State Agencies, Department of Public Safety

H 352 (2021) **HOTEL SAFETY ISSUES.** Filed Mar 22 2021, *AN ACT TO CLARIFY THAT OCCUPANTS OF ACCOMMODATIONS PROVIDED BY HOTELS, MOTELS, OR SIMILAR LODGINGS DO NOT CREATE A TENANCY AND ARE NOT SUBJECT TO CHAPTER 42 OF THE GENERAL STATUTES AND TO CLARIFY THAT THESE OCCUPANCIES ARE GOVERNED BY THE STATUTES RELATING TO INNS, HOTELS, AND OTHER TRANSIENT OCCUPANCIES.*

The Governor vetoed the act on August 30, 2021. The Governor's objections and veto message are available here: <https://webservices.ncleg.gov/ViewBillDocument/2021/52934/0/H352-BD-NBC-9147>.

Intro. by Bradford, Mills, Moffitt, Richardson.

GS 42, GS 72

[View summary](#)

Business and Commerce, Development, Land Use and Housing, Property and Housing

H 398 (2021) [PISTOL PURCHASE PERMIT REPEAL \(NEW\)](#) Filed Mar 24 2021, *AN ACT TO REPEAL PISTOL PURCHASE PERMITS.*

The Governor vetoed the act on August 30, 2021. The Governor's objections and veto message are available here: <https://webservices.ncleg.gov/ViewBillDocument/2021/52935/0/H398-BD-NBC-9148>.

Intro. by Adams, Cleveland, Goodwin, Hanig.

[GS 14, GS 122C](#)

[View summary](#)

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

H 415 (2021) [UPDATE CHIROPRACTIC LAWS](#). Filed Mar 25 2021, *AN ACT TO UPDATE VARIOUS LAWS OF THE PRACTICE AND LICENSURE OF CHIROPRACTIC.*

AN ACT TO UPDATE VARIOUS LAWS OF THE PRACTICE AND LICENSURE OF CHIROPRACTIC. SL 2021-120.
Enacted Aug. 30, 2021. Effective Oct. 1, 2021.

Intro. by Setzer, Lambeth, Everitt, Moffitt.

[GS 90](#)

[View summary](#)

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

H 489 (2021) [2021 BUILDING CODE AND DEV. REG. REFORM](#). Filed Apr 1 2021, *AN ACT TO PROVIDE VARIOUS BUILDING CODE AND DEVELOPMENT REGULATORY REFORMS.*

AN ACT TO PROVIDE VARIOUS BUILDING CODE AND DEVELOPMENT REGULATORY REFORMS. SL 2021-121.
Enacted Aug. 30, 2021. Effective Aug. 30, 2021, except as otherwise provided.

Intro. by Brody, Riddell, D. Hall, Hunter.

[GS 87, GS 113A, GS 136, GS 143, GS 160A, GS 160D](#)

[View summary](#)

[Business and Commerce, Occupational Licensing, Courts/Judiciary, Civil, Civil Law, Development, Land Use and Housing, Land Use, Planning and Zoning, Property and Housing, Environment, Environment/Natural Resources, Government, State Agencies, Department of Transportation, Local Government, Transportation](#)

H 692 (2021) [RESTRICT CERTAIN VEHICLE MODIFICATIONS](#). Filed Apr 27 2021, *AN ACT PROHIBITING CERTAIN MODIFICATIONS TO PASSENGER VEHICLES OPERATING ON HIGHWAYS OR PUBLIC VEHICULAR AREAS.*

AN ACT PROHIBITING CERTAIN MODIFICATIONS TO PASSENGER VEHICLES OPERATING ON HIGHWAYS OR PUBLIC VEHICULAR AREAS. SL 2021-128. Enacted Aug. 30, 2021. Effective Dec. 1, 2021.

Intro. by B. Jones, Bell, Saine, Hardister.

[GS 20](#)

[View summary](#)

[Courts/Judiciary, Motor Vehicle](#)

H 909 (2021) [LEGIONNAIRES' DISEASE PREVENTION STUDY. \(NEW\)](#) Filed May 10 2021, *AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STUDY OPTIONS AVAILABLE TO REDUCE THE RISK OF LEGIONNAIRES' DISEASE IN THE STATE AND MAKE LEGISLATIVE RECOMMENDATIONS TO THE GENERAL ASSEMBLY.*

House committee substitute deletes the content of the 1st edition and replaces it with the following.

Includes whereas clauses.

Directs the Department of Health and Human Services (DHHS) to study what actions the State can take to reduce the risk of Legionnaires' disease by minimizing the growth and transmission of waterborne Legionella pneumophila. Requires the study to include two components: (1) identifying all current measures in place to reduce the risk of the disease, including State and federal regulatory requirements relating to building water systems and public water systems and (2) comparing current State statutory and regulatory frameworks to the recommendations contained in the identified standard of the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). Requires DHHS to report to the specified NCGA committee by April 1, 2022.

Appropriates \$10,000 from the General Fund to DHHS for 2021-22 to conduct the study.

Changes the act's titles.

Intro. by Turner.

[APPROP, STUDY](#)

[View summary](#)

[Environment, Environment/Natural Resources, Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Public Health, Public Enterprises and Utilities](#)

H 954 (2021) [VIDEO LOTTERY ENTERTAINMENT. \(NEW\)](#) Filed May 11 2021, *AN ACT TO AUTHORIZE THE REGULATION OF VIDEO LOTTERY ENTERTAINMENT.*

House committee substitute amends the 1st edition as follows.

Makes the following changes to proposed Article 9, Video Lottery Entertainment, of GS Chapter 18C.

Adds *associated equipment* and *net machine revenue* to the Article's defined terms. Now defines *manufacturer* to mean a person who is licensed by the NC State Lottery Commission (Commission) who manufactures, assembles, services, or produces video lottery terminals or associated equipment in the state (was, an individual, partnership, corporation, trust, association, joint venture, limited liability company, or other business entity that conducts the described activities). Now defines *operator* to mean a person licensed by the Commission who owns, leases, or otherwise controls a video lottery terminal for which a video lottery terminal permit has been issued by the Commission and places those video lottery terminals or associated equipment for public use in the state (was, an individual, partnership, corporation, trust, association, joint venture, limited liability company, or other business entity that conducts the described activities). Replaces the term *video lottery retailer* with the term *video lottery merchant*, defined as a person licensed by the Commission and with whom an operator has contracted to allow placement of video lottery terminals for public play and redemption of shares of video lottery games in accordance with the Article. Now includes electronic computerized video game machines that accept cash as an alternative to lottery shares within the meaning of *video lottery terminal*, as previously defined. Makes changes throughout the Article to conform to changes to the Article's defined terms and their definitions as amended.

Directs the Commission to determine that video lottery games (was, terminals) are a type of lottery game in the state, with play of video lottery games (was, terminals) deemed a share for purposes of GS Chapter 18C. Makes such play exempt from GS 18C-131(c) and explicitly limits play to video lottery terminals with valid video lottery terminal permits. Makes the Chapter applicable to conduct of video lottery games (was, terminals). Requires the Commission to adopt rules to determine the play of video lottery games (was, terminals). Now directs that the rules address the procedures for monitoring, collection, and remittance of net machine revenue from the video lottery games within 10 specified parameters (previously, directed that the

Commission's rules include the allocation of net income from video lottery terminals and the procedures for the monitoring, collection, and distribution of income from the terminals within eight specified parameters). Revises the parameters set forth for the Commission's rules, now providing the following. Requires at least 32% of the total net machine revenues from video lottery games to be transferred to the NC Video Lottery Fund (previously, required at least 35% of the total annual revenues to be transferred to the State), with the Commission required to adopt rules to establish a schedule of remittance, calculation of net machine revenue, and calculation of net revenue per operator, and authorizes the adoption of rules to set a minimum percentage of annual revenue, per machine or per operator, to be returned to the public in the form of prizes. More specifically caps the total annual net machine revenues from video lottery games allocated for administrative expenses of the Commission at 8%, adding that any monies unused by the Commission must be transferred to the NC Video Lottery Fund. Now requires 35% of the net machine revenues to be allocated to operators and 25% of the net machine revenues to be allocated to video lottery merchants. Requires associated equipment, in addition to video lottery terminals, to be connected to a central monitoring system at all times during play and as determined by the Commission. Requires all video lottery terminals to be placed with a video lottery merchant who holds an active off-site ABC permit or an active on-site ABC permit. Bars video lottery merchants from engaging solely in the business of placing video lottery terminals for play by the public. Requires the Commission to allow each video lottery merchant to operate up to six video lottery terminals per location, with the Commission authorized to allow up to four additional terminals per location (previously, allowed the Commission to place up to seven video lottery terminals with a lottery game retailer who holds an off-site ABC permit, and up to five video lottery terminals with a lottery game retailer who holds an on-site ABC permit). Now prohibits placement of video lottery terminals within 500 feet (was, 1,000 feet) of a church, public school, or any nonpublic school. Requires prizes for play of video lottery terminals to be issued by a share that is redeemable pursuant to specified state law or may be inserted into terminals for redemption or to generate credits for the play of video lottery games (previously, required shared for play of terminals to be a credit ticket voucher redeemable for cash or that can be inserted for redemption or to generate credits for the play of games). Maintains the restriction requiring the Commission to contract with licensed manufacturers and operators only. Adds new restrictions for operators placing video lottery terminals for play in the state, providing that the operators can only (1) purchase, lease, or otherwise obtain video lottery terminals and associated equipment from licensed manufacturers and (2) contract with licensed terminals for play by the public.

Creates the NC Video Lottery Fund (Fund) as an enterprise fund within the State treasury consisting of the transfer of net machine revenues and any monies remaining from the Commission's administrative expenses, and any earned interest on those funds. Directs the legislative appropriation of the monies in the Fund annually in the Current Operations Appropriations Act, based on estimates of the net machine revenue from video lottery games to the Fund. Requires appropriating \$2 million each fiscal year to each of five named universities for the improvement of graduation rates and student success or sustainability of the named institutions, as well as an amount to the State Education Assistance authority for each fiscal year sufficient to fund scholarship forgivable loans for eligible students under the Community College Scholarship Loan Program, appropriated to the Community College Scholarship Loan Trust Fund.

Regarding video lottery permitting, refers to video lottery terminal permits (was, video lottery permits) throughout. Adds a new provision requiring the Commission to adopt rules establishing the schedule for issuance and affixation of video lottery terminal permits, including an option for a licensed operator or licensed video lottery merchant to request to add video lottery terminals into play by the public during the license year. Makes conforming changes to reflect the requirement for associated equipment to be compatible with the Commission's central monitoring system.

Explicitly prohibits engaging in the manufacture, operation or service, or placement for play by the public of any video lottery terminal without a license issued by the Commission. Changes the disqualifications for licensees. Previously, barred licensing an applicant who has been convicted of a felony or any gambling offense in any state or federal court within 10 years of issuance of the license or who employs officers and directors who have been convicted of a felony or any gambling offense in any state or federal court within 10 years of issuance of the license. Now bars licensing an applicant who (1) has been convicted of a felony in any state or federal court within 10 years of issuance of the license, (2) employs officers or directors who have been convicted of a felony in any state or federal court within 10 years of issuance of the license, (3) has completed a sentence for a felony in any state or federal court within 10 years of issuance of the license, or (4) employs officers or directors who have completed a sentence for a felony in any state or federal court within 10 years of issuance of the license. Now bars licensing an applicant who resides in the same household as a member or employee of the Commission, or who is an employee, director, officer, partner, or proprietor of a manufacturer, operator, or video lottery merchant. In addition to barring licensure if the applicant has not been a resident for at least three years immediately preceding the application, also bars licensing an applicant who has not maintained a physical office location in the same jurisdiction for at least three years

immediately preceding the application related to the lawful video lottery terminal industry, or the applicant has not conducted business in the state in the amusement game industry for at least three years immediately preceding the application and has not been incorporated, formed, or otherwise qualified to do business in the state (evidenced by specified State or federal filings). Eliminates the provision that barred any entity acting as a supplier for the Commission in building, operating, maintaining, or contracting to build, operate, or maintain a central monitoring system from eligibility as a licensed manufacturer or operator, or from contracting as a video lottery retailer. Now bars licensed operators from giving anything of value to any video lottery merchant as an incentive or inducement to locate video lottery terminals in a specific location. Directs the Commission to adopt additional rules governing the exchange of gifts, loans, and other financing agreements, gratuities, special discounts, favors, hospitality, or service between licensees. Now authorizes the Commission to revoke any license for cause (was, at any time).

Eliminates the provision which deemed licenses nontransferable. Instead, allows for licenses to be transferred or assigned so long as the new license holder submits an application and associated fee and is approved by the Commission. Previously, barred holding multiple types of licenses. Now allows a manufacturer to be licensed as an operator, and an operator to be licensed as a manufacturer. Bars a manufacturer or an operator from being licensed as a video lottery merchant. Authorizes the Commission to contract with a manufacturer for the central monitoring system if the Commission is satisfied that the manufacturer will not use any knowledge or control of the system to advantage the manufacturer, an associated operator, or a video lottery merchant with whom the manufacturer's terminals are placed. Directs the Commission to strive to have at least five licensed manufacturers and 12 licensed operators at all times.

Makes the general duties set forth for video lottery license holders applicable no longer applicable to video lottery retailers.

Specifically requires operators to file with the Commission the name and address (was, name only) of the video lottery merchant where each permitted video lottery terminal for public play is located. Requires the independent testing of gaming software for video lottery terminals to include testing for compatibility with the central monitoring system. Prohibits the Commission from limiting licensure or connection to the central monitoring system to one type of video lottery terminal, one manufacturer, or one operation (previously, prohibited video lottery terminals approved by the Commission from limiting participation to only one manufacturer or one type of video lottery terminal). Makes organizational changes to enact the provisions related to the central monitoring system in a statute separate from the possession and permitting provisions. No longer directs the Commission to use commercially reasonable efforts to adopt and implement the central monitoring system. Makes conforming changes to eliminate the restriction placed upon the Commission to contract for the system with unlicensed manufacturers, operators, or retailers only. No longer prohibits the system from using a slot machine interface board for the purpose of accounting and reporting to the State.

Additionally makes it unlawful for a person under 21 to play a video lottery terminal (previously, only made it unlawful to purchase a share for play of a terminal).

Authorizes the Commission and the Alcohol Law Enforcement Division (ALE) to inspect an establishment of a licensed video lottery merchant (was, a video lottery retailer, with no specification as to licensure) during normal business hours, in addition to the previous grant of authority to inspect licensed operators and licensed manufacturers. Adds a new requirement for ALE to report to the Commission the results of any inspection and potential violations noted during an inspection.

Makes further technical changes throughout the Article.

Amends GS 18C-122 to authorize the Commission to hear any report of information regarding any security vulnerabilities of the Commission and the Education Lottery, or that could be used to provide an unfair advantage to a player or jeopardize the integrity of any lottery game, with such reports exempt from public records laws.

Amends new GS 105-102.7, making clarifying changes that the privilege taxes established apply to licensed manufacturers, licensed operators, and licensed video lottery merchants. Makes conforming changes to refer to "video lottery merchants" rather than "retailers."

Amends GS 105-259 to allow disclosure of tax information in order to provide the Commission the information required for licensure under new Article 9, GS Chapter 18C (specifically, GS 18C-214).

Enacts new Part 5 to Article 23, GS Chapter 115C, establishing the Community College Scholarship Loan Program (Program). Charges the State Education Assistance Authority (Authority) with the Program's administration, with the purpose of providing scholarship forgivable loans to residents to attend community colleges in pursuit of an associate degree, diploma, certificate,

and for those students to be eligible for forgiveness of the scholarship forgivable loans upon award of the degree, diploma, or certificate within six years. Allows for awards to eligible students for up to six years for tuition and fees associated with attendance. Details eligibility requirements, including residency requirements. Allows the Authority to use up to 5% of annual appropriations for Program administration, as well as funds received as loan repayment for recovery of funds advanced under the Program. Establishes the Community College Scholarship Loan Trust Fund (Trust Fund), administered by the Authority, consisting of net revenues transferred from the NC Video Lottery Fund, funds received as repayment of loans, and monies earned on interest thereof. Restricts use of funds in the Trust Fund to the award of scholarship forgivable loans under the Program and administrative costs of the Program. Lists required terms of all scholarship forgivable loans, including capping the interest rate at 10%, providing for forgiveness of the loan upon award of a degree, diploma, or certificate at an NC community college within six years (with certain extensions permitted, and forgiveness also provided due to death or permanent disability), and repayment requirements. Directs the Authority to annually report to the specified NCGA committee on the Program's implementation, beginning November 1, 2023. Details required content of the annual reports. Effective January 1, 2022, and applies beginning with the scholarship forgivable loans awarded for the 2023-24 academic year.

Directs the Commission to use sufficient funds from the NC State Lottery Fund to cover initial operating expenses of the Commission to implement new Article 9, GS Chapter 18C, up to \$10 million. Requires the borrowed funds to be available for expenditure without further legislative action beyond the act. Requires the Commission to repay any borrowed funds within 24 months after the effective date of the act.

Changes the effective date of the act, unless otherwise provided, to January 1, 2022 (was, October 1, 2021). Authorizes the Commission to begin rulemaking to implement new Article 9, GS Chapter 18C, prior to January 1, 2022. Bars temporary or permanent rules from becoming effective prior to January 1, 2022. Authorizes the Commission to initiate requests for proposals for the central monitoring system prior to January 1, 2022, but bars awarding any contract prior to that date. Authorizes the Commission to accept and issue applications for licensure under new Article 9, GS Chapter 18C, but bars issued licenses from becoming effective prior to the later of January 1, 2022, or the date the Commission deems the central monitoring system active.

Makes conforming changes to the act's titles.

Intro. by Warren, Moffitt, Hunter, Wray.

[GS 14, GS 18C, GS 105, GS 116](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Education, Higher Education, Government, State Agencies, Community Colleges System Office, Department of Public Safety, Tax, Lottery and Gaming](#)

PUBLIC/SENATE BILLS

S 159 (2021) [STATE HEALTH PLAN ADMINISTRATIVE CHANGES.-AB](#) Filed Feb 25 2021, *AN ACT TO MAKE TECHNICAL, CLARIFYING, AND ADMINISTRATIVE CHANGES TO LAWS RELATING TO THE STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES.*

AN ACT TO MAKE TECHNICAL, CLARIFYING, AND ADMINISTRATIVE CHANGES TO LAWS RELATING TO THE STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES. SL 2021-125. Enacted Aug. 30, 2021. Effective Aug. 30, 2021.

Intro. by Krawiec, Burgin, Perry.

[GS 135, GS 150B](#)

[View summary](#)

[Education, Government, APA/Rule Making, State Government, State Personnel, Health and Human Services, Health, Health Insurance](#)

S 207 (2021) [VARIOUS RAISE THE AGE CHANGES/JJAC RECS.](#) Filed Mar 9 2021, *AN ACT TO IMPLEMENT THE JUVENILE JUSTICE REINVESTMENT ACT BASED ON LEGISLATIVE RECOMMENDATIONS OF THE JUVENILE JURISDICTION ADVISORY COMMITTEE, TO MAKE RELATED CHANGES TO THE JUVENILE CODE, AND TO PROVIDE FOR AN APPROPRIATE MENTAL HEALTH ASSESSMENT TO BE PROVIDED FOR JUVENILES WHO HAVE BEEN ADJUDICATED DELINQUENT.*

AN ACT TO IMPLEMENT THE JUVENILE JUSTICE REINVESTMENT ACT BASED ON LEGISLATIVE RECOMMENDATIONS OF THE JUVENILE JURISDICTION ADVISORY COMMITTEE, TO MAKE RELATED CHANGES TO THE JUVENILE CODE, AND TO PROVIDE FOR AN APPROPRIATE MENTAL HEALTH ASSESSMENT TO BE PROVIDED FOR JUVENILES WHO HAVE BEEN ADJUDICATED DELINQUENT. SL 2021-123. Enacted Aug. 30, 2021. Effective Dec. 1, 2021, except as otherwise provided.

Intro. by Britt, Daniel, Mohammed.

[GS 7A, GS 7B, GS 143B](#)

[View summary](#)

[Courts/Judiciary, Juvenile Law, Abuse, Neglect and Dependency, Delinquency, Criminal Justice, Corrections \(Sentencing/Probation\), Criminal Law and Procedure, Government, State Agencies, Department of Public Safety, Health and Human Services, Health, Health Care Facilities and Providers, Mental Health, Social Services, Child Welfare](#)

S 314 (2021) [LOCAL GOV COMMISSION ASSISTANCE TOOLKIT. \(NEW\)](#) Filed Mar 17 2021, *AN ACT TO PROVIDE ADDITIONAL TOOLS FOR THE LOCAL GOVERNMENT COMMISSION TO ASSIST LOCAL GOVERNMENT UNITS AVOID AND CORRECT FISCAL DISTRESS THAT REQUIRES THAT THE IMPACT OF CHANGES TO SALES TAX DISTRIBUTION FORMULAS BE DELAYED UNTIL THE FISCAL YEAR FOLLOWING THE INITIAL DECISION; TO MANDATE THAT A STATEMENT FROM THE LOCAL GOVERNMENT COMMISSION BE INCLUDED IN THE PETITION TO THE GENERAL ASSEMBLY WHEN A NEW MUNICIPALITY IS PROPOSED; TO ADD OPTIONAL SOURCES FOR TRAINING FOR FINANCE OFFICERS; TO ALLOW THE LOCAL GOVERNMENT COMMISSION TO MANDATE SPECIALIZED TRAINING FOR CITY AND COUNTY MANAGERS WHEN A UNIT IS EXHIBITING FISCAL DISTRESS; TO ESTABLISH A PROCESS FOR A MUNICIPALITY TO INITIATE A TRANSITION TO RECOVER FROM FINANCIAL DISTRESS; AND TO ESTABLISH A PROCESS FOR THE LOCAL GOVERNMENT COMMISSION TO TRANSFER THE ASSETS, LIABILITIES, AND OTHER OBLIGATIONS AND DISSOLVE MUNICIPALITIES DETERMINED TO BE IN FINANCIAL DISTRESS.*

AN ACT TO PROVIDE ADDITIONAL TOOLS FOR THE LOCAL GOVERNMENT COMMISSION TO ASSIST LOCAL GOVERNMENT UNITS AVOID AND CORRECT FISCAL DISTRESS THAT REQUIRES THAT THE IMPACT OF CHANGES TO SALES TAX DISTRIBUTION FORMULAS BE DELAYED UNTIL THE FISCAL YEAR FOLLOWING THE INITIAL DECISION; TO MANDATE THAT A STATEMENT FROM THE LOCAL GOVERNMENT COMMISSION BE INCLUDED IN THE PETITION TO THE GENERAL ASSEMBLY WHEN A NEW MUNICIPALITY IS PROPOSED; TO ADD OPTIONAL SOURCES FOR TRAINING FOR FINANCE OFFICERS; TO ALLOW THE LOCAL GOVERNMENT COMMISSION TO MANDATE SPECIALIZED TRAINING FOR CITY AND COUNTY MANAGERS WHEN A UNIT IS EXHIBITING FISCAL DISTRESS; TO ESTABLISH A PROCESS FOR A MUNICIPALITY TO INITIATE A TRANSITION TO RECOVER FROM FINANCIAL DISTRESS; AND TO ESTABLISH A PROCESS FOR THE LOCAL GOVERNMENT COMMISSION TO TRANSFER THE ASSETS, LIABILITIES, AND OTHER OBLIGATIONS AND DISSOLVE MUNICIPALITIES DETERMINED TO BE IN FINANCIAL DISTRESS. SL 2021-124. Enacted Aug. 30, 2021. Effective Aug. 30, 2021, except as otherwise provided.

Intro. by McInnis, Johnson, Davis.

[GS 105, GS 120, GS 153A, GS 159, GS 160A](#)

[View summary](#)

[Courts/Judiciary, Civil, Government, General Assembly, Tax, Local Government](#)

S 316 (2021) [GEN. CONTRACTORS/PLUMBING/ELECTR. EXEMPT.](#) Filed Mar 17 2021, *AN ACT TO ALLOW FOR CERTAIN EXEMPTIONS FOR PLUMBING, HEATING, FIRE SPRINKLER, AND ELECTRICAL CONTRACTORS.*

AN ACT TO ALLOW FOR CERTAIN EXEMPTIONS FOR PLUMBING, HEATING, FIRE SPRINKLER, AND ELECTRICAL CONTRACTORS. SL 2021-122. Enacted Aug. 30, 2021. Effective Oct. 1, 2021.

Intro. by Jarvis, Johnson, Britt.

GS 87

[View summary](#)

Business and Commerce, Occupational Licensing, Development, Land Use and Housing, Building and Construction

S 379 (2021) [ISSUANCE OF UNREGISTERABLE CERT. OF TITLE.](#) Filed Mar 29 2021, *AN ACT AUTHORIZING THE DIVISION OF MOTOR VEHICLES TO ISSUE AN UNREGISTERABLE CERTIFICATE OF TITLE FOR CERTAIN VEHICLES.*

AN ACT AUTHORIZING THE DIVISION OF MOTOR VEHICLES TO ISSUE AN UNREGISTERABLE CERTIFICATE OF TITLE FOR CERTAIN VEHICLES. SL 2021-126. Enacted Aug. 30, 2021. Effective Oct. 1, 2021.

Intro. by B. Jackson, McInnis.

GS 20

[View summary](#)

Business and Commerce, Insurance, Courts/Judiciary, Motor Vehicle, Government, State Agencies, Department of Transportation

S 388 (2021) [PROPERTY/SALES TAX CHGS FOR FARMERS/WILDLIFE. \(NEW\)](#) Filed Mar 29 2021, *AN ACT TO EXPAND THE EXEMPTION FOR FARMERS TO INCLUDE CERTAIN SALES BY A QUALIFYING FARMER FOR A ZOO, TO EXEMPT QUALIFYING ITEMS FROM SALES TAX IF PURCHASED BY A WILDLIFE MANAGER FOR WILDLIFE MANAGEMENT ACTIVITIES, AND TO MAKE CHANGES TO THE PROPERTY TAXATION OF WILDLIFE CONSERVATION LAND.*

Senate committee substitute deletes the content of the 1st edition and replaces it with the following.

Part I.

Effective January 1, 2022, amends GS 105-164.13E, which provides sales and use tax exemptions for certain items purchased by qualifying farmers or conditional farmers. Adds a new subsection to the statute that allows a qualifying farmer or conditional farmer who operates a zoo in addition to the farmer's farming operations a sales and use tax exemption for the items used in the farmer's zoo operations. Specifies that an item is used by a farmer for zoo operations if it is used for the housing, raising, or feeding of animals for public display. Bars income derived from the zoo operations from being included in determining if the farm meets the qualifications for a *qualifying farmer* or *conditional farmer* under the statute. Makes the 10 items listed in existing subsection (a) that are primarily used in the farmer's zoo operations exempt from sales and use tax. Makes the provisions of subsections (c) and (c1), which extends the exemption to items purchased to fulfill contracts with and services for a qualifying farmer or conditional farmer, applicable to the zoo operations exemption, as specified.

Part II.

Effective July 1, 2022, enacts GS 105-164.13F, creating a sales and use tax exemption for eight enumerated items purchased by a wildlife manager used primarily for *wildlife management activities*, defined as one or more activities for which wildlife conservation land must be used to qualify for the wildlife conservation land classification under GS 105-277.15, as amended by the act. Defines *wildlife manager* as a person who owns land classified and taxed as wildlife conservation land. Items that may be exempt under the new statute include, among others, feed and feeders; certain rodenticides, insecticides, herbicides, fungicides, and pesticides; commercial fertilizer, lime, land plaster, mulch, plant plugs, seedlings, saplings, seeds, and seed

inoculants; machinery, as described, used for one of three specified purposes, including accessing or developing access to wildlife habitats; and fuel used to operate the exempt machinery. Requires application to the Secretary of Revenue (Secretary) for an exemption certificate pursuant to State law, which is valid for three years and renewable. Provides for the certificate's expiration when the wildlife manager ceases to engage in wildlife management activities or the land no longer qualifies for classification as wildlife conservation land under State law. Requires a certificate holder to notify the Secretary within 30 days upon no longer qualifying for the exemption. Provides for the exemption to extend to certain items purchased by the certificate holder to fulfill a contract with the certificate holder or to perform a service for the certificate holder, subject to the provision of the certificate to the retailer and recordkeeping requirements specified.

Part III.

Reorganizes GS 105-277.15, which provides for the taxation of land classified as wildlife conservation land. Defines *wildlife conservation land* as land that meets the size, ownership, and use requirements of the statute. Under current law, wildlife conservation land must be appraised, assessed, and taxed as if it were classified under GS 105-277.3 as agricultural land. Now requires wildlife conservation land used for wildlife species protection or wildlife habitat protection to be appraised and assessed as if it were classified as forestland, and wildlife conservation land used for wildlife reserve to be appraised and assessed as if it were classified as agricultural land.

Makes the following changes to the size, ownership, and use requirements of wildlife conservation land under the statute. Requires the land to consist of at least 20 contiguous acres located in the same county (previously, did not require the land be located in the same county). Adds that once the initial qualifying tract of 20 contiguous acres has been met, one or more additional acres that meet the ownership and use requirements can qualify for enrollment; however, if the land is used for wildlife habitat protection, then the additional acreage must be located in the same county as the qualifying 20-acre tract. Expands the ownership criteria to allow for ownership by a combination of one or more of the three entities previously permitted (an individual, a family business entity, or a family trust) as tenants in common. Allows tenants in common to elect to treat their individual shares as owned by them individually in accordance with GS 105-302(c)(9). Under current law, requires the land to have been owned by the same owner for the previous five years with three exceptions. Now requires that the land have been owned by the same owner for the previous four years, adding four new exceptions, now totaling seven exceptions. Exceptions added include: (1) if the land is the owner's place of residence; (2) if an owner of land enrolled as wildlife conservation land acquires additional land that shares a common boundary with the enrolled land; (3) if the land is owned as tenants in common and the land was owned by one or more of the tenants for the required time; and (4) if the land is acquired through transfer or inheritance from a relative and the land was owned by the relative for the required time.

Reorganizes the current use requirements, which require that the land be managed under a written wildlife habitat conservation agreement with the NC Wildlife Resources Commission (Commission) that is in effect as of January 1 of the year in which the benefit is claimed and the agreement requires the owner to do one or more of three specified activities, now organized with descriptors to include wildlife species protection, wildlife habitat protection, or wildlife reserve. Maintains the existing specifications of each of the three activities. Eliminates the additional requirement for land used for wildlife species protection or wildlife habitat protection to have been classified under GS 105-277.3 when the wildlife habitat conservation agreement was signed, or requiring the owner to demonstrate to both the Commission and the assessor that the owner used the land for a purpose specified in the signed wildlife habitat conservation agreement for three years preceding the January 1 of the year in which the benefit is claimed. Maintains the restriction which limits the classification as wildlife conservation land under the statute by capping land used as a wildlife reserve to no more than 800 acres of an owner's land in a county. Now allows for all other land of up to 200 acres (was, 100 acres) of an owner's land in a county to be classified as wildlife conservation land under the statute. Updates internal cross-references to reflect the organizational changes made by the act.

Makes the above changes effective for taxable years imposed beginning on or after July 1, 2022.

Changes the act's titles.

Intro. by Sawyer, B. Jackson.

[GS 105](#)

[View summary](#)

[Agriculture, Animals, Government, Tax](#)

S 462 (2021) [CON/THRESHOLD AMDS. & CERTIFICATE EXPIRATIONS](#). Filed Apr 1 2021, *AN ACT AMENDING CERTIFICATE OF NEED LAWS TO EXPAND ACCESS AND LOWER COSTS*.

AN ACT AMENDING CERTIFICATE OF NEED LAWS TO EXPAND ACCESS AND LOWER COSTS. SL 2021-129. Enacted Aug. 30, 2021. Sections 1 and 2 are effective Oct. 1, 2021. The remainder is effective Aug. 30, 2021.

Intro. by Krawiec, Perry, Burgin.

[GS 131E](#)

[View summary](#)

[Government, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Health Care Facilities and Providers](#)

S 570 (2021) [HOLD HARMLESS STAR RATINGS/ERS ASSESS. RESUME](#). Filed Apr 6 2021, *AN ACT TO HOLD HARMLESS CERTAIN FACILITIES WHEN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES RESUMES ENVIRONMENTAL RATING SCALE (ERS) (STAR RATING) ASSESSMENTS FOR LICENSED CHILD CARE FACILITIES; TO PROVIDE FOR CERTAIN OTHER FLEXIBILITIES WHEN THE ERS ASSESSMENTS RESUME; AND TO REQUIRE THE DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION TO REPORT ON SPECIFIED CRITERIA*.

AN ACT TO HOLD HARMLESS CERTAIN FACILITIES WHEN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES RESUMES ENVIRONMENTAL RATING SCALE (ERS) (STAR RATING) ASSESSMENTS FOR LICENSED CHILD CARE FACILITIES; TO PROVIDE FOR CERTAIN OTHER FLEXIBILITIES WHEN THE ERS ASSESSMENTS RESUME; AND TO REQUIRE THE DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION TO REPORT ON SPECIFIED CRITERIA. SL 2021-127. Enacted Aug. 30, 2021. Effective Aug. 30, 2021.

Intro. by Krawiec, Burgin, Perry.

[UNCODIFIED](#)

[View summary](#)

[Education, Preschool, Government, Public Safety and Emergency Management, State Agencies, Department of Health and Human Services](#)

S 580 (2021) [TITLE V PERMIT FEES/EFFECTIVE DATE](#). Filed Apr 6 2021, *AN ACT TO RECONCILE THE EFFECTIVE DATE OF A CERTAIN RULE ADOPTED BY THE ENVIRONMENTAL MANAGEMENT COMMISSION*.

House committee substitute to the 1st edition changes the effective date established by the act for 15A NCAC 02Q .0203 (Permit and Application Fees rule adopted by Environmental Management Commission on January 14, 2021), notwithstanding the timeline outlined in GS 15B-21.3 (specifying effective date of adopted rules) or other applicable law. Now provides for the rule to take effect on the date the act becomes law (was, May 1, 2021).

Intro. by B. Jackson, Sanderson, Edwards.

[UNCODIFIED](#)

[View summary](#)

[Environment](#)

S 654 (2021) [K-12 COVID-19 PROVISIONS](#). Filed Apr 6 2021, *AN ACT TO PROVIDE RELIEF TO PUBLIC SCHOOLS IN RESPONSE TO THE CORONAVIRUS DISEASE 2019 (COVID-19) PANDEMIC*.

AN ACT TO PROVIDE RELIEF TO PUBLIC SCHOOLS IN RESPONSE TO THE CORONAVIRUS DISEASE 2019 (COVID-19) PANDEMIC. SL 2021-130. Enacted Aug. 30, 2021. Effective Aug. 30, 2021, except as otherwise provided.

Intro. by Ballard, Davis, Lee.

[STUDY, GS 115C, GS 116](#)

[View summary](#)

Business and Commerce, Occupational Licensing, Education, Elementary and Secondary Education, Government, Public Safety and Emergency Management, State Agencies, Department of Public Instruction, Department of Transportation, Health and Human Services, Health, Public Health

ACTIONS ON BILLS

PUBLIC BILLS

H 27: IN-SERVICE TRAINING/MAGISTRATES.

House: Cal Pursuant 36(b)

House: Added to Calendar

House: Concurred In S Com Sub

House: Ordered Enrolled

H 91: ACCOUNTABILITY AND FAIR PLAY IN ATHLETICS. (NEW)

Senate: Reptd Fav

H 95: WHOLESALE RX DISTRIBUTION LICENSEE CHANGE. (NEW)

House: Concurred In S Com Sub

House: Ordered Enrolled

H 110: LANDLORD SUBMISSION OF HOPE APPLICATION. (NEW)

Senate: Reptd Fav Com Substitute

Senate: Com Substitute Adopted

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

H 181: WILDLIFE RESOURCES COMM'N. AMENDMENTS.-AB

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

H 324: ENSURING DIGNITY & NONDISCRIMINATION/SCHOOLS. (NEW)

House: Cal Pursuant 36(b)

House: Placed On Cal For 09/01/2021

H 351: CLIFFORD'S LAW. (NEW)

House: Concurred In S Com Sub

House: Ordered Enrolled

H 352: HOTEL SAFETY ISSUES.

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

H 398: PISTOL PURCHASE PERMIT REPEAL (NEW)

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

H 403: CLARIFY MOTOR VEHICLE FRANCHISE LAWS.

House: Cal Pursuant 36(b)

House: Added to Calendar

House: Concurred In S Com Sub

House: Ordered Enrolled

H 436: SUPPORT LAW ENFORCEMENT MENTAL HEALTH.

House: Concurred In S Com Sub

House: Ordered Enrolled

House: Ratified

House: Pres. To Gov. 8/31/2021

S 228: ALLOW EMPLOYERS TO OFFER EPO BENEFIT PLANS.

Senate: Pres. To Gov. 8/31/2021

LOCAL BILLS

H 3: CRAVEN BD OF ED/PARTISAN ELECTORAL DISTRICTS. (NEW)

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

H 24: CHIMNEY ROCK/LAKE LURE DEANNEX-ANNEX. (NEW)

Senate: Passed 2nd Reading

H 143: SWAIN COUNTY SHERIFF VACANCIES.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

H 229: EXTEND MAYOR'S TERM TO 4 YRS./CAROLINA SHORES.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

Senate: Special Message Sent To House

House: Special Message Received For Concurrence in S Com Sub

House: Cal Pursuant 36(b)

House: Placed On Cal For 09/01/2021

H 248: SPRING LAKE CHARTER AMENDMENT.

Senate: Reptd Fav

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