

# The General Assembly

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The 2019 legislative long session is one of the longest since the legislature began holding regular sessions in both even and odd-numbered years. The length of the session was bested only by the 2001 long session, which ran for 179 days in the House and 173 days in the Senate. Session was also notable for the failure to enact a traditional budget bill. The General Assembly convened on January 9 for a one-day organizational session, reconvened to begin the session's work on January 30, and adjourned on October 31 but held reconvened sessions on November 13, 2019, and January 14, 2020.

This chapter provides an overview of the 2019 session, including the organization of each chamber and major legislation enacted. Please note that School of Government (SOG) faculty members and experts have written detailed blog posts, outlines, and summaries of selected legislation of interest to state and local government officials. These summaries are available on the SOG's Legislative Reporting Service website, [lrs.sog.unc.edu](https://lrs.sog.unc.edu) under the "Legislative Summaries" link; the site will be updated as summaries are available. All bill summaries written by the Legislative Reporting Service staff and *Daily Bulletins* are also available for free to public, beginning with the 2019 session, at [lrs.sog.unc.edu](https://lrs.sog.unc.edu). The site also contains archives of bill summaries and *Daily Bulletins* dating back to the 2011 session.

## Overview of the 2019 Regular Session

Article II, Section 11, of the North Carolina Constitution provides for a biennial session of the General Assembly that convenes in every odd-numbered year. Until 1973 the General Assembly held a single regular session, convening in each odd-numbered year, meeting several months, and then adjourning sine die. Prior to 1974, legislative sessions in even-numbered years of the biennium were extra sessions and they were rare and of short duration.

Beginning with the 1973-74 biennium, the General Assembly began holding annual sessions. The General Assembly convenes in January of odd-numbered years. In these "long sessions," which generally run through midsummer, a biennial budget is adopted and any legislative business may be considered. In even-numbered years the General Assembly convenes for a "short session," which typically runs from May through July or August. In the short session the General Assembly considers budget adjustments for the second year of the biennium and generally deals with bills that have passed one house and a limited number of additional noncontroversial matters. Legally the short session is a continuation of the long session. Beginning in 2013, legislators also convene a one-day organization session a couple of weeks before returning to conduct business during the long session.

The 2019 session welcomed 45 new members with both chambers retaining a Republican majority. The Senate membership included 15 new members, while the House had 30 new members.

On January 9, legislators met to adopt temporary rules, name leadership, and announce committee appointments. This one-day session allowed legislators to quickly get to work when the session reconvened on January 30. As in other long sessions, legislators took breaks during session. Varying in duration, breaks were taken by both chambers in April, August, September, and October, with the House also taking a break in May. When legislators adjourned on October 31, the 2019 session saw the highest number of introduced bills since 2013 and was already second in length to

only the 2001 session. The two reconvened sessions that took place in November and January added on another 18 bills and four days of session.

Governor Cooper vetoed 14 bills in 2019, and as of this writing, none of those vetoes have been overridden. A further discussion of those bills can be found in the “The Governor’s Veto” section of this document. The Governor also allowed three bills to become law without his signature: Fees/Returned Checks, [S.L. 2019-77 \(Senate Bill 529\)](#); [Small Business Health Care Act, S.L. 2019-202 \(Senate Bill 86\)](#); and Low Pref. Schools/Adv. Teaching Roles, [S.L. 2019-248 \(Senate Bill 522\)](#).

## The House of Representatives

The November 2018 election resulted in the election of 30 new House of Representatives members for a total membership of 65 Republicans, and 55 Democrats, losing the veto-proof<sup>1</sup> Republican majority in the House. Representative Tim Moore of Cleveland County was re-elected as Speaker of the House while Representative Darren Jackson was elected Minority Leader. Table 1-1 lists the 2019 House officers.

The demographics of the 2019 House can be broken down as follows:

- 33 women, 3 more than in 2017
- 97 men
- 26 African Americans, two more than in 2017
- One Native American

There were several changes in House membership during the 2019 session. Representative Ken Goodman resigned on April 18 after being named to the Industrial Commission. Scott Brewer was appointed to fill the seat. Representative Rena Turner resigned on June 27 to spend more time with her family. Jeffrey McNeely was named as her replacement. Representative Cody Henson resigned on July 26 citing the need to be home and focused on his children. Jake Johnson was appointed to the seat. Representative Gregory Murphy resigned September 16 after being elected to the seat that became vacant due to the death of Congressman Walter Jones. Perrin Jones was named as his replacement. Sadly, Representative Lina Johnson passed away on February 18, 2020. Her successor has not been named at the time of this writing.

**Table 1-1. Officers of the 2019 House of Representatives**

Tim Moore, Cleveland County, Speaker
Sarah Stevens, Surry and Wilkes counties, Speaker Pro Tempore
John R. Bell, IV, Craven, Greene, Lenoir and Wayne counties, Majority Leader
Brenden H. Jones, Columbus and Robeson counties, Deputy Majority Leader
Jon Hardister, Guilford County, Majority Whip
James L. Boles, Jr., Moore County, Kevin Corbin, Cherokee, Clay, Graham, and Macon counties, and Pat McElraft, Carteret and Jones counties, Deputy Majority Whips
John Szoka, Cumberland County, Conference Chair
Holly Grange, New Hanover County, Deputy Conference Chair
Pat B. Hurley, Randolph County, Joint Caucus Chair
Steve Jarvis, Davidson County, Majority Freshman Caucus Leader
Chris Humphrey, Lenoir and Pitt counties, Majority Freshman Caucus Whip
Darren G. Jackson, Wake County, Democratic Leader
Robert T. Reives, II, Chatham and Lee counties, Deputy Democratic Leader
Cynthia Ball, Wake County, Deb Butler, Brunswick and New Hanover counties, Carla D. Cunningham, Mecklenburg County, Garland E. Pierce, Hoke, Richmond, Robeson and Scotland counties, and Amos L. Quick, III, Guilford County, Democratic Whips

<sup>1</sup> A vote in favor of the bill by three-fifths of the members present and voting is needed to override a veto. In the House, 72 members are needed for a veto proof majority.

Ashton Wheeler Clemmons, Guilford County, and Derwin L. Montgomery, Forsyth, Democratic Freshman Co-Chairs
James White, Principal Clerk
Garland Shepherd, Sergeant-at-Arms

## The Senate

Fifteen new members were elected to the Senate during the 2018 elections. The November election resulted in Republicans losing their veto proof majority by one<sup>2</sup>; the 2019 Senate was made up of 29 Republicans and 21 Democrats. The demographics of the 2019 Senate can be broken down as follows:

- Ten women, three less than in 2017
- 40 men
- Ten African Americans, one less than in 2017
- Two Indian-Americans, one more than in 2017

The Senate saw three changes in membership. Effective January 14, Senator Louis Pate resigned due to health issues. Jim Perry was appointed to fill the seat. Senator Dan Bishop resigned on September 17 following his election to represent US House District 9. Rob Bryan was named as his successor. Lastly, Senator Floyd McKissick resigned on January 1, 2020, in order to serve on the NC Utilities Commission. Retired Representative Michaux was named as his replacement.

The 2019 Senate officers and leadership are shown in Table 1-2.

**Table 1-2. 2019 Senate Officers and Leadership**

Dan Forest, Lieutenant Governor, President
Phil Berger, Guilford and Rockingham counties, President Pro Tempore
Ralph Hise, Madison, McDowell, Mitchell, Polk, Rutherford, and Yancey counties, Deputy President Pro Tempore
Harry Brown, Jones and Onslow counties, Majority Leader
Rick Gunn, Alamance and Guilford counties, and Jerry W. Tillman, Moore and Randolph counties, Majority Whip
Norman W. Sanderson, Carteret, Craven and Pamlico counties, Republican Joint Caucus Leader
Dan Blue, Wake County, Democratic Leader
Jay Chaudhuri, Wake County, Democratic Whip
Ben Clark, Cumberland and Hoke counties, Democratic Caucus Secretary
Sarah Lang Holland, Principal Clerk
Robert Myrick, Sergeant-at-Arms

## Statistical Comparison

The 2019 long session was the second longest on record (surpassed only by the 2001 long session which adjourned on December 6). Despite the length of the session, the session did not see a significant increase in the number of bills filed or in the number of bills that became law. A total of 1,713 bills were introduced during the 2019 legislative session, a slight increase over the 1,609 introduced in the previous long session; when you take into account bills introduced during the

<sup>2</sup> A vote in favor of the bill by three-fifths of the members present and voting is needed to override a veto. In the Senate, 30 members are needed for a veto proof majority.

reconvened sessions, the total number of bills introduced increases to 1,731.<sup>3</sup> Of the bills introduced, 268 bills, equivalent to 16% of the bills introduced, were ratified. While this is an increase in the number of bills that became law during the 2017 long session, the increase still does not rise to the rate of passage seen in previous long sessions. Table 1-3 includes an overview of the statistics from 2019 as compared to the previous five long sessions.

Table 1-3 compares the 2019 session with other odd-year sessions of the past ten years.

**Table 1-3. Statistical Comparisons of Recent Odd-Year Sessions**

	<b>2009</b>	<b>2011</b>	<b>2013</b>	<b>2015</b>	<b>2017</b>	<b>2019</b>
<b>Date convened</b>	January 28	January 26	January 30	January 28	January 25	January 30
<b>Date adjourned</b>	August 11	June 18	July 26	September 30	June 30**	October 31**
<b>Senate legislative days</b>	112	87	103	137	93	150
<b>House legislative days</b>	114	87	103	135	93	153
<b>Senate bills introduced</b>	1109	785	726	722	685	692
<b>House bills introduced</b>	1658	936	1022	944	927	1021
<b>Total bills introduced</b>	2767	1721	1748	1666	1609	1713
<b>Laws Enacted (includes session laws and joint resolutions)</b>	610	405	442*	314*	210	268
<b>% of introduced bills enacted</b>	22%	24%	25%	19%	13%	16%

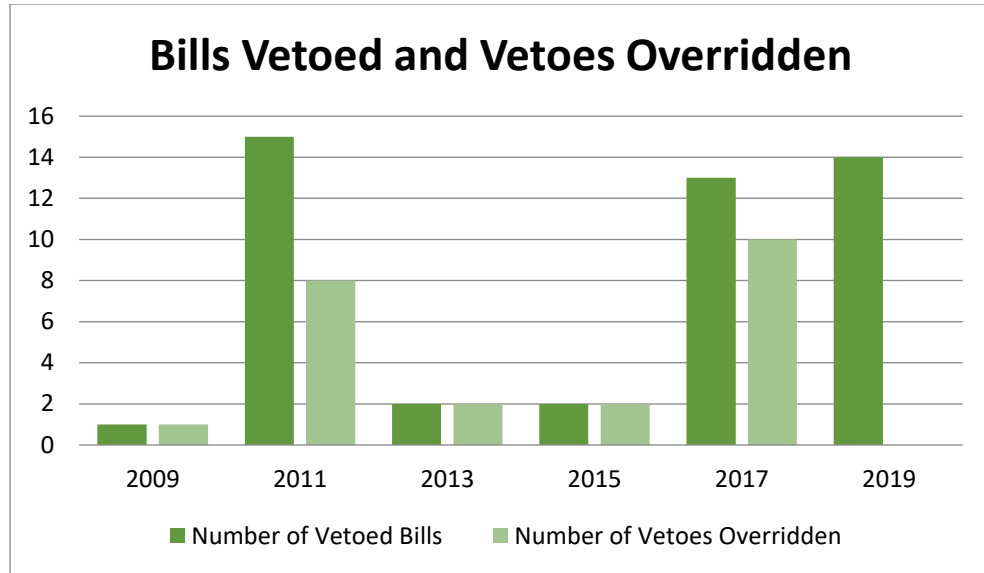
\*These totals include bills enacted during the 2013 and 2015 organizational sessions and the 2013 veto override session.

\*\*This adjournment date and the numbers included in the chart do not reflect the reconvened sessions.

The number of bills vetoed in all of 2019 surpassed those vetoed in the entirety of 2017 by one, now making 2019 the session with the second highest number of bill vetoes, which, when including bills passed during the reconvened sessions, falls just short of the record set in 2011. Also notable about the bills vetoed in 2019 is that none of the vetoes have been successfully overridden. Of the 14 vetoes, only five override attempts were made. Three attempts failed and the other two attempts cleared one chamber but were not taken up in the other chamber. The override of Senate Bill 359, Born-Alive Abortion Survivors Protection Act failed in the House after successfully passing the Senate, the override of Senate Bill 553, Regulatory Reform Act 2019, failed in the Senate and therefore did not go to the House, and the override of Senate Bill 354, Strengthen Educator's Pay Act also failed in the Senate. The override of House Bill 966, 2019 Appropriations Act, succeeded in the House but was not taken up by the Senate, and the override of House Bill 555, Medicaid Transformation Implementation, passed the House but was not taken up by the Senate. Chart 1-1, below, compares the number of bills vetoed and veto overrides in 2019 to the previous five long sessions.

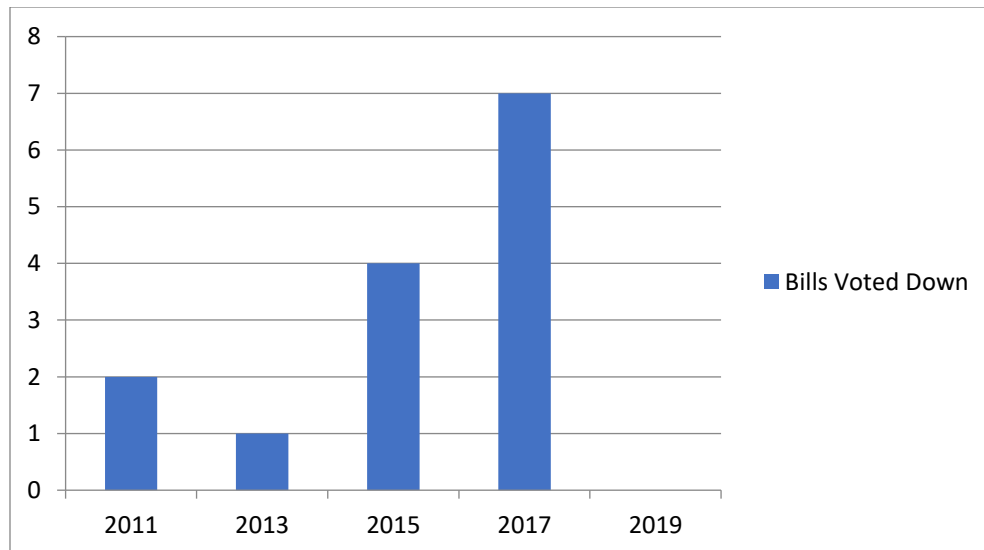
<sup>3</sup> According to analysis of statistics compiled by the General Assembly library, available at <http://www.ncleg.net/library/Documents/Legislative%20statistics.pdf>.

**Chart 1-1. Bill Vetoes and Veto Overrides**



While the percentage of bills that became law is slightly higher than the last long session, there was a decrease in the number of bills that were voted down in chamber. Unlike the last long session, when seven bills were voted down on the House or Senate floor, no bills were voted down on the chamber floor this session. One bill ([House Bill 273](#), Add Member to NC Training Standards Commission), however, was given an unfavorable report out of committee. Chart 1-2, illustrates the number of bills voted down on the chamber floor when looking at the past five long sessions.

**Chart 1-2. Number of Bills that were Voted Down on House or Senate Floor**



The 2019 Appropriation Act (House Bill 966) was ratified on June 27, before the end of the fiscal year. The 2019 Appropriation Act, however, did not become law. The Governor vetoed the act the next day, June 28. While the House voted to override the veto on September 11, the Senate did not take up a vote on the override. Due to the impasse on the Appropriations Act, legislators

instead gave approval to several so-called mini budgets that funded targeted areas. The mini budgets that were enacted into law are discussed in the “Major Legislation Enacted in 2019” section while those that were vetoed are discussed in the “Governor’s Veto” section of this document. As seen in Table 1-4, over the most recent five long sessions, the June 27 ratification date is only slightly behind the 2017 Appropriations Act ratification.

**Table 1-4. Appropriations Act Ratification Dates**

<b>Year</b>	<b>Date of Appropriation Act Ratification</b>
2011	June 4
2013	July 25
2015	September 18
2017	June 22
2019	June 27 (Governor’s veto still stands)

## Major Legislation Enacted in 2019

The 2019 General Assembly enacted a number of significant pieces of legislation, a few of which are listed below. Please note that several bills passed by the General Assembly are discussed later in the “Governor’s Veto” section of this document.

### Disaster Recovery and Relief and Emergency Management

Many laws were enacted during the 2019 Regular Session to support disaster recovery efforts in the State. [S.L. 2019-244 \(Senate Bill 559\)](#) allows public utilities that sell electric power to retail customers in the State to issue storm recovery bonds to recoup costs incurred in restoring utilities following natural disasters. The new law, G.S. 62-172, sets out the procedure that these utilities must follow, which includes petitioning the Utilities Commission to issue a financing order; details responsibilities of utilities that have obtained a financing order and caused storm recovery bonds to be issued; and enumerates the requirements, limitations and implications of storm recovery property and security interests. The law explicitly specifies that storm recovery bonds are not public debt or an obligation of the State.

[S.L. 2019-187 \(Senate Bill 498\)](#) exempts nonresident businesses and employees who temporarily come to North Carolina at the request of critical infrastructure companies to perform disaster-related work during a disaster response period from various tax and regulatory requirements. This legislation also authorizes the Secretary of State to issue a temporary license to an applicant to import, export, distribute, or transport motor fuel in North Carolina in response to a disaster declaration.

[S.L. 2019-89 \(House Bill 917\)](#) expands municipal and county authority concerning emergency declarations to include closure of roads, streets, highways and bridges within the emergency area, except for movement from emergency responders and others necessary to emergency recovery. The law also allows delegation of this authority to the sheriff, and requires notification of any such closure to the Department of Transportation as soon as practicable. Further discussion on this legislation, written by Norma Houston, can be found [here](#).

[S.L. 2019-251 \(Senate Bill 356\)](#) establishes a Transportation Emergency Reserve within the Department of Transportation with a sustained balance of \$125 million to be used for expenses related to a Presidentially declared major disaster in the State. This legislation is discussed in more detail below in the November 13 Session portion.

[S.L. 2019-176 \(House Bill 922\)](#) reforms public school education insurance management, shifting responsibility from the Department of Public Instruction to the Department of Insurance. The act requires local education boards, which includes regional schools and community colleges, to acquire and maintain insurance for all buildings owned by the board against loss by an insurable

hazard for at least 80% of their value. This legislation also establishes a new requirement for boards with properties identified in the Flood Insurance Rate Map (produced by the Federal Emergency Management Agency [FEMA]) to be especially flood prone, now mandating these properties have flood insurance for all buildings and their contents to at least 80% of their value.

Several acts addressed disaster relief needs of the State following recent storms. [S.L. 2019-3 \(Senate Bill 77\)](#) extends the deadline for farmers to apply to the Department of Agriculture and Consumer Services for Hurricane Florence assistance in counties included under a Presidential or Secretarial major disaster declaration as a result of Hurricane Michael. [S.L. 2019-238 \(Senate Bill 312\)](#) specifically addresses accommodations needed for the Ocracoke School regarding school calendar flexibility and employee compensation in response to Hurricane Dorian. Approval was also given to S.L. 2019-250 (House Bill 200) to appropriate disaster relief funds, which is discussed in more detail in the “November 13 Session,” portion of this document.

[S.L. 2019-224 \(Senate Bill 429\)](#) appropriates and allocates over \$94 million in nonrecurring funds to the Hurricane Florence Disaster Recovery Fund. Allocations made include recovery funds for specific municipalities, as well as various other state, local and private entities for disaster recovery, subject to restrictions provided in the act. Among other provisions, the act also expands the scope of the Department of Agriculture and Consumer Services Farmer Assistance program to allow farmers from six more counties affected by Hurricane Florence to apply for assistance. Many provisions in this legislation were pulled from the 2019 Appropriations Act.

Lastly, [S.L. 2019-15 \(Senate Bill 605\)](#) creates a special Disaster Relief Cash Flow Loan Fund within the Department of Transportation. The act places a \$300 million cap on the Fund and restricts use of the Fund to meeting the cash flow needs of the Department for expenditures related to disaster relief. The limitations and requirements of the Fund include quarterly reporting requirements and mandate that the Fund must be closed by June 2021.

## Elections

[S.L. 2019-239 \(Senate Bill 683\)](#) makes various changes to the procedure and requirements of voting by absentee ballot. Significantly, the changes explicitly require a written request for an absentee ballot to be completed and returned by the voter or the voter’s near relative or verifiable legal guardian, or a member of a multi-partisan team trained and authorized by the county board of elections. The changes included now require acceptable photo identification to be included in the request, rather than allowing for its inclusion with the returned ballot. The law also increases the existing criminal penalties for violations of absentee ballot laws, and establishes new crimes ranging from Class F to Class I felonies, including: selling or attempting to sell absentee ballot; destruction of absentee ballot; copying or retaining identifying information; receiving compensation based on requests; intentionally committing or attempting to commit certain election law violations to unlawfully influence an election; and disclosure of register of absentee ballot requests. This legislation also establishes a new requirement for all counties to hold one-stop voting on the last Saturday before the election from 8:00 A.M. to 3:00 P.M., and amends the hours set for other one-stop sites from 7:00 A.M. to 7:00 P.M., to 8:00 A.M. to 7:30 P.M. Among other provisions concerning county voting equipment, the act also includes the State Board of Elections budget and other provisions taken from the 2019 Appropriations Act.

[S.L. 2019-22 \(House Bill 646\)](#) makes modifications to the voter photo identification requirements enacted in 2018. This act clarifies the procedure and requirements for student and employee identification approval and extends the deadline by which universities, colleges, state and local governments, and charter schools must have their identification cards approved by the State Board of Elections for use in the 2020 elections. Additionally, the law prohibits the State Board from not approving these identification cards for use in the 2020 elections solely because the cards fail to contain an expiration date. This act also provides that all tribal enrollment cards are valid for voting regardless of expiration.

[S.L. 2019-119 \(Senate Bill 220\)](#) universally allows any citizen to remove or dispose of a political sign in a public right-of-way, without penalty, forty days after an election (thirty days after the ten-day window political signs may be lawfully placed following election day). Generally, it is

a Class 3 misdemeanor to unlawfully remove a lawfully placed political sign under existing law. The act also addresses the time period within which political advertising can be placed at poll sites that are public buildings, now establishing that candidates have at least 36 hours before and 36 hours after elections to place and retrieve political signs.

### Juvenile Law Changes

Part II of [S.L. 2019-216 \(Senate Bill 682\)](#) enacts new Article 20A in General Statute Chapter 7B to provide legislative clarifications and procedure relating to the newly constitutionally protected rights for victims of delinquent acts ratified by voters in the 2018 general election. This legislation enumerates the offenses covered under the Article, the proceedings at which the victims' rights apply, the procedure for victims to assert their rights and allege a violation of those rights, and guidance regarding competing confidentiality issues. A thorough discussion of the history of the constitutional amendment and this companion legislation, written by faculty member Shea Denning, can be found [here](#). A more narrow discussion of this legislation as it relates to delinquency, written by faculty member Jaquelyn Greene, can be found [here](#).

[S.L. 2019-33 \(House Bill 301\)](#) contains many provisions revising the Juvenile Code, General Statute Chapter 7B. This legislation makes several changes and clarifications to the abuse, neglect, dependency, and termination of parental rights laws, including adding "serious emotional damage" as grounds for a court to enter a nonsecure custody order to remove a child from a parent, guardian, custodian or caretaker. Additionally, the act's provisions make substantive and procedural changes relating to the Responsible Individuals List (RIL), including adding individuals responsible for subjecting a juvenile to human trafficking to the definition of *responsible individual*, and barring individuals criminally convicted for the same incident from judicial review of a determination. Changes made to the Juvenile Code also cover visitation, placement, relinquishment, and permanency planning matters. A more thorough discussion of these provisions, written by Sara DePasquale, can be found [here](#).

[S.L. 2019-245 \(Senate Bill 199\)](#), specifically Part VI, amends the definition of *caretaker* as the term applies in abuse and neglect cases. This provision removes the relational limitation previously set under existing law, thereby expanding the term to include any "adult entrusted with the juvenile's care." As a caretaker's role in creating a child's circumstances are considered in abuse and neglect cases, under this change, a social service department or a court can now consider the role of a nonrelative adult who meets the definition of the juvenile's caretaker in determining whether the juvenile is abused or neglected. A brief discussion on these provisions are included in an overview of this legislation as a whole, written by Sara DaPasquale, and can be found [here](#).

Part III of [S.L. 2019-201 \(Senate Bill 230\)](#) requires county social services directors to collect information concerning a parent, guardian, custodian, or caretaker's military affiliation in the course of their assessment of a reportedly abused or neglected juvenile. Additionally, this legislation requires the county director to disclose confidential information to the appropriate military authority when there is evidence of abuse or neglect and the parent, guardian, custodian, or caretaker has a military affiliation. A brief discussion of these provisions, written by Sara DePasquale, can be found [here](#).

[S.L. 2019-42 \(House Bill 578\)](#) makes changes to the laws regarding legitimation of a child in response to a recent Court of Appeals decision, *Hunt v. Collinsworth*, 822 S.E.2d 790 (2019) (unpublished). This legislation repeals the requirement for a child's surname to be changed to the father's surname after legitimation. The act sets new parameters for when a child's surname can be changed to include only upon the agreement of both parents, pursuant to state law regarding birth certificate amendments, or by court order based upon the best interests of the child. A more detailed discussion of these legislative changes, written by Sara DePasquale, can be found [here](#).

[S.L. 2019-41 \(House Bill 617\)](#) removes the prohibition under existing law that bars referring a juvenile to a teen court program if the juvenile has previously been referred to a teen court program, thereby allowing for a juvenile to be referred to a teen court program more than once. Juveniles may be referred to the teen court program for offenses that would be classified as a misdemeanor or an infraction if committed by an adult, unless the offense is driving while impaired, a Class A1



misdeemeanor, assault in which a weapon was used, or certain controlled substance offenses. A discussion of this legislation, written by faculty member Jacquelyn Green, can be found [here](#).

[S.L. 2019-47 \(House Bill 415\)](#) allows a photograph to be taken of a juvenile suspected of committing a crime at the time of a show-up, creating an exception to existing law which prohibits conducting non-testimonial identification procedures on most juveniles without a court order. This legislation establishes procedures to be followed when a juvenile's photo is taken and addresses related confidentiality and recordkeeping practices. A discussion of this legislation, written by faculty member Jacquelyn Green, can be found [here](#).

[S.L. 2019-158 \(House Bill 198\)](#) creates an exception to the procedure for the expunction of juvenile adjudication records. This legislation allows for juveniles whose participation in their adjudicated offense was a result of having been a victim of human trafficking to immediately petition for expunction. Typically, juveniles must wait 18 months post-release and not have been subsequently adjudicated or convicted of an offense other than a traffic violation prior to filing a petition for expunction. A discussion of this legislation is included in a larger discussion of new delinquency laws, written by Jacquelyn Green, which can be found [here](#).

### **Family Law Changes**

[S.L. 2019-172 \(House Bill 469\)](#) makes various changes to laws concerning equitable distribution, parenting coordinators, and adoptions. The act makes substantive changes pertaining to the classification, valuation, and distribution of pension, retirement, and deferred compensation benefits. A thorough discussion of these changes, written by faculty member Cheryl Howell, can be found [here](#).

This legislation also makes substantial changes to Article 5 of General Statute Chapter 50, making revisions and clarifications to the statutes governing the use of parenting coordinators in family law cases. The changes made impact the selection, qualification, appointment, and authority of parenting coordinators, including 1) adding a new requirement that a parenting coordinator must be selected from a list maintained by a district court, and 2) modifying coordinator qualifications to include a masters or doctorate degree in psychology, law, social work, or counseling (no longer including medicine or another subject area) and a current North Carolina license in the coordinator's respective practice area (previously, only required a license in the respective area).

Lastly, this legislation explicitly enacts the Interstate Compact on the Placement of Children (Compact) as state law, applicable to all interstate placements of children between North Carolina and other states which are parties to the Compact. Additionally, the act contains provisions relating to the recognition of certain foreign adoptions, confidentiality and disclosure of adoption records, and acknowledgement of the right to counsel prior to relinquishment. Further discussion of the adoption law provisions of the act, written by Sara DePasquale, can be found [here](#).

### **Raise the Age**

[S.L. 2019-186 \(Senate Bill 413\)](#), as amended by [S.L. 2019-243 \(House Bill 470\)](#), modifies legislation known as Raise the Age, enacted as the Juvenile Justice Reinvestment Act which was included in the 2017 Appropriations Act ([S.L. 2017-57](#)). The comprehensive legislation, effective December 1, 2019, raises the age of juvenile court jurisdiction in North Carolina. A detailed review of the 2017 legislation, written by LaToya Powell, can be found [here](#). A discussion of the 2019 amendments, written by faculty member Jacquelyn Greene, can be found [here](#), with a more detailed review found [here](#) (*see* number 32 of the 2019 criminal legislation discussed). Additionally, Raise the Age FAQs, also written by faculty member Jacquelyn Greene, can be found [here](#).

### **Criminal and Motor Vehicle Law Changes**

Numerous bills were enacted that made changes to or added to the criminal law statutes. New crimes include breaking and entering a pharmacy to steal a controlled substance, human trafficking offenses, and failing to report a violent or sexual offense against a juvenile. An extensive discussion

of legislation affecting criminal law and procedure, written by faculty member John Rubin, can be found [here](#). Additionally, a blog post relating to motor vehicle law changes, written by faculty member Shea Denning, can be found [here](#).

### **ABC Law Changes**

[S.L. 2019-52 \(House Bill 389\)](#) authorizes the issuance of permits for the sale of alcoholic beverages at stadiums, athletic facilities, and arenas on public college and university properties and campuses, subject to approval by the respective Board of Trustees and notice to the ABC Commission, which was previously prohibited. The law details parameters and limitations of the new exception, including explicitly excluding community colleges from the term *public college or university*. [S.L. 2019-232 \(Senate Bill 572\)](#) authorizes UNC constituent institutions to procure liability insurance relating to the sale or service of alcohol on college and university properties or campuses.

[S.L. 2019-182 \(Senate Bill 290\)](#) contains changes to various alcohol laws. Among other changes, this legislation allows distillery permittees to sell mixed beverages for on-premises consumption and to issue purchase-transportation permits for the transport of spirituous liquor sold by the distillery over the legal transportation limit. The new changes also allow individuals to purchase individual bottles of spirituous liquor through the special order process, authorize ABC stores to sell the excess bottles of the requested special order, and allow spirituous liquor tastings at ABC stores, subject to specified requirements. The act also creates new permits: 1) a common area entertainment permit for multi-tenant establishments to allow customers to hold an open container and consume alcohol in the common area of the establishment; and 2) a delivery service permit to allow a permittee's employee to deliver alcohol to purchasers on behalf of the retailer. The act also restricts the creation of new ABC boards.

### **Game Nights**

[S.L. 2019-13 \(House Bill 130\)](#) allows certain nonprofit organizations, employers and trade associations to operate game nights where games of chance can be played and raffle prizes awarded, up to four game nights per year and one game night per quarter. The law includes several qualifications and limitations, including that game nights be held at an ABC permitted qualified facility and no cash prizes be awarded. This legislation makes violation of the new game night laws a Class 2 misdemeanor. Additionally, the new provisions regulate gaming tables and equipment, requiring \$25 annual registration of game night tables and equipment with ALE, with the use of unregistered tables and equipment at a game night punishable as a Class 1 misdemeanor. Lastly, the act establishes a game night vendor permit, subject to annual renewal and a \$2,500 permit fee. However, the scope of the act in its entirety is limited to "areas of the State located east of I-26" as the highway existed in 2011.

### **Tax Law Changes**

[S.L. 2019-246 \(Senate Bill 557\)](#) amends numerous state finance laws. Notably, this act establishes a new requirement for marketplace facilitators to collect state sales tax, effective February 1, 2020, if a certain threshold is met. A *marketplace facilitator* is defined as a person who, directly or indirectly, makes available for sale a marketplace seller's items through a marketplace owned or operated by the marketplace facilitator and also processes payment. The new law requires marketplace facilitators to collect state sales tax if the marketplace facilitator makes sales (including all marketplace-facilitated sales for all marketplace sellers) sourced to this State for the previous or the current calendar year which either gross over \$100,000 or involve two hundred or more transactions. Further, and in addition to other changes, this legislation also amends the apportionment provisions concerning multistate corporations' income tax to now require apportionment by market-based sourcing.

## State Government Changes and Oversight

[S.L. 2019-2 \(Senate Bill 75\)](#) increases the number of judgeships on the North Carolina Court of Appeals from twelve to fifteen, effective February of 2019. Previously, the Court of Appeals judgeships had been reduced from fifteen to twelve by S.L. 2017-7, which called for abolishing vacant seats beginning in 2017.

[S.L. 2019-251 \(Senate Bill 356\)](#), one of the “mini-budgets” passed late in the session, contains various provisions related to the Department of Transportation. Among other provisions, this legislation calls on the State Auditor to conduct a performance audit of the Department by March 1 of 2020, and requires the Department to submit a report on its financial management by January of 2020. This legislation also establishes new, recurring reporting requirements for the Department relating to its weekly cash position and monthly balance sheet, as well as a required report to the General Assembly in instances where the previous month’s cash balance is outside of the established target range.

[S.L. 2019-91 \(House Bill 770\)](#) expands the scope of General Statute Chapter 93B, which regulates occupational licensing boards, to include State agencies that issue licenses (previously excluded from the requirements of General Statute Chapter 93B). Thereby, State agencies are now subject to the licensing determination procedures and detailed annual reporting requirements of General Statute Chapter 93B, except for the Criminal Justice Education and Training Commission and the Sheriff’s Education and Training Standards Commission, which are specifically exempt. Further discussion of this act and its occupational licensing reform implications, written by faculty member John Rubin, can be found [here](#).

## Local Government Changes

Local government law saw significant changes during the 2019 Regular Session. Most notably, [S.L. 2019-111 \(Senate Bill 355\)](#) enacts new General Statute Chapter 160D, consolidating the city- and county-enabling authorities currently found in General Statute Chapters 160A and 153A and enacting reforms and statutory clarifications. New General Statute Chapter 160D becomes effective in January of 2021. The law requires local government regulations to comply with the new General Statute Chapter by that time, save for very narrow exceptions provided. Faculty and staff have produced extensive resources on this legislation ranging from blog posts to books, including upcoming trainings on the new laws. A brief overview of the act, written by School of Government faculty member Adam Lovelady, can be found [here](#). A book covering the law, written by faculty members Adam Lovelady and David Owens, can be purchased [here](#). The School of Government’s informational website on the act, which includes further resources and training opportunities, can be found [here](#).

Additionally, [S.L. 2019-111 \(Senate Bill 355\)](#) makes various changes to permit choice set out in development regulations, including expanding the scope of the choice protection and eliminating the right of choice after an application is on hold for six months. The law also expands the types of plans, permits and agreements that trigger statutorily vested rights, as well as addresses terms of vested rights and adds a new statute providing for judicial review of vested rights claims.

[S.L. 2019-112 \(Senate Bill 378\)](#) allows a county or city to satisfy the public hearing requirement for an economic development appropriation or expenditure set out in General Statute Chapter 158 by including these appropriations and expenditures as part of the annual budget public hearing, so long as those appropriations or expenditures are included in the annual budget. If not included in the annual budget, the public hearing with 10 days’ public notice, as described in General Statute Chapter 158, must be met for each appropriation or expenditure for economic development approved by a county or city. More about the implications of this legislation, written by Tyler Mulligan, can be found [here](#).

[S.L. 2019-73 \(Senate Bill 483\)](#) changes laws relating to short-term property rentals, which are regulated under the Vacation Rental Act. This legislation makes properties covered under the Vacation Rental Act also subject to current local government laws authorizing periodic inspections for hazardous and unlawful conditions. The act also explicitly limits local government authority to

regulate residential real estate property, such as requiring permitting, permission, or registration of real property for lease or rent

The Planning and Zoning Law Bulletin No. 28, written by faculty members Adam Lovelady and David Owens, covers other legislative changes affecting development and zoning, and can be found [here](#). In addition to development and zoning law changes, legislative changes were also made to local government purchasing and contracting laws during the 2019 session. Areas that saw changes include construction and design services contracts, community college construction contracts, and information technology procurement.

### **Purchasing and Contracting**

Several laws impacting local government purchasing and contracting were enacted during the session. Changes made by [S.L. 2019-92 \(House Bill 871\)](#), [S.L. 2019-39 \(Senate Bill 255\)](#), [S.L. 2019-174 \(House Bill 675\)](#), [S.L. 2019-72 \(Senate Bill 55\)](#), [S.L. 2019-78 \(Senate Bill 88\)](#), and [S.L. 2019-200 \(House Bill 217\)](#) are all discussed in detail by faculty member Norma Houston, [here](#).

### **Military and Veteran Affairs**

[S.L. 2019-161 \(Senate Bill 420\)](#) enacts the North Carolina Servicemembers Civil Relief Act (SCRA), Article 4 of General Statute Chapter 127B. This legislation incorporates the federal Servicemembers Civil Relief Act into North Carolina law, and expands its scope to include more servicemembers, dependents (in some instances), and more civil protections. The SCRA creates many avenues for relief for violations of the Act, including a private right of action. An overview of the SCRA, written by Ann Anderson, can be found [here](#). This legislation also makes changes to existing laws related to relief for members in service, including protections concerning court proceedings, housing, and civilian employment leave.

[S.L. 2019-201 \(Senate Bill 230\)](#) makes changes to various laws relating to military and veterans' affairs, including eliminating residency barriers for certain veterans and their dependents to receive in-state tuition. Among other changes, the act expands scholarship eligibility for children of veterans, as well as allows for at least two days of excused absences for children of active duty military related to deployment.

### **Map Act Repeal**

[S.L. 2019-35 \(House Bill 131\)](#) repeals Article 2E of General Statute Chapter 136, the Transportation Corridor Official Map Act. This Article contained provisions authorizing local governments, transportation authorities, and the Department of Transportation to adopt and register maps representing future transportation projects, barring other development or improvements of property within the mapped corridors. Previously, the General Assembly rescinded all existing maps and placed a moratorium on filing new maps until July 1, 2019.

### **Crimes Study**

[S.L. 2019-198 \(Senate Bill 584\)](#) amends S.L. 2018-69 to require all State agencies, boards, and commissions that have the power to define conduct as a crime in the North Carolina Administrative Code, as well as every county, city, town and metropolitan sewerage district that has enacted ordinances subject to criminal punishment, to create a list of all defined crimes and submit the list to the Joint Legislative Administrative Procedure Oversight Committee by November 1, 2019 (rather than December 1, 2018). The act limits the requirement for municipalities to counties with a population of 20,000 or more, and cities and towns with a population of 1,000 or more. This legislation requires the General Statutes Commission to study the reports received from State agencies, boards, commission, and municipalities and make recommendation regarding whether any conduct currently criminalized should have criminal penalties provided by a generally applicable

State law. The law requires the Commission to report to the 2020 Regular Session of the 2019 General Assembly and to the Joint Oversight Committee on General Government by May 1, 2020.

### **Swimming Pool Safety Study**

[S.L. 2019-88 \(House Bill 529\)](#) directs the Commission for Public Health (Commission) to study the requirements of 15A N.C.A.C. 18A .2503(f), which requires all swimming pools to have a permanently affixed telephone within 75 feet of a pool enclosure that is accessible to all pool users. This legislation requires the Commission to minimally study the need for and advisability of requiring pool closure where dedicated permanently affixed telephone is temporarily out of service due to technical issues. The act requires the Commission to report its findings and recommendations to the Joint Legislative Oversight Committee on Health and Human Services by March 1, 2020.

### **Lottery and Gaming Study**

[S.L. 2019-217 \(Senate Bill 574\)](#) requires the North Carolina State Lottery Commission to examine the following: (1) gaming activities currently prohibited and authorized by the State, and the feasibility of legislatively authorizing new gaming activities; (2) sports betting, including any State authorizations and restrictions and potential State revenues and expenditures if authorized; (3) on-site betting at horse steeplechases, including State authorizations and restrictions and potential State revenues and expenditures if authorized; (4) creating a gaming division or commission to provide administration, oversight, and enforcement of gaming regulations in the State; (5) whether any additional resources may be needed for assistance to those with gambling addictions; and (6) any other matters the Commission deems relevant. The law requires the Commission to contract with an independent third party to conduct research for the study, using funds appropriated to the Commission. This legislation requires the Commission to report its findings and recommendations to the Joint Legislative Oversight Committee on the State Lottery by April 15, 2020.

### **The Governor's Veto**

Governor Cooper exercised his veto power 14 times since the start of the session in January; the record for the most number of vetoed bills in one year is 15, set by Governor Perdue in 2011. As of this writing, none of Governor Cooper's vetoes have been overridden. In order to override a veto, each chamber must vote to override the veto by a three-fifths vote of those present and voting. This section provides a brief overview of each of the bills vetoed in 2019.

### **Born-Alive Abortion Survivors Protection Act**

The first bill vetoed by Governor Cooper was [Senate Bill 359](#), which created the Born-Alive Abortion Survivors Protection Act. The act required any health care provider present at the time a child is born alive resulting from an abortion or attempt to perform an abortion to: (1) exercise the same degree of professional skill, care, and diligence to preserve the life and health of the child as a reasonably diligent and conscientious health care practitioner would render to any child born alive at the same gestational age and (2) ensure that the child born alive is immediately transported and admitted to a hospital. Health care practitioners or any employee of a hospital, a physician's office, or an abortion clinic with knowledge of noncompliance were required to immediately report the noncompliance to an appropriate State or federal law enforcement agency. Violations of these provisions were a Class D felony, while any person who intentionally performs or attempts to perform an overt act that kills a child born alive was punishable as murder under GS 14-17(c), a Class A felony. The act also provided civil remedies for the woman upon whom the abortion was performed or attempted in which a child is born alive and there was a violation of the Article. In his veto message on April 18, Governor Cooper stated, "Laws already protect newborn babies and this bill is an unnecessary interference between doctors and their patients. This needless legislation

would criminalize doctors and other healthcare providers for a practice that simply does not exist.<sup>4</sup> While the veto was overridden in the Senate, the vote to override failed in the House.

### **Appropriations Act**

The Governor vetoed [House Bill 966](#), the 2019 Appropriations Act, on June 28, the day after it was ratified. In his veto message, the Governor stated, “This is a bad budget with the wrong priorities. We should be investing in public schools, teacher pay and health care instead of more tax breaks for corporations.<sup>5</sup>” The veto override was placed on the House calendar for July 8 and remained on the subsequent calendars until the House voted to override the veto on the morning of September 11, by a vote of 55-15. Democrats voiced opposition to the vote, claiming that they were told no override vote was going to be taken that morning. The bill has been returned to the Senate where a veto-override, although calendared several times, has not yet been attempted.

### **Charter School Changes**

[Senate Bill 392](#) made several changes impacting charter schools. The act named the Superintendent of Public Instruction as a representative who is able to approve the issuance of private activity bonds to finance or refinance a charter school facility, amended the academic standards that must be met in order to renew a school’s charter, required background checks for members of the board of directors of a proposed charter school, and made changes to the cap on the number of students enrolled in virtual charter schools. The Governor’s veto of the bill on July 29 focused on the virtual charter school enrollment piece of the bill, stating, “Current law already allows the State Board of Education to lift the enrollment cap on virtual charter schools. Both schools have been low performing, raising concern about the effectiveness of this pilot. Decisions on adding more students should remain with the Board so it can measure progress and make decisions that will provide the best education for students.<sup>6</sup>”

### **Regional Water Systems and State Grants**

[Senate Bill 320](#) added the requirement of a purchase rate agreement between loan or grant recipients engaging in regionalization (or initiating regionalization) of water and wastewater infrastructure and the impacted local government unit prior to releasing funds to the loan or grant recipient. The requirement was limited to instances where the loan or grant recipient or a beneficiary of the disbursement withdraws water from a US Army Corps of Engineers reservoir that lies in at least two states and has a dam located outside of North Carolina. The Governor vetoed the act on August 2, on the basis that, “Local governments have an important duty to resolve differences between themselves and ensure fair access to vital resources like water for their residents. However, they should not use state law to seek an unfair advantage in negotiations.<sup>7</sup>”

### **Cooperation with ICE Detainers**

[House Bill 370](#) added a number of provisions to the law concerning compliance with immigration detainers and administrative warrants. Under amended GS 162-62, the person in charge of a county jail, local confinement facility, district confinement facility, satellite jail, or work release unit would be required to determine if a person charged with a criminal offense is a legal resident

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<sup>4</sup> Governor’s Veto Message for Senate Bill 359, available here:

<https://webservices.ncleg.net/ViewBillDocument/2019/3682/0/S359-BD-NBC-5748>

<sup>5</sup> Governor’s Veto Message for House Bill 966, available here:

<https://webservices.ncleg.net/ViewBillDocument/2019/5297/0/H966-BD-NBC-5903>

<sup>6</sup> Governor’s Veto message for Senate Bill 392, available here:

<https://webservices.ncleg.net/ViewBillDocument/2019/5993/0/S392-BD-NBC-6011>

<sup>7</sup> Governor’s Veto message for Senate Bill 320, available here:

<https://webservices.ncleg.net/ViewBillDocument/2019/6685/0/S320-BD-NBC-8290>

of the US; previously such a determination was only required when a person was charged with a felony or an impaired driving offense. If that person is unable to determine whether the prisoner is a legal resident or a citizen of the US or its territories, then that person would have been required to make a query of Immigration and Customs Enforcement (ICE). The act set out requirements for allowing ICE to interview the prisoner within the specified timeframe. Under the act, if ICE had issued a detainer and administrative warrant for the prisoner, the prisoner must be taken before a judicial official without unnecessary delay; the judicial official would be required to order that the prisoner subject to a detainer and administrative warrant be held in custody. The act set out conditions under which the prisoner may be released. Sheriffs or police officers are required to be removed from office for willful failure or refusal to comply with the provisions of GS 162-62. The act also required the person in charge of each county jail, local confinement facility, district confinement facility, or satellite jail or work release unit to report to the Joint Legislative Oversight Committee on Justice and Public Safety on nine specified issues related to compliance with GS 162-62, including the number of times the facility made a query of ICE; the number of prisoners taken before a magistrate for determining if the prisoner was subject to a detainer request as well as the number of times a prisoner was found to be subject to a detainer request, and the number of times prisoners were released under to specified circumstances.

In his veto message, the Governor stated, “This legislation is simply about scoring partisan political points and using fear to divide North Carolina. As the former top law enforcement officer of our state, I know that current law allows the state to jail and prosecute dangerous criminals regardless of immigration status. This bill, in addition to being unconstitutional, weakens law enforcement in North Carolina by mandating sheriffs to do the job of federal agents, using local resources that could hurt their ability to protect their counties. Finally, to elevate their partisan political pandering, the legislature has made a sheriff’s violation of this new immigration duty as the only specifically named duty violation that can result in a sheriff’s removal from office.<sup>8</sup>” The act was vetoed on August 21.

### **Outdoor Advertising Laws**

[House Bill 645](#) made a number of additions to the laws governing the relocation of outdoor advertising signs. The act allowed for the relocation and reconstruction of outdoor advertising signs, when the specified criteria were met, including limitations on where the sign could be relocated. The act also included additional requirements for signs located in a view corridor and for those signs to be relocated within five miles of a military base. Changes to existing law included reducing from two years to one year the waiting period for a permitted outdoor advertising location to receive a selective vegetation removal permit and adding an exemption from the waiting period for relocated signs. In his veto of the bill, Governor Cooper stated that, “Protecting the beauty and environment of North Carolina should be a top priority, but this legislation authorizes cutting down trees and other clearing work along roadways without the consent of nearby communities. Local governments should have more of a say in where their communities allow billboards.<sup>9</sup>”

### **Excellent Public Schools Act of 2019**

[Senate Bill 438](#), labeled as the “Excellent Public Schools Act of 2019,” was vetoed by the Governor on August 23. The act makes numerous changes related to elementary education and reading programs, including establishing individual reading plans, a Digital Children’s Reading Initiative, and a Comprehensive Plan to Improve Literacy Instruction, making changes to professional development requirements, and creating a uniform reporting structure for Read to Achieve data. In his veto message, the Governor stated, “Teaching children to read well is a critical

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<sup>8</sup> Governor’s Veto message for House Bill 370, available here:

<https://webservices.ncleg.gov/ViewBillDocument/2019/6297/0/H370-BD-NBC-6105>

<sup>9</sup> Governor’s Veto message for House Bill 645, available here:

<https://webservices.ncleg.gov/ViewBillDocument/2019/6320/0/H645-BD-NBC-6109>

goal for their future success, but recent evaluations show that Read to Achieve is ineffective and costly. A contract dispute over the assessment tool adds to uncertainty for educators and parents. The legislation tries to put a Band-Aid on a program where implementation has clearly failed.<sup>10</sup>

### **Medicaid Transformation Implementation**

[House Bill 555](#) made a number of changes to laws related to Medicaid transformation, several of which were also addressed in the 2019 Appropriations Act (House Bill 966). The numerous changes included appropriating funds for the Medicaid and NC Health Choice programs rebase and for transitioning to Medicaid managed care, establishing the Medicaid Contingency Reserve for budget shortfalls in the Medicaid or NC Health Choice programs, and enacting the Hospital Assessment Act. The Governor vetoed the bill on August 30, stating that, “Passing mini-funding bills that simply divvy up the vetoed Republican budget is a tactic to avoid a comprehensive budget that provides for health care and other important needs like education. Health care is an area where North Carolina needs us to do more, and to do it comprehensively.”<sup>11</sup> The House voted to override the veto on September 11 and the bill was sent to the Senate where a veto-override has not been attempted.

### **Regulatory Reform Act of 2019**

[Senate Bill 553](#) was comprised of State and local government regulation, agriculture, energy, environment, and natural resources regulation, and additional miscellaneous regulatory reform. Topics addressed included changes to the 2018 North Carolina Building Code and Plumbing Code, changes to fire code waste accumulation provisions, the permitting of temporary event venues, extending CAMA emergency general permit deadlines, making public water system or wastewater public enterprise changes, requiring information on the property taxation of outdoor advertising signs, and allowing the sale of alcohol at specified stadiums by businesses at public colleges and universities when specified conditions are met. The Governor vetoed the bill on September 20, citing concerns about provisions on trash receptacles in exit corridors and septic system permits. His objection states, “Provisions in the legislation allowing trash receptacles in exit corridors could pose a fire safety risk for residents and emergency responders. Also, this legislation could allow septic system permits to be issued that circumvent state septic system rules which can hurt public health and threaten clean water. Both of these provisions threaten public health and safety.”<sup>12</sup> The Senate took up a vote to override the veto during the January 2020 session, but the vote failed.

### **Remove Foreign Citizens from Voting Roles**

[Senate Bill 250](#) made a number of changes related to jury duty. The bill added the requirement that jurors be US citizens in addition to being a resident of the State. Applications for excuses from jury duty were required to be made on a form developed by the Administrative Office of the Courts. The act allowed a chief district court judge to delegate receiving hearings and passing on applications for jury excuses to the clerk of court. Clerks of superior court were required to maintain records of the name, address, and reason for the request from persons asking to be excused from jury duty due to disqualification; records for individuals disqualified due to citizenship were then required to be shared quarterly with the State Board of Elections (State Board). The State Board was required to use this information to remove names from the list of registered voters according to procedures and timelines established in the act.

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<sup>10</sup> Governor’s Veto message for Senate Bill 438, available here:  
<https://webservices.ncleg.net/ViewBillDocument/2019/6686/0/S438-BD-NBC-8291>

<sup>11</sup> Governor’s Veto message for House Bill 555, available here:  
<https://webservices.ncleg.net/ViewBillDocument/2019/6473/0/H555-BD-NBC-7160>

<sup>12</sup> Governor’s Veto message for Senate Bill 553, available here:  
<https://webservices.ncleg.net/ViewBillDocument/2019/6684/0/S553-BD-NBC-8289>



In his November 6 veto, the Governor stated that, “Only citizens should be allowed to vote. But blocking legitimate voters from casting a ballot is a risk we cannot take when the law already prevents non-citizens from voting and has legitimate mechanisms to remove them from the rolls. This legislation creates a high risk of voter harassment and intimidation and could discourage citizens from voting.”<sup>13</sup>

### **Strengthen Educators’ Pay Act**

In line with provisions from House Bill 966, the 2019 Appropriations Act, [Senate Bill 354](#) would have provided pay increases for public school employees and made change to a number of teacher bonus programs. The act also would have made additional salary increases for public school employees and extended the number of years of eligibility for tuition grants for graduates of the North Carolina School of Science and Mathematics Program, only upon the passage of House Bill 966. The Governor vetoed the act on November 8, stating that, “The General Assembly continues to shortchange teachers and non-certified school personnel like cafeteria workers, bus drivers and teacher assistants, despite a robust economy and decent raises for other state employees. Educators deserve more if our schools are to remain competitive with other states and keep good teachers.”<sup>14</sup> The Senate took a vote to override the veto, which failed, during the January 2020 session.

### **Reduce Franchise Tax/Expand Film Grants**

[Senate Bill 578](#) made a number of changes to the franchise tax and to the Film and Entertainment Grant Fund. Among the changes the act made to the franchise tax, the act reduced the franchise tax rate in 2021 and again in 2022. The act also eliminated the separate rate that applies to electric power companies in 2027. The act also made changes to the qualifying expenses that must be met in order for production companies to qualify for grants from the Film and Entertainment Grant Fund. The act reduced the required qualified expenses for feature-length films and television series, while also increasing the maximum allowable grant amount for a single season of a television series. The Governor vetoed the act on November 8, stating that, “This legislation prioritizes corporate tax cuts over investments in education and would further erode state revenue at the same time the General Assembly is underinvesting in schools. Cutting taxes for corporations at more than \$1 billion over five years will hurt North Carolina’s future.”<sup>15</sup>

### **UNC & Community College Pay/Retiree Bonus**

[House Bill 231](#) appropriated funds for raises for Community College and UNC employees, as well as for faculty retention in the UNC System. The act also included five days of special annual leave for those employees. Finally, the act included a cost of living supplemental payment for retirees of the Teachers’ and State Employee’s Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. These provisions had also been included in House Bill 966, the 2019 Appropriation’s Act. The Governor vetoed the bill on November 8, stating that, “The General Assembly shortchanges our universities and community colleges and their employees, as well as state retirees, despite a robust economy and decent rate for other state employees. Higher education is North Carolina’s best economic development tool, and we must invest in education to keep it that way.”<sup>16</sup>

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<sup>13</sup> Governor’s Veto message for Senate Bill 250, available here:

<https://webservices.ncleg.gov/ViewBillDocument/2019/6866/0/S250-BD-NBC-8368>

<sup>14</sup> Governor’s Veto message for Senate Bill 354, available here:

<https://webservices.ncleg.gov/ViewBillDocument/2019/6875/0/S354-BD-NBC-8371>

<sup>15</sup> Governor’s Veto message for Senate Bill 578, available here:

<https://webservices.ncleg.gov/ViewBillDocument/2019/6876/0/S578-BD-NBC-8372>

<sup>16</sup> Governor’s veto message for House Bill 231, available here:

<https://webservices.ncleg.gov/ViewBillDocument/2019/6873/0/H231-BD-NBC-8369>

## Information Technology Budget

[House Bill 398](#) set out appropriations for the Department of Information Technology and for specified information technology projects. The act also made changes to the entity responsible for CJLEADS, exempted the procurement of cybersecurity and infrastructure security products from the competitive bidding requirements, and exempted certain transactions from the statewide accounts receivable program. The Governor vetoed the act on November 8, stating that, “This legislation fails to adequately fund state cybersecurity and data analytics needs while sending a substantial capital earmark outside the state’s proven university system.”<sup>17</sup>

## The Legislative Institution

### New Legislative Commissions

[S.L. 2019-205 \(House Bill 604\)](#) creates the 10-member Joint Legislative Study Committee on Small Business Retirement Options (Committee). The act charges the Committee to study the: (1) ways the State can reduce the regulatory and operational burden on small businesses that want to offer payroll deduction retirement savings options to employees; (2) mechanisms the State could use to assist citizens to be more prepared to retire in a financially secure manner; (3) the feasibility and benefits of partnering with other similar programs established in other jurisdictions; and (4) optimal oversight for any proposed retirement program. The Committee is required to report its findings and recommendations to the House and Senate and the Fiscal Research Division by March 31, 2020. The Commission terminates upon submitting its report or March 31, 2020, whichever occurs first.

[S.L. 2019-151 \(House Bill 268\)](#) establishes the 10-member On-Site Wastewater Task Force (Task Force) to conduct a study and issue a report to recommend wastewater rules to the Commission of Public Health. The Task Force is to recommend new rules to replace the specified wastewater treatment and dispersal rules adopted by the Commission for Public Health disapproved by the act, as well as new rules to prevent the implementation of rules and ordinances and enforcement against the use of on-site wastewater treatment and dispersal systems in non-sewered areas of the State. The Task Force is required to transmit its report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Environmental Review Commission, the Joint Legislative Oversight Committee on Health and Human Services, and the Commission for Public Health by February 1, 2020. The Task Force terminates upon transmittal of its report or February 1, 2020, whichever occurs first.

### Required Studies by Legislative Committees and Commissions

[S.L. 2019-246 \(Senate Bill 557\)](#) amends G.S. 120-70.106 to authorize the Revenue Laws Study Committee (Committee) to review any tax provision set to sunset within one year of the beginning of the next regular legislative session to determine whether the sunset needs to be extended. Additionally, [S.L. 2019-169 \(Senate Bill 523\)](#) directs the Committee to study issues associated with underreporting of sales and use tax by franchises. In its study, the law requires that the Commission review whether franchisors should be required to annually report certain information about their franchisees to the Department of Revenue. The law requires the Committee to report its findings and recommendations on or before the 2020 Regular Session of the 2019-20 General Assembly.

[S.L. 2019-227 \(House Bill 211\)](#) requires the Joint Legislative Transportation Oversight Committee (Committee) to study the feasibility of making digital license plates available to the public as an alternative to traditional physical registration plates currently used by the Division of Motor Vehicles. The act directs the Committee to report its finding and recommendations to the 2020 Regular Session of the 2019 General Assembly.

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<sup>17</sup> Governor’s veto message for House Bill 398, available here: <https://www.ncleg.gov/BillLookup/2019/h%20398>

## **Program Evaluation Division**

[S.L. 2019-182 \(Senate Bill 290\)](#) requires the Joint Legislative Program Evaluation Oversight Committee to include in the 2019-20 work plan of the Program Evaluation Division (PED) a study on the administrative penalties the Alcoholic Beverage Control Commission (ABC Commission) is statutorily authorized to take for violations of General Statute Chapter 18B. The act requires the study to include an examination of the proportionality of the punishment that can be imposed under law in relation to the violation, identification of the areas of the law that may be lacking, and the process utilized and punishment authorized by other alcoholic beverage control states for violations of their alcoholic beverage laws. The legislation requires cooperation of the ABC Commission, and mandates that the PED report its findings and recommendations to the Joint Legislative Program Evaluation Oversight Committee by March 15, 2020.

[S.L. 2019-201 \(Senate Bill 230\)](#) directs the PED, in consultation with the Department of Military and Veterans Affairs (Department), to study the improvements made by state law concerning licensure of individuals with military training and experience (G.S. 93B-15.1) in the ability of military-trained applicants and military spouses to become licensed by occupational licensing boards in the State. The act mandates cooperation by all occupational licensing boards, and requires the PED to consider: (1) whether eligibility criteria should be expanded; (2) the effectiveness of publishing the licensure criteria for military spouses and whether there are additional platforms to consider; (3) the feasibility and effectiveness of including status as a military spouse on applications; (4) determining what steps can be taken to provide or enhance continuing education programs to assist military spouses in maintaining active occupational licenses; (5) providing training to at least one Department employee on the licensure process and considering ways to disseminate information about the employee's availability; and (6) whether to develop a process for annually gathering data from all occupational licensing boards on the number of military-trained applicants and military spouses who were issued or denied licensure based on existing licensure requirements. The law requires the PED to report its findings and recommendations to the Joint Legislative Oversight Committee on General Government and to the Department by February 1, 2020.

[S.L. 2019-236 \(Senate Bill 579\)](#) requires the Joint Legislative Program Evaluation Oversight Committee to include in the 2019-20 work plan for the PED a study of alternative organization and management structure for the Division of Adult Correction and Juvenile Justice of the Department of Public Safety (Division). This legislation mandates that the Division, in consultation with the Department of Public Safety and the Fiscal Research Division, must examine five alternative structures, including: creation of the Department of Correction; creation of the Department of Juvenile Justice and Delinquency Prevention; establishment of the Division of Correction; establishment of the Division of Juvenile Justice and Delinquency Prevention; and establishment of the Division of Adult Correction and Juvenile Justice. The law sets forth the general structure of each proposed alternative to be studied, and requires the PED to include for each alternative the organization's structure, proposed budget for the 2021-22 fiscal year, relevant considerations identified, related costs of reorganization, and implementation details. Under the law's provisions, the PED is required to submit its findings and recommendations to the Joint Legislative Program Evaluation and Oversight Committee and to the Joint Legislative Oversight Committee on Justice and Public Safety by November 1, 2020.

[S.L. 2019-240 \(Senate Bill 537\)](#) requires the Joint Legislative Program Evaluation Oversight Committee to revise the 2019-20 work plan for the PED to include a study of the case-management functionality of the child welfare component of North Carolina Families Accessing Services through Technology (NC FAST). The act requires the PED to submit its evaluation to the Joint Legislative Program Evaluation Oversight Committee and to the Joint Legislative Oversight Committee on Health and Human Services by May 1, 2020.

## Reconvened Sessions

When the House and Senate adjourned on October 31, under the adjournment resolution ([Ch. Res. 2019-20](#)) legislators were set to reconvene on November 13 and January 14.

### November 13 Session

According to [Ch. Res. 2019-20](#), when legislators reconvened on November 13 at noon, the issues that could be considered were limited to the following: bills responding to actions related to litigation concerning Congressional and State House and Senate districts; bills providing for the selection, appointment, or confirmation as required by law, including the filling of vacancies of positions for which the appointees were elected by the General Assembly upon recommendation of the Speaker of the House of Representatives, President of the Senate, or President Pro Tempore of the Senate; bills providing for action on gubernatorial nominations or appointments; adoption of conference reports for bills which were in conference on or before October 31; and a joint resolution further adjourning the 2019 Regular Session or amending a joint resolution adjourning the 2019 Regular Session to a date certain.

The session, which began on November 13 and adjourned on November 15, primarily focused on the redrawing of Congressional districts, but included the passage of several other bills.

[S.L. 2019-251](#) (Senate Bill 356) makes a number of changes regarding transportation funding and accountability. The act requires the Department of the State Treasurer, for 2019-20, to authorize the issuance and sale of \$400 million in Build NC Bonds; requires the transfer of \$100 million as a loan from the Highway Trust Fund to the Highway Fund; establishes the Transportation Emergency Reserve to be used for expenses related to an emergency; allowed the Department of Transportation (DOT) to use no more than \$150 million to pay compensation for damages arising from DOT's recordation of a transportation corridor map under the Map Act; directed DOT to seek reimbursement from the federal government for all qualifying disaster expenditures; removes the requirement that DOT repay \$90 million to the State Controller for deposit in the Savings Reserve; and appropriated \$36 million to DOT for Hurricane Dorian recovery, the Living Shoreline projects, expansion of the Flood Inundation Mapping Alert Network for Transportation; and for a Flood Risk and Vulnerability Assessment of the Strategic Highway Corridor System. The act also expanded upon DOT's reporting requirements by adding cash balance reporting, weekly reporting of DOT's cash position, and monthly balance sheet reporting. Under the act, the Office of the State Auditor is required to conduct a performance audit of DOT that examines six listed issues. Finally, DOT is required to submit a financial management report on 12 specified topics to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division in January of 2020.

[S.L. 2019-250](#) (House Bill 200) contains provisions allocating funds for disaster relief, funding for the Rural Health Care Stabilization Fund, makes corrections to other budget legislation, and enacts a number of additional budget provisions that were also contained in House Bill 966, the 2019 Appropriation Act (House Bill 966). The act appropriates and allocates over \$121 million in State match funds to aid in recovery from Hurricanes Matthew, Michael, Florence and Dorian, as well as nearly \$60 million in nonrecurring funds for the Division of Emergency Management of the Department of Public Safety, the Office of Recovery and Resiliency, and other entities to support resiliency and preparation against future storms. The act also appropriates nearly \$4 million in recurring funds to support named entities, including the United Way, in their disaster response capacities.

A state court panel ordered that the Congressional districts drawn by legislators in 2016 not be used in the 2020 elections. The Joint Select Committee on Congressional Redistricting met to work on the issue in the days leading up to the session. During the three day session, 14 different bills were filed addressing US House of Representatives redistricting. The bill that ultimately received approval was [S.L. 2019-249 \(House Bill 1029\)](#). Legislators also gave approval to [S.L. 2019-219 \(Senate Bill 692, Senatorial districts\)](#) and [S.L. 2019-220 \(House Bill 1020, House districts\)](#) which adopt new State legislative districts, effective for the 2020 elections. To view maps of the new

districts, visit the respective bill page on the General Assembly's website, which can be searched [here](#). Once on the bill page, select a map to view from the bill's associated documents.

On the final day of the session, Senators approved Senate Bill 702, which elected Dwight D. Stone to fill a vacancy on the Board of Governors of The University of North Carolina.

### **January 14 Session**

According to [Ch. Res. 2019-20](#), when legislators reconvened on January 14, only the following topics could be considered: bills vetoed by the Governor, solely for the purpose of considering overriding of the veto; bills providing for the selection, appointment, or confirmation as required by law, including the filling of vacancies of positions for which the appointees were elected by the General Assembly upon recommendation of the Speaker of the House of Representatives, President of the Senate, or President Pro Tempore of the Senate; bills providing for action on gubernatorial nominations or appointments; bills responding to actions related to litigation concerning the districts for Congressional, State House or Senate, judicial, municipal, county, other elected officials' actions and any other litigation challenging the legality of legislative enactments; adoption of conference reports for bills which were in conference on or before October 31; bills addressing funding for and oversight of the Department of Transportation; bills addressing access to health care; bills providing for or modifying appropriations of State funds; and a joint resolution further adjourning the 2019 Regular Session or amending a joint resolution adjourning the 2019 Regular Session to a date certain.

During the one-day session, the Senate attempted to override the Governor's vetoes of Senate Bill 354, Strengthening Educators' Pay Act, and Senate Bill 553, Regulatory Reform Act of 2019. The Senate's calendar also included a vote to override the Governor's veto of House Bill 966, the 2019 Appropriations Act, but the item was removed from the calendar. The one bill that received approval from both chambers was Senate Bill 560, which effective retroactively to July 1, 2019, appropriated \$2.4 million in recurring funds for the 2019-21 biennium from the Escheats Fund to the Department of Military and Veterans Affairs to add to the funds available for room and board expenses of students receiving a North Carolina Scholarship for Children of Wartime Veterans. The House also approved and sent over to the Senate a second bill, Senate Bill 622, which modified the itemized deduction individual taxpayers may elect to deduct from their adjusted gross income for medical and dental expenses by allowing a medical and dental expense deduction as provided under the Internal Revenue Code as of January 1, 2020 (rather than under the Code as of January 1, 2019, as the term is currently defined). The Senate, however, sent the bills to the Committee on Rules and Operations of the Senate, failing to act on the bill before adjournment. The adjournment resolution (Ch. Res. 2020-1) adjourned the legislators until the short session, set to convene on April 28; the limitations on the short session established in the resolution are discussed in more detail below.

### **The 2020 Session**

The General Assembly is scheduled to return for the short session on Tuesday, April 28, 2020, at noon. According to the adjournment resolution ([Ch. Res. 2020-1](#)), only the following matters may be considered during the short session: (1) bills concerning the State budget, or State or local pension or retirement systems, which must be submitted to the Legislative Drafting Division by May 1, 2020, and be introduced in the House or filed in the Senate by May 14, 2020; (2) bills and resolutions implementing recommendations of specified legislative committees and commissions, including the General Statutes Commission, the Courts Commission, the House Ethics Committee, and the Joint Legislative Ethics Committee, which must be submitted to the Legislative Drafting Division by April 30, 2020, and introduced in the House or filed in the Senate by May 13, 2020; (3) local bills submitted to the Legislative Drafting Division by May 5, 2020, and introduced in the House or filed in the Senate by May 19, 2020, that are accompanied by sponsor certification that the bill will not require a public hearing, is noncontroversial, and the bill is approved by all members

whose districts are involved; (4) bills providing for constitutional amendments or statutory amendments to implement proposed constitutional amendments; (5) bills and resolutions introduced in 2019 that passed the crossover deadline and were not disposed of in the other house by tabling, unfavorable committee report, indefinite postponement, or failure to pass any reading and which do not violate the receiving house's rules; (6) bills concerning legislative appointments, elections, or confirmation; (7) bills concerning action on gubernatorial nominations or appointments; (8) bills concerning any matter approved by two-thirds majority of those present and voting; (9) joint resolutions authorizing the immediately preceding bills described; (10) joint resolutions and simple resolutions authorized by Senate Rule 40.1 or House Rule 31; (11) bills returned by the Governor with objections; (12) bills responding to litigation challenging the legality of legislative enactments; (13) bills related to election laws; (14) bills to disapprove rules under GS 150B-21.3; (15) bills providing for impeachment; (16) bills revising or establishing districts for any elected federal, State, or local office; and (17) a joint resolution further adjourning the 2019 Regular Session to a certain date, amending a joint resolution adjourning the 2019 Regular Session to a certain date; or adjourning the 2019 Regular Session sine die.

Ch. Res. 2020-1 also allows the Speaker of the House and the President Pro Tempore of the Senate to authorize committees or subcommittees to meet during the interims between sessions to review State budget matters, prepare reports, or consider other matters as the Speaker and President Pro Tempore deem appropriate. Conference committees may meet during the interim upon approval of either the Speaker or the President Pro Tempore.

A list of the bills that made it through the crossover deadline (excluding those that are exempt from the deadline) can be found here on the North Carolina General Assembly's website, [here](#).

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