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SENATE BILL DRS55011-LR-42A* (02/08)

Short Title: Equality For All/Repeal HB2. (Public)

Sponsors: Senators Chaudhuri, Woodard, and Van Duyn (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROTECT ALL NORTH CAROLINIANS AGAINST DISCRIMINATION IN
3 ALL WALKS OF LIFE AND TO REPEAL HOUSE BILL 2, AS ENACTED DURING THE
4 2016 SECOND EXTRA SESSION OF THE 2015 GENERAL ASSEMBLY.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. HB2 REPEAL**

8 **SECTION 1.1.** S.L. 2016-99 and S.L. 2016-3 are repealed.

9
10 **PART II. HOUSING**

11 **SECTION 2.1.** G.S. 41A-3 reads as rewritten:

12 **"§ 41A-3. Definitions.**

13 For the purposes of this Chapter, the following definitions apply:

14 ...

15 (5a) "Protected status" means a person's race, color, national origin, religion, age,
16 disability, sex, marital status, familial status, sexual orientation, gender identity,
17 military or veteran status, or genetic information.

18"

19 **SECTION 2.2.** G.S. 41A-4 reads as rewritten:

20 **"§ 41A-4. Unlawful discriminatory housing practices.**

21 (a) It is an unlawful discriminatory housing practice for any person in a real estate
22 transaction, because of ~~race, color, religion, sex, national origin, handicapping condition, or~~
23 ~~familial status~~ the protected status of another person to:

24 (1) Refuse to engage in a real estate transaction;

25 (2) Discriminate against a person in the terms, conditions, or privileges of a real
26 estate transaction or in the furnishing of facilities or services in connection
27 therewith;

28 (2a), (2c) Repealed by Session Laws 2009-388, s. 1, effective October 1, 2009.

29 (3) Refuse to receive or fail to transmit a bona fide offer to engage in a real estate
30 transaction;

31 (4) Refuse to negotiate for a real estate transaction;

32 (5) Represent to a person that real property is not available for inspection, sale,
33 rental, or lease when in fact it is so available, or fail to bring a property listing
34 to his attention, or refuse to permit him to inspect real property;

35 (6) Make, print, circulate, post, or mail or cause to be so published a statement,
36 advertisement, or sign, or use a form or application for a real estate transaction,



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1 or make a record or inquiry in connection with a prospective real estate
 2 transaction, which indicates directly or indirectly, an intent to make a
 3 limitation, specification, or discrimination with respect thereto;

4 (7) Offer, solicit, accept, use, or retain a listing of real property with the
 5 understanding that any person may be discriminated against in a real estate
 6 transaction or in the furnishing of facilities or services in connection therewith;
 7 or

8 (8) Otherwise make unavailable or deny housing.
 9

10 ...

11 (b1) It is an unlawful discriminatory housing practice for any person or other entity whose
 12 business includes engaging in residential real estate related transactions to discriminate against any
 13 person in making available such a transaction, or in the terms and conditions of such a transaction,
 14 because of ~~race, color, religion, sex, national origin, handicapping condition, or familial~~ that
 15 person's protected status. As used in this subsection, "residential real estate related transaction"
 means:

16 (1) The making or purchasing of loans or providing financial assistance (i) for
 17 purchasing, constructing, improving, repairing, or maintaining a dwelling, or
 18 (ii) where the security is residential real estate; or

19 (2) The selling, brokering, or appraising of residential real estate.

20 The provisions of this subsection shall not prohibit any financial institution from using a loan
 21 application which inquires into a person's financial and dependent obligations or from basing its
 22 actions on the income or financial abilities of any person.

23 (c) It is an unlawful discriminatory housing practice for a person to induce or attempt to
 24 induce another to enter into a real estate transaction from which such person may profit:

25 (1) By representing that a change has occurred, or may or will occur in the
 26 composition of the residents of the block, neighborhood, or area in which the
 27 real property is located with respect to ~~race, color, religion, sex, national origin,~~
 28 ~~handicapping condition, or familial~~ the protected status of the owners or
 29 occupants; or

30 (2) By representing that a change has resulted, or may or will result in the lowering
 31 of property values, an increase in criminal or antisocial behavior, or a decline in
 32 the quality of schools in the block, neighborhood, or area in which the real
 33 property is located.

34 (d) It is an unlawful discriminatory housing practice to deny any person who is otherwise
 35 qualified by State law access to or membership or participation in any real estate brokers'
 36 organization, multiple listing service, or other service, organization, or facility relating to the
 37 business of engaging in real estate transactions, or to discriminate in the terms or conditions of
 38 such access, membership, or participation because of ~~race, color, religion, sex, national origin,~~
 39 ~~handicapping condition, or familial~~ that person's protected status.

40 ...

41 (g) It is an unlawful discriminatory housing practice to discriminate in land-use decisions
 42 or in the permitting of development based on ~~race, color, religion, sex, national origin,~~
 43 ~~handicapping condition, familial~~ a person's protected status, or, except as otherwise provided by
 44 law, the fact that a development or proposed development contains affordable housing units for
 45 families or individuals with incomes below eighty percent (80%) of area median income. It is not
 46 a violation of this Chapter if land-use decisions or permitting of development is based on
 47 considerations of limiting high concentrations of affordable housing."

48 **SECTION 2.3.** G.S. 41A-5(a) reads as rewritten:

49 "**§ 41A-5. Proof of violation.**

50 (a) It is a violation of this Chapter if:

(1) A person by his act or failure to act intends to discriminate against a person. A person intends to discriminate if, in committing an unlawful discriminatory housing practice described in G.S. 41A-4 he was motivated in full, or in any part at all, by ~~race, color, religion, sex, national origin, handicapping condition, or familial~~ a person's protected status. An intent to discriminate may be established by direct or circumstantial evidence.

(2) A person's act or failure to act has the effect, regardless of intent, of discriminating, as set forth in G.S. 41A-4, against a person ~~of a particular race, color, religion, sex, national origin, handicapping condition, or familial~~ of a protected status. However, it is not a violation of this Chapter if a person whose action or inaction has an unintended discriminatory effect, proves that his action or inaction was motivated and justified by business necessity.

...."

SECTION 2.4. G.S. 41A-6(a) reads as rewritten:

"§ 41A-6. Exemptions.

(a) The provisions of G.S. 41A-4, except for subdivision (a)(6), do not apply to the following:

...

(3) Religious institutions or organizations or charitable or educational organizations operated, supervised, or controlled by religious institutions or organizations which give preference to members of the same religion in a real estate transaction, as long as membership in such religion is not restricted by ~~race, color, sex, national origin, handicapping condition, or familial status;~~ a protected status, other than religion;

...."

PART III. EMPLOYMENT

SECTION 3.1. G.S. 143-422.2, as amended by this act, reads as rewritten:

"§ 143-422.2. Legislative declaration.

It is the public policy of this State to protect and safeguard the right and opportunity of all persons to seek, obtain and hold employment without discrimination or abridgement on account of race, religion, color, national origin, age, ~~sex or handicap~~ sex, sexual orientation, gender identity, disability, marital status, familial status, military or veteran status, or genetic information by employers which regularly employ ~~15~~ one or more employees. It is recognized that the practice of denying employment opportunity and discriminating in the terms of employment foments domestic strife and unrest, deprives the State of the fullest utilization of its capacities for advancement and development, and substantially and adversely affects the interests of employees, employers, and the public in general."

SECTION 3.2. G.S. 126-16 reads as rewritten:

"§ 126-16. Equal opportunity for employment and compensation by State departments and agencies and local political subdivisions.

All State agencies, departments, and institutions and all local political subdivisions of North Carolina shall give equal opportunity for employment and compensation, without regard to race, religion, color, national origin, sex, sexual orientation, gender identity, marital status, familial status, military or veteran status, age, disability, or genetic information to all persons otherwise qualified."

SECTION 3.3. G.S. 126-34.02(b) reads as rewritten:

"(b) The following issues may be heard as contested cases after completion of the agency grievance procedure and the Office of State Human Resources review:

(1) Discrimination or harassment. – An applicant for State employment, a State employee, or former State employee may allege discrimination or harassment

1 based on race, religion, color, national origin, sex, sexual orientation, gender
2 identity, marital status, familial status, military or veteran status, age, disability,
3 genetic information, or political affiliation if the employee believes that he or
4 she has been discriminated against in his or her application for employment or
5 in the terms and conditions of the employee's employment, or in the termination
6 of his or her employment.

7 (2) Retaliation. – An applicant for State employment, a State employee, or former
8 State employee may allege retaliation for protesting discrimination based on
9 race, religion, color, national origin, sex, sexual orientation, gender identity,
10 marital status, familial status, military or veteran status, age, disability, political
11 affiliation, or genetic information if the employee believes that he or she has
12 been retaliated against in his or her application for employment or in the terms
13 and conditions of the employee's employment, or in the termination of the
14 employee's employment.

15 (3) Just cause for dismissal, demotion, or suspension. – A career State employee
16 may allege that he or she was dismissed, demoted, or suspended for disciplinary
17 reasons without just cause. A dismissal, demotion, or suspension which is not
18 imposed for disciplinary reasons shall not be considered a disciplinary action
19 within the meaning of this section. However, in contested cases conducted
20 pursuant to this section, an employee may appeal an involuntary
21 nondisciplinary separation due to an employee's unavailability in the same
22 fashion as if it were a disciplinary action, but the agency shall only have the
23 burden to prove that the employee was unavailable. In cases of such
24 disciplinary action the employee shall, before the action is taken, be furnished
25 with a statement in writing setting forth the specific acts or omissions that are
26 the reasons for the disciplinary action and the employee's appeal rights. The
27 employee shall be permitted 15 days from the date the statement is delivered to
28 appeal under the agency grievance procedure. However, an employee may be
29 suspended without warning pending the giving of written reasons in order to
30 avoid undue disruption of work, to protect the safety of persons or property, or
31 for other serious reasons.

32 (4) Veteran's preference. – An applicant for State employment or a State employee
33 may allege that he or she was denied veteran's preference in violation of the
34 law.

35 (5) Failure to post or give priority consideration. – An applicant for State
36 employment or a State employee may allege that he or she was denied hiring or
37 promotion because a position was not posted in accordance with this Chapter;
38 or a career State employee may allege that he or she was denied a promotion as
39 a result of a failure to give priority consideration for promotion as required by
40 G.S. 126-7.1; or a career State employee may allege that he or she was denied
41 hiring as a result of the failure to give him or her a reduction-in-force priority.

42 (6) Whistleblower. – A whistleblower grievance as provided for in this Chapter."
43

44 **PART IV. PUBLIC ACCOMMODATIONS**

45 **SECTION 4.1.** Chapter 143 of the General Statutes is amended by adding a new
46 Article to read:

47 "Article 49B.

48 "Access to Public Accommodations.

49 "§ 143-422.10. Short title.

50 This Article shall be known and may be cited as the "Equal Access to Public Accommodations
51 Act."

1 **"§ 143-422.11. Legislative declaration.**

2 (a) It is the public policy of this State to protect and safeguard the right and opportunity of
3 all individuals within the State to enjoy fully and equally the goods, services, facilities, privileges,
4 advantages, and accommodations of places of public accommodation free of discrimination
5 because of race, religion, color, national origin, sex, sexual orientation, gender identity, disability,
6 marital status, familial status, military or veteran status, or genetic information. It shall not be
7 deemed to constitute discrimination on the basis of sexual orientation or gender identity for a
8 public accommodation to provide separate bathrooms or changing facilities based on gender, but a
9 place of public accommodation shall provide access to such facilities based on a person's gender
10 identity.

11 **"§ 143-422.12. Places of public accommodation defined.**

12 For purposes of this Article, places of public accommodation has the same meaning as defined
13 in G.S. 168A-3(8) but shall exclude any private club or other establishment not, in fact, open to
14 the public.

15 **"§ 143-422.13. Investigations; conciliations.**

16 (a) The Human Relations Commission in the Department of Administration shall have the
17 authority to receive, investigate, and conciliate complaints of discrimination in public
18 accommodations. Throughout this process, the Human Relations Commission shall use its good
19 offices to effect an amicable resolution of the complaints of discrimination.

20 (b) If the Commission is unable to effect an amicable resolution of the charges of
21 discrimination, the complainant and the Commission may proceed with an enforcement action
22 using the procedures provided in G.S. 41A-7."

23
24 **PART V. CREDIT**

25 **SECTION 5.1.** Article 1 of Chapter 75 of the General Statutes is amended by adding
26 a new section to read:

27 **"§ 75-43. Discrimination by lenders prohibited.**

28 (a) Discrimination Prohibited. – No person engaged in any form of lending money in this
29 State, or to residents of this State, shall discriminate in the extension of credit on the basis of race,
30 color, national origin, religion, age, disability, sex, marital status, familial status, sexual
31 orientation, gender identity, military or veteran status, or genetic information.

32 (b) Filing of Complaint With Human Relations Commission. – Any person who claims to
33 have been injured by a violation of subsection (a) of this section or who reasonably believes that
34 he or she will be irrevocably injured by a violation of that subsection may file a complaint with the
35 North Carolina Human Relations Commission established under G.S. 143B-391. Upon receipt of a
36 complaint, the Commission shall work with the relevant parties to develop an amicable resolution
37 to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the
38 charges of discrimination, the complainant and the Commission may proceed with an enforcement
39 action using the procedures provided in G.S. 41A-7. Filing of a complaint pursuant to this
40 subsection shall not preclude the filing of an action pursuant to subsection (c) of this section.

41 (c) Violation an Unfair and Deceptive Trade Practice. – A violation of subsection (a) of
42 this section shall constitute an unfair trade practice in violation of G.S. 75-1.1."

43
44 **PART VI. INSURANCE**

45 **SECTION 6.1.** G.S. 58-3-25 reads as rewritten:

46 **"§ 58-3-25. Discriminatory practices prohibited.**

47 ...

48 (c) No insurer shall refuse to insure or refuse to continue to insure an individual; limit the
49 amount, extent, or kind of coverage available to an individual; or charge an individual a different
50 rate for the same coverage, because of the race, color, ~~or~~ national or ethnic ~~origin~~ ~~origin~~, religion,
51 sex, marital status, familial status, sexual orientation, gender identity, disability, military or

1 veteran status, or genetic information of that individual. This subsection supplements the
2 provisions of G.S. 58-3-120, 58-33-80, 58-58-35, and 58-63-15(7)."
3

4 **PART VII. EDUCATION**

5 **SECTION 7.1.** G.S. 115C-47 is amended by adding a new subdivision to read:

6 "(64) To Adopt a Policy on Nondiscrimination in Schools. – Each local board of
7 education shall adopt a policy to establish that the local board of education and
8 school personnel employed by the local board shall not discriminate on the
9 basis of race, color, national origin, religion, age, disability, sex, marital status,
10 familial status, sexual orientation, gender identity, military or veteran status, or
11 genetic information. The policy shall include that any person who claims to
12 have been injured by an unlawful discriminatory practice or who reasonably
13 believes that he or she will be irrevocably injured by an unlawful
14 discriminatory practice may file a complaint with the North Carolina Human
15 Relations Commission established under G.S. 143B-391. Upon receipt of a
16 complaint, the Commission shall work with the relevant parties to develop an
17 amicable resolution to the charge of discrimination. If the Commission is
18 unable to effect an amicable resolution of the charges of discrimination, the
19 complainant and the Commission may proceed with an enforcement action
20 using the procedures provided in G.S. 41A-7."

21 **SECTION 7.2.(a)** G.S. 115C-218.45(e) reads as rewritten:

22 "(e) Except as otherwise provided by law or the mission of the school as set out in the
23 charter, the school shall not limit admission to students on the basis of intellectual ability,
24 measures of achievement or aptitude, athletic ability, or disability. A charter school shall not limit
25 admission to students on the basis of race, ~~ereed,~~color, national origin, religion, ~~or ancestry,~~age,
26 sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, or
27 genetic information. A charter school whose mission is single-sex education may limit admission
28 on the basis of sex. A charter school that serves only certain grade levels may limit admission
29 based on age. Within one year after the charter school begins operation, the charter school shall
30 make efforts for the population of the school to reasonably reflect the racial and ethnic
31 composition of the general population residing within the local school administrative unit in which
32 the school is located or the racial and ethnic composition of the special population that the school
33 seeks to serve residing within the local school administrative unit in which the school is located.
34 The school shall be subject to any court-ordered desegregation plan in effect for the local school
35 administrative unit."

36 **SECTION 7.2.(b)** G.S. 115C-218.55 reads as rewritten:

37 **"§ 115C-218.55. Nondiscrimination in charter schools.**

38 A charter school shall not discriminate ~~against any student~~ on the basis of ~~ethnicity,~~national
39 origin, ~~gender,~~race, color, religion, age, sex, marital status, familial status, sexual orientation,
40 gender identity, military or veteran status, genetic information, or disability. Any person who
41 claims to have been injured by an unlawful discriminatory practice or who reasonably believes
42 that he or she will be irrevocably injured by an unlawful discriminatory practice may file a
43 complaint with the North Carolina Human Relations Commission established under
44 G.S. 143B-391. Upon receipt of a complaint, the Commission shall work with the relevant parties
45 to develop an amicable resolution to the charge of discrimination. If the Commission is unable to
46 effect an amicable resolution of the charges of discrimination, the complainant and the
47 Commission may proceed with an enforcement action using the procedures provided in
48 G.S. 41A-7."

49 **SECTION 7.3.** G.S. 115C-521.2 is repealed.

50 **SECTION 7.4.** G.S. 115C-562.5(c1) reads as rewritten:

1 "(c1) A nonpublic school shall not discriminate ~~with respect to the categories listed in~~ 42
2 ~~U.S.C. § 2000d, as that statute read on January 1, 2014,~~ on the basis of race, color, national origin,
3 religion, age, disability, sex, marital status, familial status, sexual orientation, gender identity,
4 military or veteran status, or genetic information. Any person who claims to have been injured by
5 an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably
6 injured by an unlawful discriminatory practice may file a complaint with the North Carolina
7 Human Relations Commission established under G.S. 143B-391. Upon receipt of a complaint, the
8 Commission shall work with the relevant parties to develop an amicable resolution to the charge
9 of discrimination. If the Commission is unable to effect an amicable resolution of the charges of
10 discrimination, the complainant and the Commission may proceed with an enforcement action
11 using the procedures provided in G.S. 41A-7."

12 **SECTION 7.5.** G.S. 115D-77 reads as rewritten:

13 "**§ 115D-77. Nondiscrimination policy.**

14 It is the policy of the State Board of Community Colleges and of local boards of trustees of the
15 State of North Carolina not to discriminate ~~among students~~ on the basis of race, ~~gender,~~ color,
16 national origin, religion, age, ~~sex, marital status, familial status, sexual orientation, gender~~
17 identity, military or veteran status, genetic information, or disability.

18 The State Board and each board of trustees shall give equal opportunity for employment and
19 compensation of personnel at community colleges, without regard to race, religion, color, creed,
20 national origin, sex, age, marital status, familial status, sexual orientation, gender identity, military
21 or veteran status, genetic information, or disability, except where specific age, sex or physical or
22 mental requirements constitute bona fide occupational qualifications.

23 Any person who claims to have been injured by an unlawful discriminatory practice or who
24 reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory
25 practice may file a complaint with the North Carolina Human Relations Commission established
26 under G.S. 143B-391. Upon receipt of a complaint, the Commission shall work with the relevant
27 parties to develop an amicable resolution to the charge of discrimination. If the Commission is
28 unable to effect an amicable resolution of the charges of discrimination, the complainant and the
29 Commission may proceed with an enforcement action using the procedures provided in
30 G.S. 41A-7."

31 **SECTION 7.6.** G.S. 116-11 is amended by adding a new subdivision to read:

32 "(2a) The Board of Governors shall adopt a policy to provide that The University of
33 North Carolina and its affiliates and personnel employed by The University of
34 North Carolina and its affiliates shall not discriminate on the basis of race,
35 color, national origin, religion, age, disability, sex, marital status, familial
36 status, sexual orientation, gender identity, military or veteran status, or genetic
37 information. The policy shall include that any person who claims to have been
38 injured by an unlawful discriminatory practice or who reasonably believes that
39 he or she will be irrevocably injured by an unlawful discriminatory practice
40 may file a complaint with the North Carolina Human Relations Commission
41 established under G.S. 143B-391. Upon receipt of a complaint, the Commission
42 shall work with the relevant parties to develop an amicable resolution to the
43 charge of discrimination. If the Commission is unable to effect an amicable
44 resolution of the charges of discrimination, the complainant and the
45 Commission may proceed with an enforcement action using the procedures
46 provided in G.S. 41A-7."

47
48 **PART VIII. HUMAN RELATIONS COMMISSION**

49 **SECTION 8.1.** G.S. 143B-391 reads as rewritten:

50 "**§ 143B-391. North Carolina Human Relations Commission – Creation; powers and duties.**

1 There is hereby created the North Carolina Human Relations Commission of the Department
2 of Administration. The North Carolina Human Relations Commission shall have the following
3 functions and duties:

- 4 (1) To study problems concerning human relations;
- 5 (2) To promote equality of opportunity for all citizens;
- 6 (3) To promote understanding, respect, and goodwill among all citizens;
- 7 (4) To provide channels of communication among the races;
- 8 (5) To encourage the employment of qualified people without regard to race;
- 9 (6) To encourage youths to become better trained and qualified for employment;
- 10 (7) To receive on behalf of the Department of Administration and to recommend
11 expenditure of gifts and grants from public and private donors;
- 12 (8) To enlist the cooperation and assistance of all State and local government
13 officials in the attainment of the objectives of the Commission;
- 14 (9) To assist local good neighborhood councils and biracial human relations
15 committees in promoting activities related to the functions of the Commission
16 enumerated above;
- 17 (10) To advise the Secretary of Administration upon any matter the Secretary may
18 refer to it;
- 19 (11) To administer the provisions of the State Fair Housing Act as outlined in
20 Chapter 41A of the General Statutes;
- 21 (12) To administer the provisions of Chapter 99D of the General Statutes.
- 22 (13) To administer the provisions of the Equal Access to Public Accommodations
23 Act as outlined in Article 49B of Chapter 143 of the General Statutes.
- 24 (14) To administer the provisions of G.S. 143-422.3.
- 25 (15) To administer the provisions of G.S. 143-422.13.
- 26 (16) To administer the provisions of G.S. 75-43.
- 27 (17) To administer the provisions of G.S. 115C-47(64).
- 28 (18) To administer the provisions of G.S. 115C-218.55.
- 29 (19) To administer the provisions of G.S. 115C-562.5.
- 30 (20) To administer the provisions of G.S. 115D-77.
- 31 (21) To administer the provisions of G.S. 116-11."

32 **PART IX. APPROPRIATION**

33 **SECTION 9.1.** There is appropriated from the General Fund to the Department of
34 Administration, Human Relations Commission, the sum of seven hundred eighty-eight thousand
35 Administration, Human Relations Commission, the sum of seven hundred eighty-eight thousand
36 seventy-six dollars (\$788,076) in recurring funds for the 2017-2018 fiscal year. Of the funds
37 appropriated by this section, the sum of five hundred forty-five thousand four hundred seven
38 dollars (\$545,407) shall be used for operating expenses, and the sum of two hundred forty-two
39 thousand six hundred sixty-nine dollars (\$242,669) shall be used to fund the following new
40 positions:

- 41 (1) Program Assistant IV.
- 42 (2) Human Relations Specialist I.
- 43 (3) Human Relations Specialist I.
- 44 (4) Administrative Assistant.

45 **PART X. EFFECTIVE DATE**

46 **SECTION 10.1.** Section 9.1 of this act becomes effective July 1, 2017. The remainder
47 of this act is effective when it becomes law and applies to causes of action arising on or after that
48 date.
49