The General Assembly

While it was a few months shorter than the 2021 session, the 2023 legislative long session continued the trend of working late into the year and then holding monthly skeleton sessions until the start of the next session. The General Assembly convened on January 11, 2023, for the one-day organizational session, reconvened to begin the session's work on January 25, and adjourned after having completed the long session's work on October 25. Subsequent two-day sessions were held in November, December, January, February, March, and April, when no actions were taken. Although the number of bills filed during this historically long session was in line with what is expected in a long session, the percentage of those bills that were enacted decreased. The number of bills that became law was smaller than in other long sessions, but many of those bills addressed high profile topics, including the Opportunity Scholarship program, abortion, sports gambling, Medicaid expansion, and the treatment of transgender minors.

This chapter provides an overview of the 2023 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 https://lrs.sog.unc.edu/, under the "Legislative Summaries" link; the site will be updated as summaries are available.

Overview of the 2023 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 held during even-numbered years of the biennium were extra sessions, rare and of short duration.

Beginning with the 1973-74 biennium, the General Assembly began holding annual sessions, convening 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 chamber, and a limited number of additional noncontroversial matters. Legally, the short session is a continuation of the long session. Beginning in 2013, legislators also have convened a one-day organizational session a couple of weeks before returning to conduct business during the long session.

The 2023 session welcomed 37 new members, with both chambers retaining a Republican majority. The Senate membership included 12 new members, while the House had 25 new members.

On January 11, 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 25. Work on the budget and yet another redistricting process in response to litigation caused the session to stretch late into the fall. As in previous years, several breaks were taken during the session, during which votes were not taken for a week or two. Votes

were rarely taken in July, with one or both chambers holding skeleton sessions most of the month. Skeleton sessions were also held in both chambers during the last two weeks of August as well as the last week of September and first week of October. Things were also slow in early and mid-September as budget negotiations continued, including the exploration of legislation that would expand the number of casinos allowed in specified areas of the state, which ultimately was abandoned. The final budget was released on September 20 and voted on in the chambers on September 21 and 22. The adjournment resolution adopted on October 25 called legislators back in for two-day periods each month through April 2024. The limitations placed on these sessions are discussed in more detail below.

Governor Cooper vetoed 19 bills, setting a record for the most vetoes during a single year. A record number of veto overrides was also set this session, with all 19 of the vetoes overridden. A further discussion of these bills can be found in the "The Governor's Veto" section of this document. The Governor allowed 13 bills to become law without his signature: Hotel Safety Issues, <u>S.L. 2023-5 (Senate Bill 53)</u>; Prevent Rioting and Civil Disorder, <u>S.L. 2023-6 (House Bill 40)</u>; Schools for the Deaf and Blind, <u>S.L. 2023-10 (House Bill 11)</u>; Limited Provisional License Modification, <u>S.L. 2023-13 (Senate Bill 157)</u>; Energy Choice/Solar Decommissioning Rqmts., <u>S.L. 2023-58 (House Bill 130)</u>; Department of Public Safety Agency Bill, <u>S.L. 2023-86 (Senate Bill 171)</u>; Property Owners Protection Act, <u>S.L. 2023-85 (Senate Bill 246)</u>; UNC Omnibus, <u>S.L. 2023-102 (Senate Bill 195)</u>; Retirement Admin. Changes Act of 2023, <u>S.L. 2023-105 (House Bill 201)</u>; 2023 Appropriations Act, <u>S.L. 2023-134 (House Bill 259)</u>; Require Report/Protection & Advocacy Agency, <u>S.L. 2023-135 (House Bill 361)</u>; DOI & Ins Law Amd/Revise HS Athletics, <u>S.L. 2023-133 (Senate Bill 452)</u>; and Surveyors Right of Entry/Expend. Comm. Bldg., <u>S.L. 2023-142 (Senate Bill 677)</u>.

The House of Representatives

The November 2022 election resulted in the election of 25 new House of Representatives members, as well as the election of two former members and one former Senator, for a total membership of 71 Republicans and 49 Democrats. With those numbers, the Republicans retained a majority in the House, but fell short of veto-proof majority by one member¹. In April of 2023, Representative Tricia Ann Cotham changed her party affiliation from Democratic to Republican, which resulted in the Republicans gaining a veto-proof majority. Representative Tim Moore of Cleveland County was re-elected as Speaker of the House, while Representative Robert Reives II was re-elected Minority Leader. Table 1-1 lists the 2023 House officers.

The demographics of the 2023 House can be broken down as follows:

- 33 women, 4 more than in 2021
- 87 mer
- 26 African Americans, two more than in 2021
- One Native American
- Two Asian Americans

Membership in the House remained stable throughout session; however Representative Jon Hardister resigned on April 8, 2024. Representing District 59, Guilford County, Rep. Hardister said in his resignation letter that he was going to focus on private sector work and spending time with his family. Jerry Alan Branson was appointed to represent District 59 on April 16, 2024.

Table 1-1. Officers of the 2023 House of Representatives

Tim Moore, Cleveland and Rutherford counties, Speaker
Sarah Stevens, Surry and Wilkes counties, Speaker Pro Tempore
John R. Bell IV, Wayne County, Majority Leader
Brenden H. Jones, Columbus and Robeson counties, Deputy Majority Leader

¹ 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.

Karl E. Gillespie, Cherokee, Clay, Graham, and Macon counties, Majority Whip
Kristin Baker, M.D., Cabarrus County; Jon Hardister, Guilford County; Jake Johnson,
Henderson, McDowell, Polk, and Rutherford counties; and Steve Tyson, Craven County
Deputy Majority Whips
Harry Warren, Rowan County, Republican Joint Caucus Leader
Jason Saine, Lincoln County, Conference Chair
Jarrod Lowery, Robeson County; Erin Paré, Wake County; and Matthew Winslow, Franklin
and Granville counties, Deputy Conference Chairs
Kevin Crutchfield, Cabarrus and Rowan counties, New Member Leader
Brian Biggs, Randolph County, New Member Whip
Robert T. Reives II, Chatham and Randolph counties, Democratic Leader
Ashton Wheeler Clemmons, Guilford County, Deputy Democratic Leader
Cynthia Ball, Wake County, Conference Chair
Brandon Lofton, Mecklenburg County, Legislative Chair
Terry M. Brown Jr., Mecklenburg County; Marcia Morey, Durham County;
and Amos L. Quick III, Guilford County, Democratic Whips
Allen Buansi, Orange County; and Ya Liu, Wake County, Freshman Co-Chairs
James White, Principal Clerk
Larry Elliott, Sergeant at Arms

The Senate

Twelve new members were elected to the Senate during the 2022 elections. With 30 Republican and 20 Democratic Senators, the Republicans had a veto-proof majority². The demographics of the 2023 Senate can be broken down as follows:

- 17 women, one more than in 2021
- 33 men
- 9 African Americans, three less more than in 2021
- Two Indian Americans
- One Asian American

As in the House, the Senate membership was stable, with no membership changes in 2023.

The 2023 Senate officers and leadership are shown in Table 1-2.

Table 1-2. 2023 Senate Officers and Leadership

Mark Robinson, Lieutenant Governor, President
Phil Berger, Guilford and Rockingham counties, President Pro Tempore
Ralph Hise, Alleghany, Ashe, Avery, Caldwell, Haywood, Madison, Mitchell, Watauga, and
Yancey counties, Deputy President Pro Tempore
Paul Newton, Cabarrus County, Majority Leader
Tom McInnis, Cumberland and Moore counties; Jim Perry, Beaufort, Craven, and Lenoir
counties, Majority Whips
Carl Ford, Rowan and Stanly counties, Republican Joint Caucus Leader
Dan Blue, Wake County, Democratic Leader
Jay J. Chaudhuri, Wake County, Democratic Whip
Julie Mayfield, Buncombe County, Democratic Caucus Secretary
Sarah Holland, Principal Clerk
Robert Myrick, Sergeant at Arms

 $^{^2}$ 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.

Statistical Comparison

A total of 1,656 bills were introduced during the 2023 legislative session. Although session was on the longer end and the number of bills introduced was only slightly lower than we have seen in the past two long sessions, the number of bills that were enacted into law was significantly lower. Only 162 bills, or 10% of the bills introduced, became law. Table 1-3 includes an overview of the statistics from 2023 as compared to the previous five long sessions. Please note that the 2023 statistics do take into account all of the continuations sessions that stretched session into 2024 following the wrap-up of the session's primary work on October 25, 2023.

Table 13. Statistical	Comparisons	of Recent	Odd-Year	Sessions
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	2013	2015	2017	2019	2021	2023
Date	January 30	January	January 25	January	January	January
convened	•	28	·	30	27	25
Date	July 26	September	June 30**	October	May 6,	April 11,
adjourned		30		31**	2022	2024
Senate	103	137	93	150	201	147
legislative						
days						
House	103	135	93	153	203	145
legislative						
days						
Senate bills	726	722	685	692	748	759
introduced						
House bills	1022	944	927	1021	981	897
introduced						
Total bills	1748	1666	1609	1713	1729	1656
introduced						
Laws Enacted	442*	314*	210	268	210	162
(includes session						
laws and joint						
resolutions)						
% of	25%	19%	13%	16%	12%	10%
introduced						
bills enacted						

^{*} With continuation sessions becoming more commonplace, this and subsequent data will include all reconvened sessions to reflect the total impact of the session; any separate extra or reconvened veto sessions will be excluded.

Governor Cooper's 19 vetoes beat the 2021 record for the highest number of bills vetoed in a single year by just one veto. Unlike the previous long session when attempts to override the Governor's vetoes failed, legislators successfully voted to override all 19 of the vetoes.

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

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

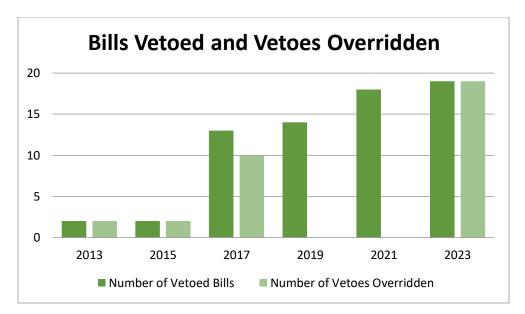


Chart 1-1. Bill Vetoes and Veto Overrides

While session stretched well into the fall, the percentage of bills that became law was remarkably low, at only 10%. Unlike previous years where a few bills are given an unfavorable report out of committee or fail on second reading, no bills suffered such a fate in 2023. This is the first time in recent history where no bills failed on the chamber floor. While 2017 saw seven bills fail, as illustrated below, it is more typical to see only a single bill fail.

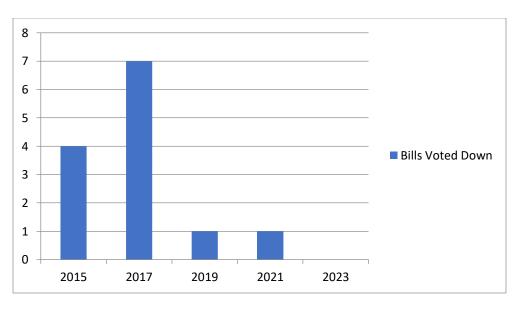


Chart 1-2. Number of Bills Voted Down on House or Senate Floor

Legislators once again adopted a budget late into the session. The 2023 Appropriations Act (<u>S.L. 2023-134</u>, <u>House Bill 259</u>) was ratified on September 22; the bill became law without the Governor's signature on October 3. This marks the first time since the Governor was given veto power starting in 1997 that the budget has been allowed to go into law without the Governor's signature. As seen in Table 1-4, over the most recent five long sessions, this session's ratification date is in line with other fall ratification dates.

Year	Date of Appropriation Act Ratification
2015	September 18
2017	June 22
2019	N/A
2021	November 18
2023	September 22

Table 1-4. Appropriations Act Ratification Dates

Additional Sessions

The 2023 session included monthly two-day sessions that took place November 2023 through April 2024. Ultimately, no work was taken up during these sessions and only one bill was filed. The adjournment resolution passed in October limited what could have been done during these sessions to the following topics:

(1) bills vetoed by the Governor solely for the purpose of considering overriding of the veto upon reconsideration of the bill; (2) bills for the selection, appointment, or confirmation as required by law, including the filling of vacancies of positions for appointees elected by the NCGA upon recommendation of the Speaker of the House, President of the Senate, President Pro Tempore of the Senate, or a chamber's minority leader; (3) bills providing for action on gubernatorial nominations or appointments; (4) bills responding to actions related to litigation challenging the legality of legislative enactments; (5) any bills relating to election laws, including bills concerning the districts for Congressional, State House, State Senate, judicial, municipal, county, and other elected officials, and containing no other matters; (6) bills providing for impeachment pursuant to Article IV of the North Carolina Constitution or G.S. Chapter 123; (7) simple resolutions addressing organizational matters of each respective house; (8) adoption of conference reports for bills for which conferees had been appointed by both houses on or before Wednesday, October 25, 2023; and (9) a joint resolution further adjourning the 2023 Regular Session, amending a joint resolution adjourning the 2023 Regular Session, sine die.

The Legislative Institution

Rules Changes

A number of changes were made to the House Rules this session. The permanent House rules were adopted in House Resolution 102. The Resolution included changes to Rule 44.2, to now allow a vote to override a veto to be taken up on the legislative day that the veto is received in the House from the Senate or Governor or any other legislative day it is printed on the calendar published by the House Clerk. Rule 31.1(g), which limits House members to introducing no more than 15 public bills, was amended to exclude from the limit any bills introduced by the Chair of the Committee on Rules, Calendar, and Operations of the House that act on gubernatorial nominations or appointments or action on appointments by the General Assembly under G.S. 120-121 (concerning General Assembly appointments boards or commissions). Rule 5.1 was amended by expanding up what is allowed during a pro forma session, to also allow the re-referral of bills and resolutions to committee and the reading of representative statements that have received written approval by the Chair of the Standing Committee on Rules, Calendar, and Operations of the House; standing committees are also automatically allowed to meet during pro forma sessions under Rule 28. Three new committees, the Disaster Recovery and Homeland Security Committee, the Oversight and Reform Committee, and the Unemployment Insurance Committee were added under Rule 27, while the Homeland, Security,

Military, and Veterans Affairs Committee was renamed as the Military and Veterans Affairs Committee, and the Judiciary 4 Committee was abolished. Changes were also made to rules concerning the conditions that must be met before a standing committee may conduct meetings with members participating remotely, and the timing of when a committee chair may schedule a time to receive public comments. Changes were also made to the rules to allow the Speaker to change the order of business without needing leave of the House.

The changes made to the Senate Rules in Senate Resolution 1 include the following. Rule 34 was amended to allow the Vice-Chair of the Committee on Rules and Operations of the Senate to exercise any authority of the Committee's Chair when the Chair is absent or directs that the Vice-Chair is authorized to do so. Rule 40 was changed by extending the deadline for a Senator to electronically co-sponsor a filed bill or resolution from one hour following the adjournment of the bill or resolution's first reading/referral to no later than 5:00 P.M. on the next legislative day after the adjournment of the bill or resolution's first reading/referral. The Rule was also changed to extend when Senators may introduce a blank local bill to now allow introducing one during even-numbered years only if the bill is otherwise eligible, and either the member did not introduce a blank local bill the odd-numbered year or the member did introduce a blank bill in the odd year, but no substantive provisions were added to the bill. Rule 40.1 was amended to limit the filing of resolutions that memorialize, celebrate, commend, or commemorate persons or events of significance to those resolutions that relate to a deceased former member of the General Assembly; directs Senators to use Senatorial Statements to recognize other individuals or significant events.

Lobbyist Building Access and Increased Registration Fees

The entrances of both the General Assembly Building and Legislative Office Building require visitors to pass through metal detectors and security screenings. The entrances also include designated entrances for legislators and staff, requiring them to swipe their General Assembly badges in order to bypass the security screenings, allowing these individuals faster passage between the two buildings. S.L. 2023-134 (House Bill 259), the 2023 Appropriations Act, provides an avenue through which lobbyists and agency liaisons can also bypass the security screenings. Section 27.4 of the act amends G.S. 120-32.1 by allowing the Legislative Services Commission (LSO) to establish a policy allowing registered lobbyists and liaison personnel to buy a pass that will expedite entry into the Legislative Building and the Legislative Office Building during public business hours. The policy may include a process for revoking or suspending a pass for policy violations as well as deactivating passes for any reason the LSO deems advisable. The allowable charge for the pass is up to \$2,000 for lobbyists and up to \$1,000 for liaisons per regular session. The LSO is also allowed obtain a criminal history record check of registered lobbyists and liaison personnel.

S.L. 2023-134 also increased the registration fee for both lobbyists and lobbyist principals from \$250 to \$500. The fees were last increased in 2013³.

Legislative Staff CLE Exemption

Licensed attorneys in North Carolina are currently required to annually complete 12 hours of continuing legal education (CLE). Beginning with the passage of the 2023 Appropriations Act (<u>S.L. 2023-134</u>, <u>House Bill 259</u>, Section 27.1), full-time General Assembly employees are exempt from the State Bar's CLE requirements. The act requires the North Carolina State Bar Council to adopt rules to effectuate this exemption.

New Non-Standing Committees

State Bar Review Committee

Section 27.11 of the 2024 Appropriations Act (<u>S.L. 2023-134, House Bill 259</u>), created the State Bar Review Committee (Committee), consisting of President of the State Bar as well as

³ Both fees were increased from \$100 to \$250 in S.L. 2013-360, Section 27.1, effective August 1, 2013.

members appointed by the President Pro Tempore of the Senate, Speaker of the House, Governor, and Chief Justice of the Supreme Court of North Carolina. The Committee is required to review and examine the State Bar's grievance review process in order to improve the effectiveness, fairness, and process of disciplinary and grievance review procedures. Several areas of concern are required to be addressed, including: (1) right to due process, right to be heard, and other rights consistent with G.S. 84-30 of the accused person during the grievance and discipline process; (2) sufficiency and thoroughness of the screening, decision making, and review of grievances and complaints; and (3) the selection, composition, and role of the grievance review panel of the Grievance Committee and the Disciplinary Hearing Commission. The Commission is required to report to the Joint Legislative Commission on Governmental Operations by April 1, 2024, at which time the Commission terminates. The report must include any legislative recommendations to address and alleviate the concerns related to the grievance review process, as well as any potential improvements and changes in oversight of the State Bar.

House Select Committee on Education Reform

The House Select Committee on Education Reform was created by Speaker Moore using the power granted to him under House Rule 26(a), under which, "The Speaker shall have the exclusive right and authority to establish select committees, but this does not exclude the right of the House by resolution to establish select committees.⁴" The Committee was made up of 13 House members. The Committee was required to report on its study and on any recommended legislation to the members of the General Assembly by April 1, 2024, at which time the Committee was terminated.

House Select Committee on Substance Abuse

The House Select Committee on Substance Abuse was created by Speaker Moore using the power granted to him under House Rule 26(a). The Committee was made up of 12 House members. The Committee was required to report on its study and on any recommended legislation to the members of the General Assembly by April 1, 2024, with the committee terminating upon the earlier of April 1, the submission of the final report, or dissolution by the Speaker.

House Select Committee on HOAs

House Res. 311 establishes the House Select Committee on Homeowners' Associations, made up of nine Representatives selected by the Speaker of the House. The Committee is charged with studying the following issues regarding homeowners' associations (HOAs), including unit owners' associations governed by either GS Chapter 47C (NC Condominium Act) or GS Chapter 47F (NC Planned Community Act): (1) current laws applicable to HOAs; (2) existing remedies for HOA violations of their legal obligations and any recommendations for additional remedies; and (3) executive agencies best positioned in helping homeowners resolve complaints against HOAs. The Committee is required to submit its report on or before March 1; the Committee terminates upon the earlier of that date or the filing of the final report.

House Select Committee on Oversight and Reform

The House Select Committee on Oversight and Reform was created by Speaker Moore using the power granted to him under House Rule 26(a). The Committee was made up of 13 members and was assisted in its work by the House Majority Governmental Operations staff. The Committee was allowed to submit the results of its investigations or findings at any time and was allowed to submit a final report prior to the convening of the 2025 General Assembly. The Committee is set to terminate upon the earlier of the submission of its final report, the convening of the 2025 General Assembly, or termination by the Speaker.

America's Semiquincentennial Committee

Section 14.140 of the 2023 Appropriations Act (S.L. 2023-134, House Bill 259), establishes the seven-member America's Semiquincentennial Committee. Membership will consist of legislators and members of the public, with three members each appointed by the President Pro Tempore of the Senate and Speaker of the House, as well as a jointly appointed member who is a historian with expertise in the American Revolution. The Committee is charged with studying how

⁴ House Rule 26(a), found in House Resolution 102.

to celebrate the 250th anniversary of the nation's founding. Interim and final reports are due to the General Assembly with the final report due by January 14, 2026.

Publication of Constitutional Amendments

Section 27.5 of the 2023 Appropriations Act (S.L. 2023-134, House Bill 259), shifts the duty to prepare an explanation of a proposed Constitutional amendment, Constitutional revision, or new Constitution, from the Constitutional Amendments Publication Commission to the Legislative Services Officer. The Constitutional Amendments Publication Commission, which is also abolished in the act, consisted of the Secretary of State, Attorney General, and the Legislative Services Officer. The Legislative Services Officer is also given the power to approve the news release that accompanies the copy of the document; copies are sent to each county board of elections and are available to registered votes and the media.

Legislative Confidentiality and Records

Section 27.7 of the 2023 Appropriations Act (<u>S.L. 2023-134</u>, <u>House Bill 259</u>), enacts a new statute making each legislator, both in and after leaving office, the sole custodian of documents, supporting documents, drafting requests, and information requests the legislator made or received. New G.S. 120-135 also specifies that a legislator, or former legislator, cannot be required to reveal or consent to reveal any of those same items. New G.S. 120-137 allows all legislators and former legislators to assert legislative privilege or legislative immunity in all instances. Under amended G.S. 120-132, a current or former legislative employee may disclose confidential information if the legislator or former legislator consents (under previous law, a judge was allowed to compel disclosure if necessary for proper administration of justice).

The section also includes a repeal of G.S. 120-133, which made drafting and information requests to legislative employees and documents prepared by legislative employees for legislators on State or congressional redistricting public records at the time the act establishing the relevant district plan became law. G.S. 120-131 was amended to make available to the public any written communication prepared by a legislative employee that appoints an individual to serve on a board, commission, or other position. The statute was also amended to specify that administrative documents prepared by legislative employees become public in accordance with policies adopted by the Legislative Services Commission. Additionally, communications between public agencies and their attorneys that are confidential do not automatically become public after three years after the communication is received by the agency.

In Section 27.9 of the act, G.S. 121-5 is amended by adding that the custodian of any General Assembly record must determine, in their discretion, whether a record is a public record and whether to turn the record over to the Department of Natural and Cultural Resources, or retain, destroy, sell, loan, or otherwise dispose of the record. This provision is discussed in further detail in a blog post by faculty member Kristina Wilson: https://canons.sog.unc.edu/2023/09/three-public-records-law-changes-in-the-2023-budget/.

Joint Legislative Commission on Governmental Operations

Section 27.10 of the 2023 Appropriations Act (S.L. 2023-134, House Bill 259), amends the functions of the Joint Legislative Commission on Governmental Operations. Under the act, the Commission now has the following powers and duties: (1) study the efficiency, economy, and effectiveness of any State agency, public authority, unit of local government, or non-State entity receiving public funds; (2) evaluate the implementation of public policies, as articulated by enacted law, administrative rule, executive order, policy, or local ordinance, by any State agency, public authority, unit of local government, or non-State entity receiving public funds; (3) investigate possible instances of misfeasance, malfeasance, nonfeasance, mismanagement, waste, abuse, or illegal conduct by the following: a. officers and employees of a State agency, public authority, or unit of local government, as it relates to the officer's or employee's performance of his or her public

duties, and b. officers and employees of a non-State entity receiving, directly or indirectly, public funds, as it relates to the officer's or employee's responsibilities regarding the receipt of public funds; (4) receive reports as required by law or as requested by the Commission; (5) make periodic reports, including recommended legislation to the General Assembly; and (6) access and review the following: a. any documents or records related to any contract awarded by a State agency, including, but not limited to, (i) records related to the drafting and approval of the contract and (ii) documents and records of the contractor that the Commission determines will assist in verifying accounts or will contain data affecting fees or performance, b. any records related to any subcontract of a contract awarded by a State agency that is utilized to fulfill the contract, including, but not limited to, (i) records related to the drafting and approval of the subcontract and (ii) documents and records of the contractor or subcontractor that the Commission determines will assist in verifying accounts or will contain data affecting fees or performance.

The Commission also has the power to compel the following in completing its duties: (1) access to any document or system of record held by a State agency; unit of local government or public authority; or a non-State entity receiving, directly or indirectly, public funds, to the extent the documents relate to the receipt, purpose, or implementation of a program or service paid for with public funds; (2) attendance of any officer or employee of those same entities. The Commission and its staff are also allowed access to any of the following buildings or facilities: (1) those allocated to or leased by a State agency; (2) those owned or leased by a unit of local government or public authority; or (3) those owned or leased by a non-State entity receiving public funds, provided (i) the building or facility is used to implement a program or provide a service paid for with public funds and (ii) the access is reasonably related to the receipt, purpose, or implementation of a program or service paid for with public funds. One Commission member is to be designated to have access to the BEACON/HR payroll system. Confidential information obtained by the Commission remains confidential and any document or information obtained or produced by Commission staff is confidential and is not a public record.

When the Commission makes a request to an agency employee, the request and communications between the Commission and employee are confidential. Under the act, an agency employee is only allowed to reveal the nature and existence of the request and communications to another employee of the agency to the extent that it is necessary to fulfill a request for document production or to gather more information as requested by the Commission. Violations by an agency employee are grounds for disciplinary action, including dismissal.

Under the act, it is a Class 2 misdemeanor for a person to conceal, falsify, or refuse to provide the Commission with any document, information, or access to any building or facility with the intent to mislead, impede, or interfere with the Commission's discharge of its duties.

Further discussion of these provisions can be found in the following blog post written by SOG faculty member Kara Millonzi: https://canons.sog.unc.edu/2023/10/legislative-commission-empowered-to-examine-evaluate-and-investigate-local-governments-public-authorities-and-their-private-contracting-parties/.

Redistricting

Legislative and Congressional districts are redrawn after a census and were redrawn during the 2021 legislative session following the 2020 census. The new districts were then subject to litigation, redrawn again in 2022, and then were once again the subject of litigation. As a result, the districts were redrawn yet again during the 2023 session. S.L. 2023-149 (House Bill 898) realigns the districts for the North Carolina House of Representatives, S.L. 2023-146 (Senate Bill 758) realigns the districts for the North Carolina Senate, and S.L. 2023-145 (Senate Bill 757) realigns the Congressional districts. These new districts will be used starting with the 2024 elections.

Major Legislation Enacted in 2023

The 2023 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.

Education

Athletics

<u>S.L.</u> 2023-133 (Senate Bill 452) primarily addresses changes made to insurance law, but also includes changes impacting high school and middle school interscholastic athletic activities. The act gives the Superintendent of Public Instruction, instead of the State Board of Education (SBOE), the power to enter into a memorandum of understanding, subject to specified requirements, with administering organizations to oversee high school athletics. The act also makes changes to the requirements that must be met by the administering organization, including limitations on fees and on the amount of tournament proceeds that the organization may retain. Student participation rules that must be adopted by the SBOE have been expanded upon and now must include, among other items, recruitment limitations, and student amateur status requirements, including rules on the use of a student's name, image, and likeness (NIL). Changes were also made to the appeals process that allows students, parents, and participating schools to have a hearing before an independent appeals board. The SBOE is required to adopt rules governing middle school interscholastic athletic activities that are consistent with the high school rules; the rules are required to be administered by the Superintendent of Public Instruction. The act also requires public schools to report annually on specified issues related to athletic program finances.

<u>S.L.</u> 2023-109 (House Bill 574) requires that middle school, high school, and collegiate athletic teams be designated by the biological sex of the team participants as: (1) males, men, or boys, (2) females, women, or girls, or (3) coed or mixed. The act specified that teams designated for females, women, or girls are not open to male students. This act was vetoed by the Governor and is discussed in the Governor's veto section of this act.

Computer Science Requirement

S.L. 2023-132 (House Bill 8) adds onto the requirements for high school graduation to require that students pass a computer science course. Computer science is defined in the act to mean the study of computers and algorithmic processes, including their principles, hardware and software designs, implementation, and impact on society. In order to accommodate this change, the SBOE is required to decrease the number of elective credits by one. Middle schools are also allowed to offer the course, with a passing grade counting as completion of the high school requirement. This new course requirement applies beginning with students entering the ninth grade in the 2024-2025 school year.

PAVE Act

S.L. 2023-132 (House Bill 8) also establishes the Pornography Age Verification Act (PAVE Act) which requires commercial entities that knowingly and intentionally publish or distribute material that is harmful to minors on the internet from a website that contains a substantial portion of such material, to verify the age of the individuals trying to access the material. A civil action may be brought under the act against any commercial entity, or third party that performs the required age verification, by a parent or guardian whose minor was allowed access to the material or by a person whose identifying information is retained in violation of the act.

Charter Schools

<u>S.L.</u> 2023-110 (House Bill 618) changes the Charter School Advisory Board to the Charter Schools Review Board and gives the Board (instead of the SBOE) the power to approve or deny charter applications, renewals, and revocations. The act also allows an applicant, charter school, or the State Superintendent to appeal the Review Board's final decision to grant, renew, revoke, or amend a charter.

<u>S.L. 2023-107 (House Bill 219)</u>, which also makes changes to laws affecting charter schools, was vetoed by the Governor and is discussed in more detail in the Governor's veto section of this act

Threat Assessment Teams and Counseling

S.L. 2023-78 (House Bill 605) requires schools to have a threat assessment team. Under the act, each public school unit's governing body must develop policies for assessment and intervention by threat assessment teams after consulting guidance developed by the Center for Saffer Schools and with any threat assessment team in the unit. The policies are required to differentiate between assessment and intervention at the elementary, middle, and high school levels. A threat assessment team must be developed for each school in a public school unit. The teams will include, but are not limited to, persons with expertise in counseling, instruction, school administration, and law enforcement that conducts threat assessments in a public school unit when threatening behavior has been communicated and when a student has engaged in threatening behavior that warrants further evaluation. When practicable, the team must also include at least one school psychologist, one staff member knowledgeable about and experienced in working with students with special needs, and one staff member knowledgeable about and experienced in working with students with disabilities shall be assigned to the threat assessment team. The team's duties include: (1) providing training to students, faculty, and staff on recognizing and reporting threatening behavior that may indicate a risk of harm to the community, school, or self; (2) identify members of the school community to receive such reports; (3) implement policies adopted by the governing body of the public school unit; (4) use anonymous reporting applications for students to share information about school safety concerns that need to be investigated; and (5) upon finding a credible threat, recommend that the individual involved be referred for mental health services, provide notice to individuals who are the subject of threatening behavior and to the parents or legal guardians when the individual is a student or minor, and/or provide notice to the appropriate local law enforcement agency.

S.L. 2023-78 also requires that peer-to-peer student support programs be established at all schools with grades six and higher, while encouraging the implementation of the programs in other grades.

Opportunity Scholarship Program Expansion

Section 8A.6 of the 2023 Appropriations Act, S.L. 2023-134 (House Bill 259), expands eligibility for opportunity scholarships. Eligible students are now any student residing in the State who has not received their high school diploma and who: (1) is eligible to attend a North Carolina public school; (2) has not been enrolled in a postsecondary institution as a full-time student taking at least 12 hours of academic credit; and (3) has not been placed in a nonpublic school or facility by a public agency at public expense. The amount of the scholarship is determined based on household income as follows: (1) up to 100% of the per pupil allocation for eligible students residing in households with an income level not in excess of the amount required for the student to qualify for free or reduced-price lunch; (2) up to 90% of the per pupil allocation for eligible students residing in households with an income level between the amount required for the student to qualify for free or reduced-price lunch and not in excess of 200% of that amount; (3) up to 60% of the per pupil allocation for eligible students residing in households with an income level between 200% of the amount required for the student to qualify for free or reduced-price lunch and not in excess of 450% of that amount; and (4) up to 45% of the per pupil allocation for all other eligible students. The act also increases the amounts appropriated to the Opportunity Scholarship Grant Fund Reserve for awarding the scholarship grants, starting in the 2025-26 fiscal year; in that year, the amount is increased from \$206,540,000, to \$415,540,000, and the amount increases each fiscal year until 2032-33, when the appropriation is set at \$520,540,000 for that fiscal year and each fiscal year thereafter.

Section 8.6A of the 2023 Appropriations Act also requires the development of a sequence of courses that will allow students to graduate from high school in three years. The act specifies that local boards of education may not require any additional credits beyond those mandated by the Board of Education for high school graduation. The act also no longer allows local boards of education to require students to complete a high school graduation project. Students who graduate in three years are also eligible for a two-semester scholarship at an eligible postsecondary institution,

defined as a UNC constituent institution, a community college, or a nonprofit postsecondary institution.

Graduation Attire

<u>S.L. 2023-43</u> (House <u>Bill 166</u>) enacts a new statute allowing a student who is, or is eligible to be, enrolled as a member of a State or federally recognized Indian Tribe to wear objects of cultural significance, defined as bird feathers and plumes, at their graduation ceremony. Charter schools, regional schools, and laboratory schools are also required to comply with this law.

Student Searches

Section 7.76 of the 2023 Appropriations Act (S.L. 2023-134, House Bill 259), enacts a new statute requiring public school policies on searches of a student's person or property to be consistent with State and federal law and that searches be executed using methods that are narrowly tailored to be minimally intrusive. Searches of a student's person are required to conducted in private by one school official and one adult witness, both of whom must be the same sex as the student. Exceptions are allowed for searches using a walk-through metal detector, handheld wand, or other similar minimally intrusive device that is designed to detect weapons and regularly used for security scanning.

Health and Human Services Changes

Medicaid Access Expansion

Made contingent upon passage of the 2023 Appropriations Act, <u>S.L. 2023-7 (House Bill 76)</u> expands access to Medicaid by providing coverage through NC Health Works to individuals described in 1902(a)(10)(A)(i)(VIII) of the Social Security Act, meaning those who are age 18-64 with incomes up to 133% of the federal poverty level. The act also increases the hospital Medicaid reimbursement rate through the new Healthcare Access and Stabilization Program (HASP). Under HASP, all State funds needed to make HASP-directed payments are derived from HASP components of the hospital assessments, with specified limitations.

Under the act, the Secretary of the Department of Commerce is required, by December 1, 2024, to work with stakeholders to develop a plan for the creation of a seamless, statewide, comprehensive workforce development program, which brings together both new opportunities with the current workforce development opportunities within the Department of Commerce, the Department of Labor, and other State agencies. The act also requires the Department of Health and Human Services (DHHS) to work with the Department of Commerce to develop a method for helping people enrolled in the North Carolina Medicaid program and other relevant social service programs with accessing workforce development services. DHHS is required to develop a plan for assessing the current employment status and any barriers to employment of newly enrolled Medicaid beneficiaries.

The act requires DHHS's Division of Health Benefits (DHB) to work with the NC Navigators Consortium to develop a way for Medicaid recipients transitioning from qualifying for the Medicaid program to qualifying for premium or cost-sharing assistance for health insurance obtained on the Health Insurance Marketplace, or who would be eligible for that assistance in the near future, to receive help with that transition by a qualified Navigator or similar professional. DHB is required to at least provide all Medicaid applicants with written or electronic notification about the Health Insurance Marketplace, including contact information for the NC Navigators Consortium, by January 1, 2024. The act also requires DHB, if there is any indication that work requirements as a condition of participation in the Medicaid program may be authorized by the Centers for Medicare and Medicaid Services (CMS), to negotiate with CMS to develop and get approval of a plan for those work requirements.

Finally, the act also makes a number of changes to the certificate of need review provisions. These changes include exempting the following from review: aggregate total of \$3 million (was, \$1.5 million) for all the equipment at a diagnostic center that individually exceeds \$10,000; psychiatric and chemical dependency treatment beds; psychiatric and chemical dependency treatment facilities; replacement equipment up to \$3 million (was, up to \$2 million); and licensed home care agencies providing Early and Periodic Screening, Diagnosis, and Treatment services to children up to age 21.

Abortion Law Changes

S.L. 2023-14 (Senate Bill 20), as amended by S.L. 2023-65 (House Bill 190), amended North Carolina's abortion laws. Under the new law, abortion is illegal after the 12th week of pregnancy; in the case of rape or incest, an abortion is allowed through the 20th week of pregnancy. The law also allows an abortion through the 24th week of pregnancy if the fetus has a life-limiting anomaly. Abortions are also allowed when a qualified physician determines that a medical emergency (as defined under the law) exists. For a more thorough discussion of this legislation, including consent requirements, requirements for physicians that perform abortions, and other changes to the State's abortion laws, please see this blog post written by faulty member Jill Moore: https://canons.sog.unc.edu/2023/05/north-carolinas-pending-abortion-legislation/. As Senate Bill 20 was vetoed by the Governor, a discussion is also found in the Governor's veto section of this document.

S.L. 2023-14 also included a number of provisions that address the topics of grants to provide contraceptives, Medicaid pregnancy-related changes, regulation of midwives, paid parental leave for State employees, prohibiting any delay in becoming adoptive parents or placing a child due to race, color, or national origin of the parent or child, changes to foster care reimbursement rates, increase in childcare subsidy rates. The act also includes a number of changes to criminal law and procedures related to satellite-monitoring for repeat offenders, making assault of a pregnant woman an A1 misdemeanor, and creating the misdemeanor offense of domestic violence, punishable as an A1 misdemeanor. These criminal law topics are discussed in more detail in the following documents and blog posts written by faculty member Brittany Bromell: https://nccriminallaw.sog.unc.edu/new-misdemeanor-dv-crime-and-the-48-hour-rule/#more-17922; and https://lrs.sog.unc.edu/sites/default/files/supp_content/2023%20Legislation%20Affecting%20Criminal%20Law%20and%20Procedure.pdf.

Finally, S.L. 2023-14 also includes changes to the law concerning the safe surrender of infants. A more thorough of new Article 5A to GS Chapter 7B, allowing the surrender of an infant reasonably believed to be no more than 30 days old to specified health care providers, first responders, or social services workers, is discussed extensively in the following bulletin written by faculty member Sara DePasquale: https://lrs.sog.unc.edu/sites/default/files/supp_content/2023-10-12 JLB% 202023 02.pdf.

COVID Vaccination Discrimination

The topics addressed in the 2023 Appropriations Act, (S.L. 2023-134, House Bill 259), included public health. Section 5.8 of the act establishes several new statutes that prohibit employment discrimination based on COVID-19 vaccination status. The act prohibits State and local government agencies from denying employment or refusing to employ a person who refuses to provide proof of COVID-19 vaccination or refuses a COVID-19 vaccination, with some exceptions. The act also prohibits a State or local public health agency or public health official from requiring anyone, including an applicant for employment or an employee, to provide proof of a COVID-19 vaccination or to submit to such a vaccination, with some exceptions. The act also creates statutes that explicitly prohibit counties and cities from requiring anyone, including an applicant for employment or an employee, to provide proof of a COVID-19 vaccination or to submit to such a vaccination, unless specified exemptions are met. Under amended G.S. 130A-152, the Commission for Public Health, public school units, community colleges, constituent institutions of the University of North Carolina, or private colleges or universities that receive State funds, may not require students to provide proof of COVID-19 vaccination or submit to such a vaccination unless required by the specified circumstances.

HIPAA and Mental Health Records

Under <u>S.L. 2023-95</u> (<u>House Bill 484</u>), behavioral health providers are allowed to disclose confidential information via use of a form that includes the core elements of a HIPAA authorization form, instead of the currently required form. More details can be found on this act in the following blog post written by faculty members Kirsten Leloudis and Mark Botts: https://canons.sog.unc.edu/2024/02/sl-2023-95-roi/.

Gender Transition Care for Minors

<u>S.L.</u> 2023-111 (House Bill 808) creates a new Article 1N in GS Chapter 90 that prohibits medical professionals from performing a surgical gender transition procedure on a minor or from prescribing, providing, or dispensing puberty-blocking drugs or cross-sex hormones to a minor. The act includes six specified procedures that are still allowed when the minor's parents or guardians give informed consent. This legislation is discussed in more detail in the following blog post written by faculty member Kirsten Leloudis: https://canons.sog.unc.edu/2023/08/gender-transition-minors-h808/. As this act was vetoed by the Governor, information is also available in the Governor's veto portion of this document.

Parental Consent for Treatment of Minors

In the bill widely known as the Parents' Bill of Rights (S.L. 2023-106, Senate Bill 49), Part 3 of the act sets out new provisions requiring a health care practitioner to have written or to document parental consent before providing, soliciting, or arranging treatment for a minor child. More details on this portion of the act can be found in a series of blog posts written by faculty member Kirsten Leloudis: https://civil.sog.unc.edu/whats-the-status-of-north-carolinas-minors-consent-law-after-s-l-2023/;

https://canons.sog.unc.edu/2023/10/sl2023-106_treatment/;

and

<u>https://canons.sog.unc.edu/2023/11/parental_consent_treatment/.</u> This bill was also vetoed and is discussed in the Governor's veto bills portion of this document.

Transportation and Motor Vehicle Law Changes

Civilian Traffic Investigators

S.L. 2023-52 (House Bill 140) allows cities to employ and use civilians to investigate traffic crashes that involve only property damage. These Civilian Traffic Investigators are not issued weapons and do not have the authority to arrest or issue criminal process. More information on this act is available in the following blog post written by SOG staff member, Jeanette Pitts: https://nccriminallaw.sog.unc.edu/civilian-traffic-enforcement-comes-to-north-carolina/.

Drivers License Changes

Section 41.14 of the 2023 Appropriations Act (<u>S.L. 2023-134</u>, <u>House Bill 259</u>), extends the duration of drivers licenses from eight to sixteen years for drivers between the ages of 16 and 65. The act also allows drivers licenses to be renewed remotely without consideration of whether the license was last renewed in person or remotely.

Learner's Permit Changes

S.L. 2023-13 (Senate Bill 157) changes the amount of time a person must hold a limited learner's permit before they are eligible for a limited provisions license from 12 months to at least six months, though December 31, 2023, and then changes the time period to nine months beginning January 1, 2024. The act also makes changes to the passenger restrictions that apply to limited provisional licenses. Details on this act are available in the following blog post written by faculty member Shea Denning: https://nccriminallaw.sog.unc.edu/general-assembly-loosens-requirements-for-teen-licensure/#more-17357.

Criminal Law and Procedure

Changes made during the 2023 legislative session to criminal laws and criminal procedure are covered extensively in this bulletin written by faculty member Brittany Bromwell: https://lrs.sog.unc.edu/sites/default/files/supp_content/2023%20Legislation%20Affecting%20Criminal%20Law%20and%20Procedure.pdf. Some of the higher profile legislation covered in this document include <a href="https://sci.nlm.s

authorizes and regulates wagering on professional, college, and amateur sports, as well as horse racing; S.L. 2023-47 (Senate Bill 58), which increased the penalties for crimes committed against utilities; S.L. 2023-71 (Senate Bill 626), expanding upon the offense of human trafficking; S.L. 2023-74 (House Bill 790), which makes changes to the North Carolina Innocence Inquiry Commission and makes other criminal procedure changes; S.L. 2023-76 (House Bill 34), which creates and modifies statutes related to assaulting emergency personnel; S.L. 2023-97 (Senate Bill 91), creating a new crime to prevent street-takeovers; S.L. 2023-123 (Senate Bill 189) which makes changes to penalties for drug trafficking and death by distribution; S.L. 2023-127 (Senate Bill 579), which increases the penalty for disseminating obscenity in the presence of a minor, makes changes to the restitution for sexual exploitation of a minor, and changes the penalties for several offenses concerning public morality and decency; S.L. 2023-128 (House Bill 142), which increases penalties for sex offenses against students and related student sexual abuse changes; and S.L. 2023-151 (Senate Bill 409), which makes numerous criminal law changes. In addition to the information available in the document above, blog posts are also available on several criminal law and procedure bills at the following page: https://lrs.sog.unc.edu/lrs/legsumms/2023. A stand-alone bulletin on changes made to pretrial release in S.L. 2023-75 (House Bill 813), is also available here: https://www.sog.unc.edu/sites/default/files/reports/AOJB 2024-01.pdf.

State Bureau of Investigation

Section 19F.4 of the 2023 Appropriations Act (<u>S.L. 2023-134</u>, <u>House Bill 259</u>), removes the State Bureau of Investigation from the Department of Public Safety and makes it its own cabinet-level department, effective December 1, 2023. The Director of the State Bureau of Investigation may be removed from office by the Governor or by a three-fifths vote of the members of the Senate and House who are present and voting for misconduct related to influencing elections or political activities, misfeasance, malfeasance, and nonfeasance.

Juvenile Law Changes

S.L. 2023-114 (House Bill 186) makes a number of changes impacting Juvenile Law. These changes are discussed in detail in a series of blog posts written by faculty member Jacqueline Greene. The first post discusses changes concerning the transfer of juvenile cases to superior court for Class A felonies committed by a juvenile aged 13 through 15, as well as changes to the requirements to conduct mental health needs assessments before disposition: https://nccriminallaw.sog.unc.edu/changes-coming-to-delinquency-procedure-transfer-and-mental-health-evaluations/.

The second post by Jacqueline Greene addresses changes made in the act impacting custodial interrogation of 16- and 17-year-olds, as well as changes made to the issuance and execution of secure custody orders in juvenile delinquency cases: https://nccriminallaw.sog.unc.edu/statutory-changes-related-to-juvenile-interrogation-and-secure-custody-orders/.

Finally, the third blog post discusses the new statute which sets out when certain confidential juvenile information may be released to the public: https://nccriminallaw.sog.unc.edu/new-law-authorizing-public-release-of-juvenile-information-in-limited-circumstances/.

Child Welfare Changes

Changes impacting child welfare were made in several bills during the 2023 session. The 2023 Appropriations Act (S.L. 2023-134, House Bill 259), included provisions impacting the transportation of high-risk juveniles; a new Transportation Reserve Fund for Homeless and Foster Students; removal of an appeal by right to the NC Supreme Court when there is a dissent in the NC Court of Appeals; exemptions to the duty to report when juveniles are victims of certain crimes; addressing gaps in medical care for children receiving foster care services; and development of a trauma-informed assessment for children at risk of entering (or already in) foster care who are at higher risk of needing behavioral health or other assessments. Each of these issues are discussed in

more detail in the following blog post by faculty member Sara DePasquale: https://civil.sog.unc.edu/2023-child-welfare-legislative-changes/.

S.L. 2023-14, as discussed above, made changes to North Carolina's infant safe surrender laws. That legislation is discussed in more detail in the following blog post and bulletin written by faculty member Sara DePasquale: https://civil.sog.unc.edu/2023-child-welfare-legislative-changes/; https://civil.sog.unc.edu/new-supports-for-relative-placements-of-abused-neglected-and-dependent-juveniles/; and https://lrs.sog.unc.edu/sites/default/files/supp-content/2023-10-12 JLB% 202023 02.pdf.

Changes were also made impacting adoption and foster care. <u>S.L. 2023-14 (Senate Bill 20)</u>, as discussed above, prohibits denying or delaying an individual becoming a foster or adoptive parent, or a child being placed for adoption or in foster care because of race, color, or national origin. The act also increased the monthly foster care and adoption assistance rates. Finally, the act required adoption of a policy giving a relative of a juvenile, who is fostering the juvenile, assistance in the amount that is half the reimbursement rate of a licensed family foster home. These provisions are also discussed in documents written by Sara DePasquale, referenced above.

S.L. 2023-82 (House Bill 815) enacts a new statute limiting the number of children who may reside in a family foster home to five. This is discussed in more detail, including who is included in the five allowable children as well as exceptions to the limitation, in the following blog post by Sara DePasquale: https://civil.sog.unc.edu/2023-child-welfare-legislative-changes/.

Changes to the DHHS Rapid Response Team, to training requirements for child welfare services workers, and to the Child Fatality Workforce made in <u>S.L. 2023-65 (House Bill 190)</u>, as well as the requirement that district court judges undergo training on a trauma-informed topic addressing adverse childhood experiences and adverse community environments as part of the juvenile court certification process, are also discussed here: https://civil.sog.unc.edu/2023-child-welfare-legislative-changes/.

The Parents' Bill of Rights, <u>S.L.</u> 2023-106 (Senate Bill 49), makes a number of changes in addition to those discussed above concerning parental consent to medical treatment of their child. This blog post written by faculty member Sara DePasquale includes a discussion of the inclusion and impact on social services in the other parts of the bill, related to (1) the Parents' Bill of Rights, enacted in new GS Chapter 114A, which sets out parental rights regarding their child's education and health care, and mental health and (2) other new statutes related to a parent's involvement in their child's education and responsibilities of schools related to parental involvement: https://civil.sog.unc.edu/s-l-2023-106-parents-rights-who-is-a-parent-and-juvenile-abuse-neglect-and-dependency-cases/. As this bill was vetoed, a discussion is also found in the Governor's veto portion of this document.

Election Law Changes

Bond Referendum Ballot Language

Section 36.3 of the 2023 Appropriations Act, <u>S.L. 2023-134</u> (House Bill 259), amends the language of the ballot question that is used in a general obligation bond referendum. First, the language now specifies that additional property taxes may be levied in order to pay the principal and interest on the bond. Second, the language now also includes the estimated cumulative cost over the life of the bond, using the highest interest rate charged for similar debt over the specified number of years, as well as the amount that property tax liability will increase for each \$100,000 of property tax value to service the cumulative cost over the life of the bond. This applies to bond referendums conducted on or after December 31, 2023.

State Board of Elections Changes and Other Election Law Changes

Among the changes made in <u>S.L. 2023-139</u> (<u>Senate Bill 749</u>), the act changed the composition and powers of the State Board of Elections and decreased the number of members on local boards of election. <u>S.L. 2023-140</u> (<u>Senate Bill 747</u>) made various changes to election laws including changes impacting early voting, poll observers, same-day registration, voter challenges, mail-in absentee ballots, election-related offenses, and the removal of foreign citizens from voter rolls.

These bills were vetoed by the Governor; a more thorough discussion of these changes and others made in the acts can be found in the Governor's veto section of this document.

Public Records

Additional public records law changes were made in the 2023 Appropriations Act (<u>S.L. 2023-134</u>, <u>House Bill 259</u>). These changes to public access to communications between an attorney and their government clients, public records access relating to sites for potential businesses or industry expansion, and custodianship of General Assembly records are discussed in detail in the following blog post written by faculty member Kristina Wilson: https://canons.sog.unc.edu/2023/09/three-public-records-law-changes-in-the-2023-budget/.

Development and Land Use

An extensive overview of the changes made during the 2023 session to law concerning planning and development can be found in the following bulletin written by faculty members Adam Lovelady and Jim Joyce: https://www.sog.unc.edu/sites/default/files/reports/PZLB%2033.pdf. Topics discussed in the document include changes to the residential building code, as well as changes to design standards and private driveway standards, prohibiting routine exterior sheathing inspections in S.L. 2023-108 (House Bill 488), and changes to regulations concerning connections to water and sewer lines in S.L. 2023-108 and S.L. 2023-90 (House Bill 628), rights of entry for professional land surveyors and regulation of commercial and multifamily building permits in S.L. 2023-142 (Senate Bill 677), and changes made by the Wastewater Regulatory Relief Act in (S.L. 2023-55, Senate Bill 673).

Notary

S.L. 2023-57 (Senate Bill 552) makes several changes to the Notary Public Act. The act extends the sunset on the authorization of the use of emergency video notarization and emergency video witnessing from June 30, 2023, to June 30, 2024. The act also delays the effective date of the authorization of remote electronic notarizations from July 1, 2023, to July 1, 2024. There are many other changes made in the act, including but not limited to, exempting certain communications and journal records from public record, clarifying fees, requiring verification of purchasers of notary seals, allowing applications for notary commissions to be submitted electronically, and allowing registered electronic notaries to perform remote electronic notarial acts.

Energy and Environment

A number of changes impacting energy and environmental laws are discussed in the following written bv faculty members Adam Lovelady https://www.sog.unc.edu/sites/default/files/reports/PZLB%2033.pdf. Energy and environmental regulations discussed in the document include the deregulation of utility-scale solar projects under S.L. 2023-58 (House Bill 130), the change from renewable energy portfolio standards to clean energy portfolio standards under S.L. 2023-138 (Senate Bill 678), changes to water supply watershed protections under S.L. 2023-137 (House Bill 600), and stormwater and erosion control changes found in several pieces of legislation. The document also touches on changes made in the Farm Act of 2023 (S.L. 2023-63, Senate Bill 582) concerning definitions of agricultural terms, regulation of farm-related signs, removal of timber in riparian buffers, and a change in the definition of wetlands. The 2023 Appropriations Act includes a number of provisions related to environmental law. In addition to those discussed below, the act includes provisions making changes to air quality permitting statutes, express permitting program changes, and addressing matters related to per- and poly-fluoroalkyl substances (PFAS).

Vehicle Emissions

Section 12.6 of the 2023 Appropriations Act (<u>S.L. 2023-134</u>, <u>House Bill 259</u>), enacts a new statute prohibiting State agencies from adopting and enforcing standards relating to the control of emissions from new motor vehicles or new motor vehicle engines, including requirements mandating the sale or purchase of zero-emission or electric vehicles.

Section 12.7 of the 2023 Appropriations Act changes the age of vehicles that are subject to emissions inspections to now include a vehicle with a model year within 20 years of the current year and earlier than model year 2027, and removes vehicles with a model year within 20 years of the current year and older than the three most recent model years or with a model year within 20 years of the current year with 70,000 miles or more. The act also no longer requires emissions inspections in Alamance, Buncombe, Cabarrus, Cumberland, Davidson, Durham, Forsyth, Franklin, Gaston, Guilford, Iredell, Johnston, Lincoln, New Hanover, Randolph, Rowan, Union and Wake counties, leaving the requirement in place only in Mecklenburg County. The Department of Environmental Quality is required, by July 1, 2024, to submit to the Environmental Protection Agency a proposed North Carolina State Implementation Plan based on these changes. The changes would be effective the first day of a month that is 60 days after certification that the EPA has approved the amendment to the North Carolian State Implementation Plan.

Green Industry Study

Section 8.21 of the 2023 Appropriations Act (S.L. 2023-134, House Bill 259), directs the College of Agriculture and Life Sciences at NC State University to study the statewide, regional, and county-level economic impact of the green induct in North Carolina and report by January 15, 2025 to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources. The green industry is defined as the production, design, installation, maintenance, and sale of plants, including trees, shrubs, flowers, sod, and related goods and services, to enhance, beautify, and protect human environments and to provide jobs and economic growth, including at least 10 areas including nursery and tree production, urban forestry, parks and airports, Christmas tree production, and botanic gardens and arboretums.

CO2 Emissions Cap

Section 12.5 of the 2023 Appropriations Act (S.L. 2023-134, House Bill 259), enacts a new statute prohibiting the Governor or State agencies from requiring an electric public utility or those operating an electric generating facility for the person's own use, from participating in a program that requires the utility to get allowances to offset their CO2 emissions. The Governor and agencies are also prohibited from entering into any agreement with other states obligating North Carolina's participation in any program requiring the acquisition of allowances to offset CO2 emissions by those utilities.

Local Government Finance

System Development Fees

<u>S.L. 2023-55 (Senate Bill 673)</u> included changes to system develop fee laws. These changes are discussed in detail in the following blog post written by faculty member Kara Millonzi: https://canons.sog.unc.edu/2023/10/2023-updates-to-system-development-fee-law/.

Capital Funding for Charter Schools

S.L. 2023-107 (House Bill 219) authorizes counties to provide capital funding to charter schools, to be used for specified purposes. A more thorough discussion of this provision can be found in the following blog post written by faculty member Kara Millonzi: https://canons.sog.unc.edu/2024/04/local-funding-for-charter-schools-including-new-county-funding-authority-for-charter-school-capital/.

Approval for Changes in Control of Public Enterprises

Among its provisions, <u>S.L. 2023-138 (Senate Bill 678)</u> requires local governments to get approval from the Local Government Commission to enter into agreements to cede or transfer control of a public enterprise to a nongovernmental entity. This is discussed in more detail in the following blog post written by faculty member Kara Millonzi:

https://canons.sog.unc.edu/2024/03/local-government-commission-approval-of-certain-publicenterprise-agreements/.

The Governor's Veto

In 2023, Governor Cooper exercised his veto power 19 times, breaking his own 2021 record for the most vetoed bills in one year by just one. In order to override a veto, each chamber must vote to override the veto by a three-fifths vote of those present and voting. Unlike other years when overrides were hard to come by, the House and Senate's veto-proof majorities allowed them to override all 19 of the vetoes, setting a record for the highest number of veto-overrides in one legislative year (the previous record was 10, set in 2017). This section provides a brief overview of each of the bills vetoed in 2023.

Guarantee Second Amendment Freedom and Protections

The first bill vetoed by Governor Cooper was S.L. 2023-8 (Senate Bill 41). The act repeals permit requirements for the purchase of pistols and blank cartridge pistols. The act also authorizes someone who works at a law enforcement facility in a role other than as a sworn officer and has a concealed handgun permit can bring their concealed handgun to law enforcement facilities so long as they have approval from the head of the law enforcement agency who is in charge of that facility and they have that written proof of approval with them. Effective December 1, 2023, people with concealed handgun permits will be allowed to have concealed handguns on property that is both educational and for religious worship so long as the property is not owned by a local board of education, or the county. The handgun can only be carried on the property outside of school operating hours, and the property must not have any notice banning concealed handguns. In his veto message, Governor Cooper stated, "Eliminating strong background checks will allow more domestic abusers and other dangerous people to own handguns and reduces law enforcement's ability to stop them from committing violent crimes. Second Amendment supporting, responsible gun owners know this will put families and communities at risk." The Senate and House voted to override the veto on March 28 and 29, 2023.

Care for Women, Children, and Families Act

The next bill vetoed by Governor Cooper was S.L. 2023-14 (Senate Bill 20). The act repeals current law which made it lawful to cause a miscarriage or obtain an abortion during the first twenty weeks of pregnancy so long as the procedure was performed by a licensed, qualified physician in a certified, suitable hospital or clinic, with miscarriage or abortion procedures permitted after the twentieth week if there is a medical emergency. The act makes it unlawful to advise, procure, or cause a miscarriage or abortion after the 12th week of a woman's pregnancy. The act also makes it unlawful for a qualified physician, any healthcare provider, or any person to perform a partial-birth abortion at any time. The act also includes provisions concerning facilities where abortions are performed, efforts to reduce infant and maternal mortality, nurse midwife regulations, paid parental leave for State employees, safe surrender of infants, adoption and foster care changes, child-care subsidy changes, and domestic violence provisions. Faculty member Jill Moore's blog post about abortion portions of this bill can be found here. Faculty member Sara DePasquale has also written the following, pertaining to other provisions in the bill: https://civil.sog.unc.edu/2023-child-welfarelegislative-changes/; https://civil.sog.unc.edu/new-supports-for-relative-placements-of-abusedneglected-and-dependent-juveniles/; and https://lrs.sog.unc.edu/sites/default/files/supp_content/2023-10-12_JLB%202023_02.pdf. .

⁵ Governor's Veto message for Senate Bill 41, available here https://webservices.ncleg.gov/ViewBillDocument/2023/2448/0/S41-BILL-NBC-10041

In his veto message, Governor Cooper stated, "This bill will create dangerous interference with the doctor-patient relationship, leading to harm for pregnant women and their families. With its medically unnecessary obstacles and restrictions, it will make abortion unavailable to many women, particularly those with lower incomes, those who live in rural areas, and those who already have limited access to health care." The House and Senate voted to override the veto on May 16, 2023.

Nondiscrimination & Dignity in State Work

The third bill vetoed by Governor Cooper was <u>S.L. 2023-62</u> (<u>Senate Bill 364</u>). The act prevents state agencies, departments, and institutions from soliciting or requirement employee applicants to endorse or opine about beliefs, affirmations, ideals or principles regarding matters of contemporary political debate or social action as a condition of employment. It also bans the following 13 concepts from being promoted in State government workplaces or trainings, including by nonexempt State employees in the executive branch, UNC, the Community Colleges System Office, and community college employees:

- One race or sex is inherently superior to another race or sex.
- An individual, solely by virtue of his or her race or sex, is inherently racist, sexist, or
 oppressive.
- An individual should be discriminated against or receive adverse treatment solely or partly because of his or her race or sex.
- An individual's moral character is necessarily determined by his or her race or sex.
- An individual, solely by virtue of his or her race or sex, bears responsibility for actions committed in the past by other members of the same race or sex.
- Any individual, solely by virtue of his or her race or sex, should feel discomfort, guilt, anguish, or any other form of psychological distress.
- A meritocracy is inherently racist or sexist.
- The United States was created by members of a particular race or sex for the purpose of oppressing members of another race or sex.
- The United States government should be violently overthrown.
- Particular character traits, values, moral or ethical codes, privileges, or beliefs should be ascribed to a race or sex or to an individual because of the individual's race or sex.
- The rule of law does not exist, but instead is a series of power relationships and struggles among racial or other groups.
- All Americans are not created equal and are not endowed by their Creator with certain unalienable rights, including life, liberty, and the pursuit of happiness.
- Governments should deny to any person within the government's jurisdiction the equal protection of the law.

In his veto message, Governor Cooper stated, "In North Carolina, the diversity of our people is a strength. This legislation attempts to eliminate training that can help us understand the unconscious bias we all bring to our work and our communities. It is troubling that a legislature that witnessed open racism on the floor of the House of Representatives wants to stop training aimed at creating a more effective and understanding workforce. Instead of pretending that bias and racism don't exist, the legislature should instead encourage training that can help eliminate discrimination so we can work toward common goals." The Senate and House voted to override the veto on June 20 and 27, 2023.

⁶ Governor's Veto message for Senate Bill 20, available here https://webservices.ncleg.gov/ViewBillDocument/2023/5632/0/S20-BILL-NBC-10569

⁷ Governor's Veto message for Senate Bill 364, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6254/0/S364-BILL-NBC-10913

Reimburse Late Audit Costs with Sales Tax Revenue

The fourth bill vetoed by Governor Cooper was S.L. 2023-59 (Senate Bill 299). The act amends the Local Government Budget and Fiscal Control Act (Act) to allow the State to withhold up to 150% of a county or municipality's required annual audit from its sales tax distributions when the local government entity fails to timely complete its annual audit required under the Act. In his veto message, Governor Cooper stated, "It is important that local governments follow the law on auditing their finances in order to foster accountability and fiscal responsibility. While well intentioned, this legislation as written is likely to punish residents of some of our state's smallest communities. Rather than having state government seize taxes that are needed for local government, the North Carolina General Assembly should reconsider this legislation and provide more help for these communities to make sure they do it right rather than impose financial that could make matters worse." The Senate and House voted to override the veto on June 20 and 27, 2023.

Retail Installment Sales Act Amendments

The fifth bill vetoed by Governor Cooper was <u>S.L. 2023-60</u> (Senate Bill 329). The act increases the maximum authorized finance charge rate for consumer credit installment contracts to 24% for the amount financed is less than \$3,000 and from 18% to 21% when the amount financed is over \$3,000. It also increases the amount of authorized finance charge rates for consumer credit installment sales contracts for automobiles and increases the amount charged a buyer when any installment payment under a consumer credit installment sale contract is 10 or more days overdue. In his veto message, Governor Cooper stated, "At a time when the cost of living is rising, North Carolina consumers cannot afford to be hit with higher fees and interest rates on loans and purchases." The Senate and House voted to override the veto on June 20 and 27, 2023.

Consumer Finance Act Amendments

The sixth bill vetoed by Governor Cooper was <u>S.L. 2023-61</u> (Senate Bill 331). The act makes various changes to the North Carolina Consumer Finance Act, including requiring both loan servicers and lenders (was, just lenders) to obtain a license to lend \$25,000 or more to a consumer (was, \$15,000 or more) and increasing caps on interest, late fees, and installment loans. In his veto message, Governor Cooper stated, "At a time when the cost of living is rising, North Carolina consumers cannot afford to be hit with higher fees and interest rates on loans." The Senate and House voted to override the veto on June 26 and 27, 2023.

North Carolina Farm Act of 2023

The seventh bill vetoed by Governor Cooper was the North Carolina Farm Act of 2023, S.L. 2023-63 (Senate Bill 582). The act contains a variety of agricultural matters including exempting farmers from paying sales tax on compost, designating all varieties of muscadine grapes the official state fruit, and establishing it as a Class 3 misdemeanor for drivers who spill certain animal waste on the road and leave the scene. It also restricts the definition of wetlands to only those that are "waters of the United States" under federal law. Further, wetlands do not include prior converted cropland. Portions of this act are discussed the following document written by faculty members Adam Lovelady and Jim Joyce: https://www.sog.unc.edu/sites/default/files/reports/PZLB%2033.pdf. In his Governor Cooper stated, "The provision in this bill that severely weakens protection for wetlands

⁸ Governor's Veto message for Senate Bill 299, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6260/0/S299-BILL-NBC-10917

⁹ Governor's Veto message for Senate Bill 329, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6258/0/S329-BILL-NBC-10915

¹⁰ Governor's Veto message for Senate Bill 331, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6259/0/S331-BILL-NBC-10916

means more severe flooding for homes, roads, and businesses and dirtier water for our people, particularly in eastern North Carolina. This provision coupled with the drastic weakening of federal rules caused by the U.S. Supreme Court's recent decision in the Sackett case, leaves approximately 2.5 million acres, or about one half of our state's wetlands, unprotected. The General Assembly has allocated tens of millions of dollars to protect the state from flooding and my administration is working to stop pollution like PFAS and contaminants. This bill reverses our progress and leaves the state vulnerable without vital flood mitigation and water purification tools." The Senate and House voted to override the veto on June 26 and 27, 2023.

Address ESG Factors

The eighth bill vetoed by Governor Cooper was S.L. 2023-64 (House Bill 750). The act prevents environmental, social, and governance (ESG) criteria or economically targeted investments (ETI) requirements from being considered in the awarding of State contracts. It also requires the State Treasurer to only consider pecuniary factors (*i.e.*, something that has a material effect on the financial risk or return on investment based on appropriate investment horizons consistent with the purpose of the fund) and limits the use of environmental or social considerations as pecuniary factors only when they present economic risks or opportunities that qualified investment professionals would treat as material economic considerations under generally accepted investment theories. In his veto message, Governor Cooper stated, "This bill does exactly what it claims to stop. For political reasons only, it unnecessarily limits the Treasurer's ability to make decisions based on the best interest of state retirees and the fiscal health of the retirement fund." The House and Senate voted to override the veto on June 27, 2023.

Parents' Bill of Rights

The ninth bill vetoed by Governor Cooper was <u>S.L. 2023-106</u> (Senate Bill 49). The act enumerates certain parental rights pertaining to their child's education, health care, and mental health needs. Faculty member Sara DePasquale's blog post on the law can be found <u>here</u>. Additionally, faculty member Kirsten Leloudis's blog post on the law can be found <u>here</u>. In his veto message, Governor Cooper stated, "Parents are the most essential educators for their children and their involvement must be encouraged, but this bill will scare teachers into silence by injecting fear and uncertainty into classrooms. This "Don't Say Gay" bill also hampers the important and sometimes lifesaving role of educators as trusted advisers when students have nowhere else to turn. The rights of parents are well established in state law, so instead of burdening schools with their political culture wars, legislator should help them with better teacher pay and more investments in students." The House and Senate voted to override the veto on August 16, 2023.

Gender Transition/Minors

The tenth bill vetoed by Governor Cooper was <u>S.L. 2023-111 (House Bill 808)</u>. The act prevents transgender minors from initiating gender-affirming health care if they were not already receiving transition related care as of August 1, 2023. Faculty member Kirsten Leloudis's blog post on the law can be found <u>here</u>. In his veto message, Governor Cooper stated, "A doctor's office is no place for politicians, and North Carolina should continue to let parents and medical professionals make decisions about the best way to offer gender care for their children. Ordering doctors to stop following approved medical protocols sets a troubling precedent and is dangerous for vulnerable

¹¹ Governor's Veto message for Senate Bill 582, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6479/0/S582-BILL-NBC-11017

¹² Governor's Veto message for House Bill 750, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6492/0/H750-BD-NBC-11022

¹³ Governor's Veto message for Senate Bill 48, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6809/0/S49-BILL-NBC-11123

youth and their mental health. The government should not make itself both the parent and the doctor."¹⁴ The House and Senate voted to override the veto on August 16, 2023.

Fairness in Women's Sports Act

The eleventh bill vetoed by Governor Cooper was <u>S.L. 2023-109</u> (House <u>Bill 574</u>). The act sets forth "biological sex" determinations for teams participating in interscholastic or intramural athletic activities in middle school or high school. It defines "sex" as the student's reproductive biology and genetics at birth, and prevents "students of the male sex" from participating on athletic teams designated for females, women, or girls. It also establishes a cause of action for certain individuals based on violations of the act. In his veto message, Governor Cooper stated, "We don't need politicians inflaming their political culture wars by making broad, uninformed decisions about an extremely small number of vulnerable children that are already handled by a robust system that relies on parents, schools and sports organizations. Republican governors in other states have vetoed similar bills because they hurt their states' reputation and economy and because they are neither fair nor needed. The House and Senate voted to override the veto on August 16, 2023.

Code Council Reorg. And Var. Code Amend.

The twelfth bill vetoed by Governor Cooper was S.L. 2023-108 (House Bill 488). The act creates a Residential Code Council to review and consider any proposal for revision or amendment to the North Carolina Residential Code, including provisions pertaining to energy efficiency and appeals or interpretations pertaining to the Residential Code. It also prevents the Residential Code Council from implementing updates to the Building Code pertaining to energy efficiency until 2031 and from considering any new updates until 2026. Other topics addressed in the bill include changes to design standards and private driveway standards, and prohibiting routine exterior sheathing inspections. These changes, and others, are discussed in the following document written by faculty members Adam Lovelady and Jim Joyce: https://www.sog.unc.edu/sites/default/files/reports/PZLB%2033.pdf. In his veto message, Governor Cooper stated, "This bill stops important work to make home construction safer from disaster and more energy efficient, and ultimately will cost homeowners and renters more money. The bill also imperils North Carolina's ability to qualify for FEMA funds by freezing residential building code standards. Not only does the bill wipe out years of work to make homes safer and more affordable, it also violates the Constitution by rigging the way rules are made." ¹⁶ The House and Senate voted to override the veto on August 16, 2023.

Charter School Review Board

The thirteenth bill vetoed by Governor Cooper was <u>S.L. 2023-110</u> (House <u>Bill 618</u>). The act impacts various matters relating to charter school growth and approval in the state. Amongst other things, it changes the NC Charter Schools Advisory Board to a Review Board with the power to approve or deny charter applications, renewals, and revocations (such power having previously been granted to the State Board of Education). Now, under the act, the State Board's power pertaining to charter schools consists of rulemaking, hearing appeals of the Review Board, allocating funds to schools, and ensuring accountability from charter schools for school finances and student performance. In his veto message, Governor Cooper stated, "The North Carolina Constitution clearly gives the State Board of Education the oversight authority for public schools, including

Governor's Veto message for House Bill 808, available here
 https://webservices.ncleg.gov/ViewBillDocument/2023/6811/0/H808-BD-NBC-11125
 Governor's Veto message for House Bill 574, available here

https://webservices.ncleg.gov/ViewBillDocument/2023/6810/0/H574-BD-NBC-11124

¹⁶ Governor's Veto message for House Bill 488, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6812/0/H488-BD-NBC-11126

charter schools. This bill is a legislative power grab that turns that responsibility over to a commission of political friends and extremists appointed by Republican legislators, making it more likely that faulty or failing charter schools will be allowed to operate and shortchange their students. Oversight of charter schools should be conducted by education experts not partisan politicians."¹⁷ The House and Senate voted to override the veto on August 16, 2023.

Charter School Omnibus

The fourteenth bill vetoed by Governor Cooper was S.L. 2023-107 (House Bill 219). The act impacts various matters relating to charter school growth and approval in the state. Amongst other things, it prevents the State Board of Education from considering the charter school's impact on the local school administrative units in its decisions to approve, amend, or terminate a charter school. It also allows counties to appropriate property taxes to fund charter school construction/infrastructure needs. In addition, the act removes restrictions on enrollment growth if the charter school is not in its first year of operation and not considered low performing and allows the State Board of Education to consider growth greater than 20% for schools that are considered low performing. In his veto message, Governor Cooper stated, "This bill allowing more students to attend failing charter schools risks their education and their future. The State Board of Education should continue to oversee the enrollment growth of charter schools to assure success. North Carolina should continue to cap the enrollment growth of low-performing charter schools until they can show they improve student achievement. Finally, diverting local resources to building charter schools without clear authority on who owns them risks financial loss to county taxpayers who have no recourse." The House and Senate voted to override the veto on August 16, 2023.

Greater Accountability for Boards/Commissions

The fifteenth bill vetoed by Governor Cooper was S.L. 2023-136 (Senate Bill 512). The act reorganizes and restructures the appointment authority for various State boards, committees, and commissions, including the Economic Investment Committee, the Environmental Management Commission, the Commission for Public Health, the Board of Transportation, the Coastal Resources Commission, the Wildlife Resources Commission, the North Carolina Railroad Board of Directors, the Board of Directors of the UNC Health System, the Utilities Commission, the UNC Board of Governors, and the Boards of Trustees at UNC Chapel Hill and NCSU. Amongst other things, the act also transfers the Governor's appointment authority of certain appointees to these bodies to other entities. In his veto message, Governor Cooper stated, "This legislation will hurt the effective and efficient use of taxpayer money by impairing the Governor's constitutionally required duty to execute the laws passed by the legislature. The bill interrupts the critical work of boards and commissions to protect public health, provide clean air and water, recruit new jobs, lower electric bills and more. Fundamentally it violates the separation of powers enshrined in the state Constitution. The courts have consistently rejected these legislative power grabs in McCrory v. Berger and other cases. Legislative efforts to seize executive power are unconstitutional and damage vital state work." The House and Senate voted to override the veto on October 10, 2023.

Elections Law Changes

The sixteenth bill vetoed by Governor Cooper was <u>S.L. 2023-140 (Senate Bill 747).</u> The act changes State election law in a variety of ways, including the following: banning private grants to

¹⁷ Governor's Veto message for House Bill 618, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6813/0/H618-BD-NBC-11127

¹⁸ Governor's Veto message for House Bill 219, available here https://webservices.ncleg.gov/ViewBillDocument/2023/6953/0/H219-BD-NBC-11247

¹⁹ Governor's Veto message for House Bill 512, available here https://webservices.ncleg.gov/ViewBillDocument/2023/7137/0/S512-BILL-NBC-11325

the State Board of Elections and county election boards for election administration, shortening the deadline to receive mail-in ballots from three days after Election Day to 7:30 p.m. on Election Day, restricting poll observers from taking photographs while voting is ongoing or making or receiving phone calls while in the voting place, excluding missing witness information on a ballot from what is considered a "curable deficiency" under State law, and requiring same-day registrants during early voting to vote on a retrievable ballot so that the vote would only be counted if the U.S. Postal Service can verify the voter's address via a deliverable notice. The act also creates a procedure to identify noncitizens and remove them from voting rolls and a pilot program to verify the signature on mailin ballots during the 2024 primary elections in 10 counties. In his veto message, Governor Cooper stated, "This legislation has nothing to do with election security and everything to do with Republicans keeping and gaining power. In working to erect new barriers for younger and nonwhite voters, many of whom use early voting and absentee ballots, this bill also hurts older adults, rural voters, and people with disabilities. It requires valid votes to be tossed out if the post office delivers them even after one minute after 7:30 p.m. on Election Day or if a computer rejects a signature. It encourages voter intimidation at the polls by election deniers and conspiracy believers. North Carolina has conducted fair and secure elections but this bill will block voters and their ballots unnecessarily.²⁰ The House and Senate voted to override the veto on October 10, 2023.

No Partisan Advantage in Elections

The seventeenth bill vetoed by Governor Cooper was S.L. 2023-139 (Senate Bill 749). The act removes the Governor's appointment authority to the State Board of Elections and transfers it to the Speaker of the House, President Pro Tempore, and the minority leaders of each chamber of the General Assembly. It also changed the membership of the State Board of Elections from five members to eight members with no way to break a tie if the State Board of Elections is deadlocked. The act similarly changes the composition of the State's 100 county election boards to be four-member bipartisan boards appointed by the Speaker of the House, President Pro Tempore, and the minority leaders of each chamber of the General Assembly. In his veto message, Governor Cooper stated, "The legislative takeover of state and local elections boards could doom our state's elections to gridlock and severely limit early voting. It also creates a grave risk that Republican legislators or courts would be empowered to change the results of an election if they don't like the winner. That's a serious threat to our democracy, particularly after the nation just saw a presidential candidate try to strongarm state officials into reversing his losing election result. Courts have already ruled the ideas in this bill unconstitutional, and voters overwhelmingly said no when the legislature tried to change the constitution." The House and Senate voted to override the veto on October 10, 2023.

Clean Energy/Other Changes

The eighteenth bill vetoed by Governor Cooper was <u>S.L. 2023-138</u> (Senate Bill 678). The act amends State public utilities law so that instead of renewable energy and energy efficiency standards, the law targets clean energy and energy efficiency standards instead. The law defines a clean energy facility as including both renewable energy facilities and nuclear energy facilities, including an upgrade to a nuclear energy facility or fusion energy facility. It also pushes back the closing dates of nine coal combustion residual surface impoundments. In his veto message, Governor Cooper stated, "North Carolina is on a bipartisan path to remove carbon from our electric power sector in the most cost-effective way. This bill attempts to diverge from that path by trying to put construction of traditional power plants, and higher profits for the utility companies, over lower-cost solutions like energy efficiency. North Carolina should consider all pathways to

²⁰ Governor's Veto message for Senate Bill 747, available here https://webservices.ncleg.gov/ViewBillDocument/2023/7138/0/S747-BILL-NBC-11326 (emphasis in original) ²¹ Governor's Veto message for Senate Bill 749, available here https://webservices.ncleg.gov/ViewBillDocument/2023/7382/0/S749-BILL-NBC-11457

decarbonize, rather than putting a thumb on the scale in favor of building new conventional generation."²² The House and Senate voted to override the veto on October 10, 2023.

Regulatory Reform Act of 2023

The nineteenth bill vetoed by Governor Cooper was the Regulatory Reform Act of 2023, S.L. 2023-137 (House Bill 600). The act amends State laws and regulations pertaining to agriculture, the environment, energy, natural resources, State and local government, and other matters. Topics addressed include changes to: (1) the stormwater runoff rules and permitting; (2) rules pertaining to the development density in water supply watersheds in Iredell County and the Town of Mooresville; (3) water quality certification requirements for maintenance dredging projects partially funded by the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund and projects involving the distribution or transmission of energy or fuel, including natural gas, diesel, petroleum, or electricity; and (4) environmental permits pertaining to animal waste management as part of agricultural activities; wastewater design flow rates. The act also disapproves two procurement rules adopted by the Department of Administration pertaining to historically underutilized businesses. In his veto message, Governor Cooper stated, "This bill is a hodgepodge of bad provisions that will result in dirtier water, discriminatory permitting and threats to North Carolina's environment. It also undoes a significant policy to promote fairness in state contracting for historically underutilized businesses as it blocks efforts to encourage diverse suppliers for state purchases, rules that would save taxpayer dollars and help businesses grow. The rules mirror the successful approach used for 18 years in state construction contracting and they were enacted with extensive feedback from state agencies and vendors and they were approved by the Rules Review Commission, which has all of its members appointed by the Republican controlled legislature."23 The House and Senate voted to override the veto on October 10, 2023.

The 2024 Session

The General Assembly is currently scheduled to return for the short session on Wednesday, April 24, 2003, at noon. This is an early start to the short session, which typically convenes in May. According to the adjournment resolution (Res. 2023-11, Senate Bill 760), only the matters listed below may be considered during the short session. This list is largely in line with what we typically see in the list of eligible short session legislation, but includes a change to the local bills that may be considered. Typically, during the short session, any local legislation that is filed must be accompanied by a certification that the bill is non-controversial; specifically, as illustrated in the requirements for local bills during the 2022 short session²⁴, the bill must include a certificate signed by the principal sponsor stating that (1) no public hearing will be required or asked for by a member on the bill, (2) the bill is noncontroversial, and (3) the bill is approved for introduction by each member of the House of Representatives and the Senate whose district includes the area to which the bill applies. Res. 2023-11 does not include such a requirement for the filing of local bills during the 2024 short session.

For the regular session that convenes on Wednesday, April 24, 2024, what may be considered is limited to:

(1) bills directly and primarily affecting the State budget, including (i) the budget of an occupational licensing board for fiscal year 2024-25 and (ii) bills authorizing a fee for a unit of State government or political subdivision of the State, if the bill is submitted to the Bill Drafting Division

Governor's Veto message for Senate Bille 678, available here https://webservices.ncleg.gov/ViewBillDocument/2023/7387/0/S678-BILL-NBC-11458
 Governor's Veto message for House Bill 600, available here https://webservices.ncleg.gov/ViewBillDocument/2023/7388/0/H600-BD-NBC-11459
 See Res. 2021-2.

- by 4:00 P.M. Monday, April 15, 2024, and introduced in the House of Representatives or filed for introduction in the Senate by 4:00 P.M. Thursday, May 2, 2024;
- (2) bills: a. proposing an amendment(s) to the North Carolina Constitution and containing no other matter, b. proposing an amendment(s) to the North Carolina Constitution and containing no other matter other than statutory conforming changes to implement such bills, or c. solely making statutory and transitional changes to implement these types of bills;
- (3) bills and resolutions introduced in 2023 (i) that passed third reading in 2023 in the house in which introduced, were received in the other house in accordance with Senate Rule 41 or House Rule 31.1(h) (crossover deadline), as appropriate, and 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 rules of the receiving house or (ii) not subject to the crossover deadline;
- (4) bills and resolutions implementing the recommendations of: a. study commissions, authorities, and statutory commissions authorized or directed to report to the 2023 Regular Session, b. the General Statutes Commission, the Courts Commission, or any commission created under G.S. Chapter 120 that is authorized or directed to report to the NCGA, c. the House Ethics Committee, d. select committees, or e. the Joint Legislative Ethics Committee or its Advisory Subcommittee, requires that these bills be submitted to the Bill Drafting Division by 4:00 P.M. Monday, April 15, 2024, and filed for introduction in the Senate or introduced in the House of Representatives by 4:00 P.M. Wednesday, May 1, 2024;
- (5) any local bill submitted to the Bill Drafting Division by 4:00 P.M. Monday, April 15, 2024, and is introduced in the House of Representatives or filed for introduction in the Senate by 4:00 P.M. Tuesday, May 7, 2024;
- (6) 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 NCGA upon recommendation of the Speaker of the House, President of the Senate, or President Pro Tempore of the Senate;
 - (7) bills providing for action on gubernatorial nominations or appointments;
- (8) any matter authorized by joint resolution passed by a two-thirds majority of the members present and voting in each chamber, requires that such a bill or resolution have a copy of the ratified enabling resolution attached to the jacket before filing;
 - (9) a joint resolution authorizing the introduction of a bill under subdivision (8) above;
- (10) any bills primarily affecting any State or local pension or retirement system, if the bill has been submitted to the Bill Drafting Division by 4:00 P.M. Monday, April 15, 2024, and is introduced in the House of Representatives or filed for introduction in the Senate by 4:00 P.M. Thursday, May 2, 2024;
- (11) joint resolutions and simple resolutions authorized for introduction under Senate Rule 40.1 or House Rule 31;
- (12) bills vetoed by the Governor solely for the purpose of considering overriding of the veto upon reconsideration of the bill;
- (13) bills responding to actions related to litigation concerning the districts for Congressional, State House, State Senate, judicial, municipal, county, and other elected officials' actions and any other litigation challenging the legality of legislative enactments;
- (14) any bills relating to election laws, including bills concerning the districts for Congressional, State House, State Senate, judicial, municipal, county, and other elected officials;
 - (15) bills to disapprove rules under G.S. 150B-21.3;
- (16) bills providing for impeachment pursuant to Article IV of the North Carolina Constitution or G.S. Chapter 123; and
- (17) a joint resolution further adjourning the 2023 Regular Session, amending a joint resolution adjourning the 2023 Regular Session, or adjourning the 2023 Regular Session, sine die.
- Ch. Res. 2023-11 also allows the Speaker of the House or the President Pro Tempore of the Senate to authorize committees or subcommittees to meet during the interim between sessions to (1) review matters related to the State budget for 2023-25 fiscal biennium; (2) prepare reports, including revised budgets; or (3) consider any other matters as the Speaker of the House of Representatives or the President Pro Tempore of the Senate deems appropriate. The resolution also allows a conference committee to meet in the interim upon approval by the Speaker of the House of Representatives or the President Pro Tempore of the Senate. 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: https://webservices.ncleg.gov/ViewDocSiteFile/79110.

Christine Wunsche Jennifer Kent