

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H

D

HOUSE BILL 229
PROPOSED SENATE COMMITTEE SUBSTITUTE H229-PCS40616-MU-5

Short Title: GSC Technical Corrections 2017.

(Public)

Sponsors:

Referred to:

March 2, 2017

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE GENERAL STATUTES, AS
3 RECOMMENDED BY THE GENERAL STATUTES COMMISSION, AND TO MAKE
4 OTHER TECHNICAL, CONFORMING, AND CLARIFYING CHANGES.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. TECHNICAL CORRECTIONS RECOMMENDED BY THE GENERAL**
8 **STATUTES COMMISSION**

9 **SECTION 1.** G.S. 1-117 reads as rewritten:

10 **"§ 1-117. Cross-index of lis pendens.**

11 Every notice of pending litigation filed under this Article shall be cross-indexed by the
12 clerk of the superior court in a record, called the "Record of Lis Pendens," to be kept by ~~him~~
13 ~~pursuant to G.S. 2-42(6); the clerk under G.S. 7A-109."~~

14 **SECTION 2.** G.S. 7B-302(a) reads as rewritten:

15 "(a) When a report of abuse, neglect, or dependency is received, the director of the
16 department of social services shall make a prompt and thorough assessment, using either a
17 family assessment response or an investigative assessment response, in order to ascertain the
18 facts of the case, the extent of the abuse or neglect, and the risk of harm to the juvenile, in order
19 to determine whether protective services should be provided or the complaint filed as a petition.
20 When the report alleges abuse, the director shall immediately, but no later than 24 hours after
21 receipt of the report, initiate the assessment. When the report alleges neglect or dependency, the
22 director shall initiate the assessment within 72 hours following receipt of the report. When the
23 report alleges abandonment of a ~~[juvenile]-juvenile~~ or unlawful transfer of custody under
24 G.S. 14-321.2, the director shall immediately initiate an assessment. When the report alleges
25 abandonment, the director shall also take appropriate steps to assume temporary custody of the
26 juvenile, and take appropriate steps to secure an order for nonsecure custody of the juvenile.
27 The assessment and evaluation shall include a visit to the place where the juvenile resides,
28 except when the report alleges abuse or neglect in a child care facility as defined in Article 7 of
29 Chapter 110 of the General Statutes. When a report alleges abuse or neglect in a child care
30 facility as defined in Article 7 of Chapter 110 of the General Statutes, a visit to the place where
31 the juvenile resides is not required. When the report alleges abandonment, the assessment shall
32 include a request from the director to law enforcement officials to investigate through the North
33 Carolina Center for Missing Persons and other national and State resources whether the
34 juvenile is a missing child."

35 **SECTION 3.** G.S. 14-118.6(b1) reads as rewritten:



* H 2 2 9 - P C S 4 0 6 1 6 - M U - 5 *

1 "(b1) When a lien or encumbrance is presented to a clerk of superior court for filing and
2 the clerk of court has a reasonable suspicion that the lien or encumbrance is false as described
3 in subsection (a) of this section, the clerk of court may refuse to file the lien or encumbrance.
4 Neither the clerk of court nor the clerk's staff shall be liable for filing or the refusal to file a lien
5 or encumbrance under this subsection. The clerk of superior court shall not file, index, or
6 docket the document against the property of a public officer or public employee until that
7 document is approved by any judge of the judicial district having subject matter jurisdiction for
8 filing by the clerk of superior court ~~by any judge of the judicial district having subject matter~~
9 ~~jurisdiction.~~ court. If the judge determines that the filing is not false, the clerk shall index the
10 claim of lien. A lien or encumbrance filed upon order of the court under this subsection shall
11 have a priority interest as of the date and time of indexing by the clerk of superior court. If the
12 court finds that there is no statutory or contractual basis for the proposed filing, the court shall
13 enter an order that the proposed filing is null and void as a matter of law, and that it shall not be
14 filed or indexed. The clerk of superior court shall serve the order and return the original denied
15 filing to the person or entity that presented it. The person or entity shall have 30 days from the
16 entry of the order to appeal the order. If the order is not appealed within the applicable time
17 period, the clerk may destroy the filing."

18 **SECTION 4.** G.S. 14-159.3(a1) reads as rewritten:

19 "(a1) A landowner who gives a person written consent to operate an all-terrain vehicle on
20 ~~his or her~~ the landowner's property owes the person the same duty of care that ~~he or she~~ the
21 landowner owes a trespasser."

22 **SECTION 5.** G.S. 14-208.6 reads as rewritten:

23 "**§ 14-208.6. Definitions.**

24 The following definitions apply in this Article:

25 ...

- 26 (5) "Sexually violent offense" means a violation of former G.S. 14-27.6
27 (attempted rape or sexual offense), G.S. 14-27.21 (first-degree forcible rape),
28 G.S. 14-27.22 (second-degree forcible rape), G.S. 14-27.23 (statutory rape of
29 a child by an adult), G.S. 14-27.24 (first-degree statutory rape),
30 G.S. 14-27.25(a) (statutory rape of a person who is 15 years of age or
31 younger and where the defendant is at least six years older), G.S. 14-27.26
32 (first-degree forcible sexual offense), G.S. 14-27.27 (second-degree forcible
33 sexual offense), G.S. 14-27.28 (statutory sexual offense with a child by an
34 adult), G.S. 14-27.29 (first-degree statutory sexual offense),
35 G.S. 14-27.30(a) (statutory sexual offense with a person who is 15 years of
36 age or younger and where the defendant is at least six years older),
37 G.S. 14-27.31 (sexual activity by a substitute parent or custodian),
38 G.S. 14-27.32 (sexual activity with a student), G.S. 14-27.33 (sexual
39 battery), G.S. 14-43.11 (human trafficking) if (i) the offense is committed
40 against a minor who is less than 18 years of age or (ii) the offense is
41 committed against any person with the intent that they be held in sexual
42 servitude, G.S. 14-43.13 (subjecting or maintaining a person for sexual
43 servitude), G.S. 14-178 (incest between near relatives), G.S. 14-190.6
44 (employing or permitting minor to assist in offenses against public morality
45 and decency), G.S. 14-190.9(a1) (felonious indecent exposure),
46 G.S. 14-190.16 (first degree sexual exploitation of a minor), G.S. 14-190.17
47 (second degree sexual exploitation of a minor), G.S. 14-190.17A (third
48 degree sexual exploitation of a minor), G.S. 14-202.1 (taking indecent
49 liberties with children), G.S. 14-202.3 (Solicitation of child by computer or
50 certain other electronic devices to commit an unlawful sex act),
51 G.S. 14-202.4(a) (taking indecent liberties with a student), G.S. 14-205.2(c)

1 or (d) (patronizing a prostitute who is a minor or a mentally disabled
2 person), G.S. 14-205.3(b) (promoting prostitution of a minor or a mentally
3 disabled person), G.S. 14-318.4(a1) (parent or caretaker commit or permit
4 act of prostitution with or by a juvenile), or G.S. 14-318.4(a2) (commission
5 or allowing of sexual act upon a juvenile by parent or guardian). The term
6 also includes the following: a solicitation or conspiracy to commit any of
7 these offenses; aiding and abetting any of these offenses.

8"

9 **SECTION 5.1.(a)** G.S. 14-309.7 reads as rewritten:

10 **"§ 14-309.7. Licensing procedure.**

11 (a) An exempt organization may not operate a bingo game at a location without a
12 license. Application for a bingo license shall be made to the State Bureau of Investigation on a
13 form prescribed by the ~~Department [Bureau]~~Bureau. The ~~Department [Bureau]~~Bureau shall
14 charge an annual application fee of two hundred dollars (\$200.00) to defray the cost of issuing
15 bingo licenses and handling bingo audit reports. The fees collected shall be deposited in the
16 General Fund of the State. This license shall expire one year after the granting of the license.
17 This license may be renewed yearly, if the applicant pays the application fee and files an audit
18 with the ~~Department [Bureau]~~Bureau pursuant to G.S. 14-309.11. A copy of the application
19 and license shall be furnished to the local law-enforcement agency in the county or
20 municipality in which the licensee intends to operate before bingo is conducted by the licensee.

21 ...

22 (e) An exempt organization that wants to conduct only an annual or semiannual bingo
23 game may apply to the State Bureau of Investigation for a limited occasion permit. The State
24 Bureau of Investigation may require such information as is reasonable and necessary to
25 determine that the bingo game is conducted in accordance with the provisions of this Part but
26 may not require more information than previously specified in this section for application of a
27 regular license. The application shall be made to the ~~Department [Bureau]~~Bureau
28 prescribed forms at least 30 days prior to the scheduled date of the bingo game. In lieu of the
29 reporting requirements of G.S. 14-309.11(b) the exempt organization shall file with the
30 licensing agency and local law-enforcement a report on prescribed forms no later than 30 days
31 following the conduct of the bingo game for which the permit was obtained. Such report may
32 require such information as is reasonable and necessary to determine that the bingo game was
33 conducted in accordance with the provisions of this Part but may not require more information
34 than specified in G.S. 14-309.11(b). Any licensed exempt organization may donate or loan its
35 equipment or use of its premises to an exempt organization which has secured a limited
36 occasion permit provided such arrangement is disclosed in the limited occasion permit
37 application and is approved by the State Bureau of Investigation. Except as stated above, all
38 provisions of this Part shall apply to any exempt organization operating a bingo game under
39 this provision."

40 **SECTION 5.1.(b)** Section 4 of S.L. 2016-27 reads as rewritten:

41 **"SECTION 4.** ~~G.S. 14-309(5)c., G.S. 14-309.14(5)c.,~~ as enacted by Section 1 of this act,
42 becomes effective October 1, 2016, and applies to applications submitted on or after October 1,
43 2016, and offenses committed on or after that date. The remainder of Section 1 of this act
44 becomes effective December 1, 2016, and applies to offenses committed on or after that date.
45 The remainder of this act is effective when it becomes law."

46 **SECTION 5.2.(a)** G.S. 20-4.01(32b) reads as rewritten:

47 "(32b) Recreational Vehicle. – A vehicular type unit primarily designed as
48 temporary living quarters for recreational, camping, or travel use that either
49 has its own motive power or is mounted on, or towed by, another vehicle.
50 The basic entities are camping trailer, fifth-wheel travel trailer, motor home,

1 travel trailer, and truck camper. ~~{The basic entities are defined as~~
2 ~~follows:}~~ The basic entities are defined as follows:
3 a. Motor home. – As defined in G.S. 20-4.01(27)d2.
4 b. Travel trailer. – A vehicular unit mounted on wheels, designed to
5 provide temporary living quarters for recreational, camping, or travel
6 use, and of a size or weight that does not require a special highway
7 movement permit when towed by a motorized vehicle.
8 c. Fifth-wheel trailer. – A vehicular unit mounted on wheels designed
9 to provide temporary living quarters for recreational, camping, or
10 travel use, of a size and weight that does not require a special
11 highway movement permit and designed to be towed by a motorized
12 vehicle that contains a towing mechanism that is mounted above or
13 forward of the tow vehicle's rear axle.
14 d. Camping trailer. – A vehicular portable unit mounted on wheels and
15 constructed with collapsible partial side walls that fold for towing by
16 another vehicle and unfold at the campsite to provide temporary
17 living quarters for recreational, camping, or travel use.
18 e. Truck camper. – A portable unit that is constructed to provide
19 temporary living quarters for recreational, camping, or travel use,
20 consisting of a roof, floor, and sides and is designed to be loaded
21 onto and unloaded from the bed of a pickup truck."

22 **SECTION 5.2.(b)** The Revisor of Statutes is authorized to reletter the definitions
23 in G.S. 20-4.01(27) and G.S. 20-4.01(32b) to place them in alphabetical order. The Revisor of
24 Statutes may conform any citations that change as a result of the relettering.

25 **SECTION 6.** G.S. 20-45 reads as rewritten:

26 "**§ 20-45. Seizure of documents and plates.**

27 (a) The Division is ~~hereby~~ authorized to take possession of any certificate of title,
28 registration card, permit, license, or registration plate issued by it upon expiration, revocation,
29 cancellation, or suspension thereof, or which is fictitious, or which has been unlawfully or
30 erroneously issued, or which has been unlawfully used.

31 (b) The Division may give notice to the owner, licensee or lessee of its authority to take
32 possession of any certificate of title, registration card, permit, license, or registration plate
33 issued by it and require that person to surrender it to the Commissioner or ~~his~~ the
34 Commissioner's officers or agents. Any person who fails to surrender the certificate of title,
35 registration card, permit, license, or registration plate or any duplicate thereof, upon personal
36 service of notice or within 10 days after receipt of notice by mail as provided in G.S. 20-48,
37 shall be guilty of a Class 2 misdemeanor.

38 (c) Any sworn law enforcement officer with jurisdiction, including a member of the
39 State Highway Patrol, is authorized to seize the certificate of title, registration card, permit,
40 license, or registration plate, if the officer has electronic or other notification from the Division
41 that the item has been revoked or cancelled, or otherwise has probable cause to believe that the
42 item has been revoked or cancelled under any law or statute, including ~~G.S. 20-309(e).~~
43 G.S. 20-311. If a criminal proceeding relating to a certificate of title, registration card, permit,
44 or license is pending, the law enforcement officer in possession of that item shall retain the
45 item pending the entry of a final judgment by a court with jurisdiction. If there is no criminal
46 proceeding pending, the law enforcement officer shall deliver the item to the Division.

47 (d) Any law enforcement officer who seizes a registration plate pursuant to this section
48 shall report the seizure to the Division within 48 hours of the seizure and shall return the
49 registration plate, but not a fictitious registration plate, to the Division within 10 business days
50 of the seizure."

51 **SECTION 7.** The catch line of G.S. 20-171.24 reads as rewritten:

1 "§ 20-171.24. Motorized all-terrain vehicle use by municipal and county employees of
2 ~~listed municipalities and counties~~ permitted on certain highways."

3 SECTION 7.1. G.S. 20-179 reads as rewritten:

4 "§ 20-179. Sentencing hearing after conviction for impaired driving; determination of
5 grossly aggravating and aggravating and mitigating factors; punishments.

6 (a) Sentencing Hearing Required. – After a conviction under G.S. 20-138.1,
7 G.S. 20-138.2, a second or subsequent conviction under G.S. 20-138.2A, or a second or
8 subsequent conviction under G.S. 20-138.2B, or when any of those offenses are remanded back
9 to district court after an appeal to superior court, the judge shall hold a sentencing hearing to
10 determine whether there are aggravating or mitigating factors that affect the sentence to be
11 imposed. The following apply:

12 (1) The court shall consider evidence of aggravating or mitigating factors
13 present in the offense that make an aggravated or mitigated sentence
14 appropriate. The State bears the burden of proving beyond a reasonable
15 doubt that an aggravating factor exists, and the offender bears the burden of
16 proving by a preponderance of the evidence that a mitigating factor exists.

17 (2) Before the hearing the prosecutor shall make all feasible efforts to secure the
18 defendant's full record of traffic convictions, and shall present to the judge
19 that record for consideration in the hearing. Upon request of the defendant,
20 the prosecutor shall furnish the defendant or ~~his~~ the defendant's attorney a
21 copy of the defendant's record of traffic convictions at a reasonable time
22 prior to the introduction of the record into evidence. In addition, the
23 prosecutor shall present all other appropriate grossly aggravating and
24 aggravating factors of which ~~he~~ the prosecutor is aware, and the defendant or
25 ~~his~~ the defendant's attorney may present all appropriate mitigating factors. In
26 every instance in which a valid chemical analysis is made of the defendant,
27 the prosecutor shall present evidence of the resulting alcohol concentration.

28 ...

29 (a2) Jury Trial on Aggravating Factors in Superior ~~Court.~~ Court. –

30 (1) Defendant admits aggravating factor only. – If the defendant admits that an
31 aggravating factor exists, but pleads not guilty to the underlying charge, a
32 jury shall be impaneled to dispose of the charge only. In that case, evidence
33 that relates solely to the establishment of an aggravating factor shall not be
34 admitted in the trial.

35 (2) Defendant pleads guilty to the charge only. – If the defendant pleads guilty
36 to the charge, but contests the existence of one or more aggravating factors,
37 a jury shall be impaneled to determine if the aggravating factor or factors
38 exist.

39 ...

40 (c) Determining Existence of Grossly Aggravating Factors. – At the sentencing hearing,
41 based upon the evidence presented at trial and in the hearing, the judge, or the jury in superior
42 court, must first determine whether there are any grossly aggravating factors in the case.
43 Whether a prior conviction exists under subdivision (1) of this subsection, or whether a
44 conviction exists under subdivision (d)(5) of this section, shall be matters to be determined by
45 the judge, and not the jury, in district or superior court. If the sentencing hearing is for a case
46 remanded back to district court from superior court, the judge shall determine whether the
47 defendant has been convicted of any offense that was not considered at the initial sentencing
48 hearing and impose the appropriate sentence under this section. The judge must impose the
49 Aggravated Level One punishment under subsection (f3) of this section if it is determined that
50 three or more grossly aggravating factors apply. The judge must impose the Level One
51 punishment under subsection (g) of this section if it is determined that the grossly aggravating

1 factor in subdivision (4) of this subsection applies or two of the other grossly aggravating
2 factors apply. If the judge does not find that the aggravating factor at subdivision (4) of this
3 subsection applies, then the judge must impose the Level Two punishment under subsection (h)
4 of this section if it is determined that only one of the other grossly aggravating factors applies.
5 The grossly aggravating factors are:

- 6 (1) A prior conviction for an offense involving impaired driving if:
7 a. The conviction occurred within seven years before the date of the
8 offense for which the defendant is being sentenced; or
9 b. The conviction occurs after the date of the offense for which the
10 defendant is presently being sentenced, but prior to or
11 contemporaneously with the present sentencing; or
12 c. The conviction occurred in district court; the case was appealed to
13 superior court; the appeal has been withdrawn, or the case has been
14 remanded back to district court; and a new sentencing hearing has
15 not been held pursuant to G.S. 20-38.7.

16 Each prior conviction is a separate grossly aggravating factor.

- 17 (2) Driving by the defendant at the time of the offense while ~~his~~the defendant's
18 driver's license was revoked pursuant to G.S. 20-28(a1).
19 (3) Serious injury to another person caused by the defendant's impaired driving
20 at the time of the offense.
21 (4) Driving by the defendant while (i) a child under the age of 18 years, (ii) a
22 person with the mental development of a child under the age of 18 years, or
23 (iii) a person with a physical disability preventing unaided exit from the
24 vehicle was in the vehicle at the time of the offense.

25 In imposing an Aggravated Level One, a Level One, or a Level Two punishment, the judge
26 may consider the aggravating and mitigating factors in subsections (d) and (e) of this section
27 determining the appropriate sentence. If there are no grossly aggravating factors in the case, the
28 judge must weigh all aggravating and mitigating factors and impose punishment as required by
29 subsection ~~(f)~~(f) of this section.

30 ...

31 (d) Aggravating Factors to Be Weighed. – The judge, or the jury in superior court, shall
32 determine before sentencing under subsection (f) of this section whether any of the aggravating
33 factors listed below apply to the defendant. The judge shall weigh the seriousness of each
34 aggravating factor in the light of the particular circumstances of the case. The factors are:

- 35 (1) Gross impairment of the defendant's faculties while driving or an alcohol
36 concentration of 0.15 or more within a relevant time after the driving. For
37 purposes of this subdivision, the results of a chemical analysis presented at
38 trial or sentencing shall be sufficient to prove the person's alcohol
39 concentration, shall be conclusive, and shall not be subject to modification
40 by any party, with or without approval by the court.
41 (2) Especially reckless or dangerous driving.
42 (3) Negligent driving that led to a reportable accident.
43 (4) Driving by the defendant while ~~his~~the defendant's driver's license was
44 revoked.
45 (5) Two or more prior convictions of a motor vehicle offense not involving
46 impaired driving for which at least three points are assigned under
47 G.S. 20-16 or for which the convicted person's license is subject to
48 revocation, if the convictions occurred within five years of the date of the
49 offense for which the defendant is being sentenced, or one or more prior
50 convictions of an offense involving impaired driving that occurred more than

- 1 seven years before the date of the offense for which the defendant is being
2 sentenced.
- 3 (6) Conviction under G.S. 20-141.5 of speeding by the defendant while fleeing
4 or attempting to elude apprehension.
- 5 (7) Conviction under G.S. 20-141 of speeding by the defendant by at least 30
6 miles per hour over the legal limit.
- 7 (8) Passing a stopped school bus in violation of G.S. 20-217.
- 8 (9) Any other factor that aggravates the seriousness of the offense.

9 Except for the factor in subdivision (5) of this subsection the conduct constituting the
10 aggravating factor shall occur during the same transaction or occurrence as the impaired
11 driving offense.

12 (e) Mitigating Factors to Be Weighed. – The judge shall also determine before
13 sentencing under subsection (f) of this section whether any of the mitigating factors listed
14 below apply to the defendant. The judge shall weigh the degree of mitigation of each factor in
15 light of the particular circumstances of the case. The factors are:

- 16 (1) Slight impairment of the defendant's faculties resulting solely from alcohol,
17 and an alcohol concentration that did not exceed 0.09 at any relevant time
18 after the driving.
- 19 (2) Slight impairment of the defendant's faculties, resulting solely from alcohol,
20 with no chemical analysis having been available to the defendant.
- 21 (3) Driving at the time of the offense that was safe and lawful except for the
22 impairment of the defendant's faculties.
- 23 (4) A safe driving record, with the defendant's having no conviction for any
24 motor vehicle offense for which at least four points are assigned under
25 G.S. 20-16 or for which the person's license is subject to revocation within
26 five years of the date of the offense for which the defendant is being
27 sentenced.
- 28 (5) Impairment of the defendant's faculties caused primarily by a lawfully
29 prescribed drug for an existing medical condition, and the amount of the
30 drug taken was within the prescribed dosage.
- 31 (6) The defendant's voluntary submission to a mental health facility for
32 assessment after ~~he was being~~ charged with the impaired driving offense for
33 which ~~he the~~ defendant is being sentenced, and, if recommended by the
34 facility, ~~his~~ voluntary participation in the recommended treatment.
- 35 (6a) Completion of a substance abuse assessment, compliance with its
36 recommendations, and simultaneously maintaining 60 days of continuous
37 abstinence from alcohol consumption, as proven by a continuous alcohol
38 monitoring system. The continuous alcohol monitoring system shall be of a
39 type approved by the Division of Adult Correction of the Department of
40 Public Safety.
- 41 (7) Any other factor that mitigates the seriousness of the offense.

42 Except for the factors in subdivisions (4), (6), (6a), and ~~(7), (7)~~ of this subsection, the conduct
43 constituting the mitigating factor shall occur during the same transaction or occurrence as the
44 impaired driving offense.

45 (f) Weighing the Aggravating and Mitigating Factors. – If the judge or the jury in the
46 sentencing hearing determines that there are no grossly aggravating factors, the judge shall
47 weigh all aggravating and mitigating factors listed in subsections (d) and ~~(e), (e)~~ of this section.
48 If the judge determines that:

- 49 (1) The aggravating factors substantially outweigh any mitigating factors, the
50 judge shall note in the judgment the factors found and ~~his the~~ judge's finding

1 that the defendant is subject to the Level Three punishment and impose a
2 punishment within the limits defined in subsection ~~(i)~~(i) of this section.

3 (2) There are no aggravating and mitigating factors, or that aggravating factors
4 are substantially counterbalanced by mitigating factors, the judge shall note
5 in the judgment any factors found and the finding that the defendant is
6 subject to the Level Four punishment and impose a punishment within the
7 limits defined in subsection ~~(j)~~(j) of this section.

8 (3) The mitigating factors substantially outweigh any aggravating factors, the
9 judge shall note in the judgment the factors found and ~~his~~the judge's finding
10 that the defendant is subject to the Level Five punishment and impose a
11 punishment within the limits defined in subsection ~~(k)~~(k) of this section.

12 It is not a mitigating factor that the driver of the vehicle was suffering from alcoholism, drug
13 addiction, diminished capacity, or mental disease or defect. Evidence of these matters may be
14 received in the sentencing hearing, however, for use by the judge in formulating terms and
15 conditions of sentence after determining which punishment level shall be imposed.

16 ...

17 (f2) Limit on Consolidation of Judgments. – Except as provided in subsection ~~(f1)~~(f1)
18 of this section, in each charge of impaired driving for which there is a conviction the judge
19 shall determine if the sentencing factors described in subsections (c), (d) and (e) of this section
20 are applicable unless the impaired driving charge is consolidated with a charge carrying a
21 greater punishment. Two or more impaired driving charges may not be consolidated for
22 judgment.

23 (f3) Aggravated Level One Punishment. – A defendant subject to Aggravated Level One
24 punishment may be fined up to ten thousand dollars (\$10,000) and shall be sentenced to a term
25 of imprisonment that includes a minimum term of not less than 12 months and a maximum
26 term of not more than 36 months. Notwithstanding G.S. 15A-1371, a defendant sentenced to a
27 term of imprisonment pursuant to this subsection shall not be eligible for parole. However, the
28 defendant shall be released from the Statewide Misdemeanant Confinement Program on the
29 date equivalent to the defendant's maximum imposed term of imprisonment less four months
30 and shall be supervised by the Section of Community Supervision of the Division of Adult
31 Correction under and subject to the provisions of Article 84A of Chapter 15A of the General
32 Statutes and shall also be required to abstain from alcohol consumption for the four-month
33 period of supervision as verified by a continuous alcohol monitoring system. For purposes of
34 revocation, violation of the requirement to abstain from alcohol or comply with the use of a
35 continuous alcohol monitoring system shall be deemed a controlling condition under
36 G.S. 15A-1368.4.

37 The term of imprisonment may be suspended only if a condition of special probation is
38 imposed to require the defendant to serve a term of imprisonment of at least 120 days. If the
39 defendant is placed on probation, the judge shall impose as requirements that the defendant (i)
40 abstain from alcohol consumption for a minimum of 120 days to a maximum of the term of
41 probation, as verified by a continuous alcohol monitoring system pursuant to ~~subsections (h1)~~
42 ~~and (h3)~~ subsection (h1) of this section, and (ii) obtain a substance abuse assessment and the
43 education or treatment required by G.S. 20-17.6 for the restoration of a drivers license and as a
44 condition of probation. The judge may impose any other lawful condition of probation.

45 ...

46 (h1) Alcohol Abstinence as Condition of Probation for Level One and Level Two
47 Punishments. – The judge may impose, as a condition of probation for defendants subject to
48 Level One or Level Two punishments, that the defendant abstain from alcohol consumption for
49 a minimum of 30 days, to a maximum of the term of probation, as verified by a continuous
50 alcohol monitoring system. The defendant's abstinence from alcohol shall be verified by a

1 continuous alcohol monitoring system of a type approved by the Division of Adult Correction
2 of the Department of Public Safety.

3 ...

4 (k) Level Five Punishment. – A defendant subject to Level Five punishment may be
5 fined up to two hundred dollars (\$200.00) and shall be sentenced to a term of imprisonment
6 that includes a minimum term of not less than 24 hours and a maximum term of not more than
7 60 days. The term of imprisonment may be suspended. However, the suspended sentence shall
8 include the condition that the defendant:

9 (1) Be imprisoned for a term of 24 hours as a condition of special probation; or

10 (2) Perform community service for a term of 24 hours; or

11 (3) Repealed by Session Laws 2006-253, s. 23, effective December 1, 2006, and
12 applicable to offenses committed on or after that date.

13 (4) Any combination of these conditions.

14 If the defendant is placed on probation, the judge shall impose a requirement that the
15 defendant obtain a substance abuse assessment and the education or treatment required by
16 G.S. 20-17.6 for the restoration of a drivers license and as a condition of probation. The judge
17 may impose any other lawful condition of probation.

18 ...

19 (k2) Probationary Requirement for Abstinence and Use of Continuous Alcohol
20 Monitoring. – The judge may order that as a condition of special probation for any level of
21 offense under G.S. 20-179 the defendant abstain from alcohol consumption, as verified by a
22 continuous alcohol monitoring system, of a type approved by the Division of Adult Correction
23 of the Department of Public Safety.

24 (k3) Continuous Alcohol Monitoring During Probation. – The court, in the sentencing
25 order, may authorize probation officers to require defendants to submit to continuous alcohol
26 monitoring for assessment purposes if the defendant has been required to abstain from alcohol
27 consumption during the term of probation and the probation officer believes the defendant is
28 consuming alcohol. The defendant shall bear the costs of the continuous alcohol monitoring
29 system if the use of the system has been authorized by a judge in accordance with this
30 subsection.

31 (k4) Continuous Alcohol Monitoring Exception. – Notwithstanding the provisions of
32 subsections (g), (h), (k2), and (k3) of this section, if the court finds, upon good cause shown,
33 that the defendant should not be required to pay the costs of the continuous alcohol monitoring
34 system, the court shall not impose the use of a continuous alcohol monitoring system unless the
35 local governmental entity responsible for the incarceration of the defendant in the local
36 confinement facility agrees to pay the costs of the system.

37 ...

38 (o) Evidentiary Standards; Proof of Prior Convictions. – In the sentencing hearing, the
39 State shall prove any grossly aggravating or aggravating factor beyond a reasonable doubt, and
40 the defendant shall prove any mitigating factor by the greater weight of the evidence. Evidence
41 adduced by either party at trial may be utilized in the sentencing hearing. Except as modified
42 by this section, the procedure in G.S. 15A-1334(b) governs. The judge may accept any
43 evidence as to the presence or absence of previous convictions that ~~he~~ the judge finds reliable
44 but ~~he~~ shall give prima facie effect to convictions recorded by the Division or any other agency
45 of the State of North Carolina. A copy of such conviction records transmitted by the police
46 information network in general accordance with the procedure authorized by G.S. 20-26(b) is
47 admissible in evidence without further authentication. If the judge decides to impose an active
48 sentence of imprisonment that would not have been imposed but for a prior conviction of an
49 offense, the judge shall afford the defendant an opportunity to introduce evidence that the prior
50 conviction had been obtained in a case in which ~~he~~ the defendant was indigent, had no counsel,
51 and had not waived ~~his~~ the right to counsel. If the defendant proves by the preponderance of the

1 evidence all three above facts concerning the prior case, the conviction may not be used as a
2 grossly aggravating or aggravating factor.

3 (p) Limit on Amelioration of Punishment. – For active terms of imprisonment imposed
4 under this section:

5 (1) The judge may not give credit to the defendant for the first 24 hours of time
6 spent in incarceration pending trial.

7 (2) The defendant shall serve the mandatory minimum period of imprisonment
8 and good or gain time credit may not be used to reduce that mandatory
9 minimum period.

10 (3) The defendant may not be released on parole unless ~~he~~the defendant is
11 otherwise eligible, has served the mandatory minimum period of
12 imprisonment, and has obtained a substance abuse assessment and
13 completed any recommended treatment or training program or is paroled
14 into a residential treatment program.

15 With respect to the minimum or specific term of imprisonment imposed as a condition of
16 special probation under this section, the judge may not give credit to the defendant for the first
17 24 hours of time spent in incarceration pending trial.

18 ...

19 (r) Supervised Probation Terminated. – Unless a judge in ~~his~~the judge's discretion
20 determines that supervised probation is necessary, and includes in the record that ~~he~~the judge
21 has received evidence and finds as a fact that supervised probation is necessary, and states in
22 ~~his~~the judgment that supervised probation is necessary, a defendant convicted of an offense of
23 impaired driving shall be placed on unsupervised probation if ~~he~~the defendant meets three
24 conditions. These conditions are that ~~he~~the defendant (i) has not been convicted of an offense
25 of impaired driving within the seven years preceding the date of this offense for which ~~he~~the
26 defendant is sentenced, ~~that the defendant is~~ (ii) is being sentenced under subsections (i), (j),
27 and (k) of this section, and (iii) has obtained any necessary substance abuse assessment and
28 completed any recommended treatment or training program.

29 When a judge determines in accordance with the above procedures that a defendant should
30 be placed on supervised probation, the judge shall authorize the probation officer to modify the
31 defendant's probation by placing the defendant on unsupervised probation upon the completion
32 by the defendant of the following conditions of ~~his~~the suspended sentence:

33 (1) Community service; or

34 (2) Repealed by Session Laws 1995 c. 496, s. 2.

35 (3) Payment of any fines, court costs, and fees; or

36 (4) Any combination of these conditions.

37 (s) Method of Serving Sentence. – The judge in ~~his~~the judge's discretion may order a
38 term of imprisonment to be served on weekends, even if the sentence cannot be served in
39 consecutive sequence. However, if the defendant is ordered to a term of 48 hours or more, or
40 has 48 hours or more remaining on a term of imprisonment, the defendant shall be required to
41 serve 48 continuous hours of imprisonment to be given credit for time served. All of the
42 following apply to a sentence served under this subsection:

43 (1) Credit for any jail time shall only be given hour for hour for time actually
44 served. The jail shall maintain a log showing number of hours served.

45 (2) The defendant shall be refused entrance and shall be reported back to court if
46 the defendant appears at the jail and has remaining in ~~his~~the defendant's
47 body any alcohol as shown by an alcohol screening device or controlled
48 substance previously consumed, unless lawfully obtained and taken in
49 therapeutically appropriate amounts.

50 (3) If a defendant has been reported back to court under subdivision (2) of this
51 subsection, the court shall hold a hearing. The defendant shall be ordered to

1 serve ~~his~~the defendant's jail time immediately and shall not be eligible to
2 serve jail time on weekends if the court determines that, at the time of ~~his~~
3 entrance to the jail, at least one of the following apply:

- 4 a. The defendant had previously consumed alcohol in ~~his~~the
5 defendant's body as shown by an alcohol screening ~~device, or~~device.
6 b. The defendant had a previously consumed controlled substance in ~~his~~
7 the defendant's body.

8 It shall be a defense to an immediate service of sentence of jail time and
9 ineligibility for weekend service of jail time if the court determines that
10 alcohol or controlled substance was lawfully obtained and was taken in
11 therapeutically appropriate amounts.

12"

13 **SECTION 8.** G.S. 24-10.1(a) reads as rewritten:

14 "(a) Subject to the limitations contained in subsection (b) of this section, any lender may
15 charge a party to a loan or extension of credit governed by the provisions of ~~G.S. 24-1.1,~~
16 ~~24-1.2, G.S. 24-1.1~~ or ~~24-1.1A~~G.S. 24-1.1A a late payment charge as agreed upon by the
17 parties in the loan contract."

18 **SECTION 9.** G.S. 28A-2-4 reads as rewritten:

19 "**§ 28A-2-4. Subject matter jurisdiction of the clerk of superior court in estate**
20 **proceedings.**

21 (a) The clerks of superior court of this State, as ex officio judges of probate, shall have
22 original jurisdiction of estate proceedings. Except as provided in subdivision (4) of this
23 subsection, the jurisdiction of the clerk of superior court is exclusive. Estate proceedings
24 include, but are not limited to, the following:

- 25 (1) Probate of wills.
26 (2) Granting and revoking of letters testamentary and letters of administration,
27 or other proper letters of authority for the administration of estates.
28 (3) Determination of the elective share for a surviving spouse as provided in
29 G.S. 30-3.
30 (4) Proceedings to ascertain heirs or devisees, to approve settlement agreements
31 pursuant to G.S. 28A-2-10, to determine questions of construction of wills,
32 to determine priority among creditors, to determine whether a person is in
33 possession of property belonging to an estate, to order the recovery of
34 property of the estate in possession of third parties, and to determine the
35 existence or nonexistence of any immunity, power, privilege, duty, or right.
36 Any party or the clerk of superior court may file a notice of transfer of a
37 proceeding pursuant to this subdivision to the Superior Court Division of the
38 General Court of Justice as provided in G.S. 28A-2-6(h). In the absence of a
39 transfer to superior court, Article 26 of Chapter 1 of the General Statutes
40 shall apply to ~~a trust~~an estate proceeding pending before the clerk of
41 superior court to the extent consistent with this Article.

42 (b) Nothing in this section shall affect the right of a person to file an action in the
43 Superior Court Division of the General Court of Justice for declaratory relief under Article 26
44 of Chapter 1 of the General Statutes. In the event that either the petitioner or the respondent in
45 an estate proceeding requests declaratory relief under Article 26 of Chapter 1 of the General
46 Statutes, either party may move for a transfer of the proceeding to the Superior Court Division
47 of the General Court of Justice as provided in Article 21 of Chapter 7A of the General Statutes.
48 In the absence of a removal to superior court, Article 26 of Chapter 1 of the General Statutes
49 shall apply to an estate proceeding to the extent consistent with this Article.

1 (c) Without otherwise limiting the jurisdiction of the Superior Court Division of the
2 General Court of Justice, the clerk of superior court shall not have jurisdiction under subsection
3 (a) or ~~(e)~~(b) of this section or G.S. 28A-2-5 of the following:

- 4 (1) Actions by or against creditors or debtors of an estate, except as provided in
5 Article 19 of this Chapter.
- 6 (2) Actions involving claims for monetary damages, including claims for breach
7 of fiduciary duty, fraud, and negligence.
- 8 (3) Caveats, except as provided under G.S. 31-36.
- 9 (4) Proceeding to determine proper county of venue as provided in
10 G.S. 28A-3-2.
- 11 (5) Recovery of property transferred or conveyed by a decedent with intent to
12 hinder, delay, or defraud creditors, pursuant to G.S. 28A-15-10(b)."

13 **SECTION 10.** G.S. 28A-19-5(b) reads as rewritten:

14 "(b) With respect to a contingent or unliquidated claim rejected by a personal
15 representative pursuant to G.S. 28A-19-16, the claimant may, within the three-month period
16 prescribed by G.S. 28A-19-16, file a petition for an order of the clerk of superior court in
17 accordance with subsection (a) of this section, provided that nothing in this section shall require
18 the clerk of superior court to hear and determine the validity of, priority of, or amount of a
19 contingent or unliquidated claim that has not yet become absolute."

20 **SECTION 11.** G.S. 31B-1(a) reads as rewritten:

21 "(a) A person who succeeds to a property interest as:

22 ...

- 23 (8) ~~Appointee~~ Appointee, permissible appointee, or taker in default under a
24 power of appointment exercised by a testamentary instrument or a
25 nontestamentary instrument;

26 ...

27 may renounce at anytime, in whole or in part, the right of succession to any property or interest
28 therein, including a future interest, by filing a written instrument under the provisions of this
29 Chapter. A renunciation may be of a fractional share or any limited interest or estate. The
30 renunciation shall be deemed to include the entire interest of the person whose property or
31 interest is being renounced unless otherwise specifically limited. A person may renounce any
32 interest in or power over property, including a power of appointment, even if its creator
33 imposed a spendthrift provision or similar restriction on transfer or a restriction or limitation on
34 the right to renounce. Notwithstanding the foregoing, there shall be no right of partial
35 renunciation if the instrument creating the interest expressly so provides."

36 **SECTION 12.(a)** G.S. 36C-8-816.1 reads as rewritten:

37 "**§ 36C-8-816.1. Trustee's special power to appoint to a second trust.**

38 (a) For purposes of this section, the following definitions apply:

- 39 (1) Current beneficiary. – A person who is a permissible distributee of trust
40 income or principal.
- 41 (2) Original trust. – A trust established under an irrevocable trust instrument
42 pursuant to the terms of which a trustee has a discretionary power to
43 distribute principal or income of the trust to or for the benefit of one or more
44 current beneficiaries of the trust.
- 45 (3) Second trust. – A trust established under an irrevocable trust instrument, the
46 current beneficiaries of which are one or more of the current beneficiaries of
47 the original trust. The second trust may be a trust created under the same
48 trust instrument as the original trust or under a different trust instrument.

49 (b) A trustee of an original trust may, without authorization by the court, exercise the
50 discretionary power to distribute principal or income to or for the benefit of one or more current
51 beneficiaries of the original trust by appointing all or part of the principal or income of the

1 original trust subject to the power in favor of a trustee of a second trust. The trustee of the
2 original trust may exercise this power whether or not there is a current need to distribute
3 principal or income under any standard provided in the terms of the original trust. The trustee's
4 special power to appoint trust principal or income in further trust under this section includes the
5 power to create the second trust. The second trust may have a duration that is longer than the
6 duration of the first trust.

7 (c) The terms of the second trust shall be subject to all of the following:

- 8 (1) The beneficiaries of the second trust may include only beneficiaries of the
9 original trust.
- 10 (2) A beneficiary who has only a future beneficial interest, vested or contingent,
11 in the original trust cannot have the future beneficial interest accelerated to a
12 present interest in the second trust.
- 13 (3) The terms of the second trust may not reduce any fixed income, annuity, or
14 unitrust interest of a beneficiary in the assets of the original trust if that
15 interest has come into effect with respect to the beneficiary.
- 16 (4) If any contribution to the original trust qualified for a marital or charitable
17 deduction for federal income, gift, or estate tax purposes under the Internal
18 Revenue Code, then the second trust shall not contain any provision that, if
19 included in the original trust, would have prevented the original trust from
20 qualifying for the deduction or that would have reduced the amount of the
21 deduction.
- 22 (5) If contributions to the original trust have been excluded from the gift tax by
23 the application of section 2503(b) and section 2503(c) of the Internal
24 Revenue Code, then the second trust shall provide that the beneficiary's
25 remainder interest in the contributions shall vest and become distributable no
26 later than the date upon which the interest would have vested and become
27 distributable under the terms of the original trust.
- 28 (6) If any beneficiary of the original trust has a power of withdrawal over trust
29 property, then either:
 - 30 a. The terms of the second trust must provide a power of withdrawal in
31 the second trust identical to the power of withdrawal in the original
32 trust; or
 - 33 b. Sufficient trust property must remain in the original trust to satisfy
34 the outstanding power of withdrawal.
- 35 (7) If a trustee of an original trust exercises a power to distribute principal or
36 income that is subject to an ascertainable standard by appointing property to
37 a second trust, then the power to distribute income or principal in the second
38 trust must be subject to the same ascertainable standard as in the original
39 trust and must be exercisable in favor of the same current beneficiaries to
40 whom such distribution could be made in the original trust.
- 41 (8) The second trust may confer a power of appointment upon a beneficiary of
42 the original trust to whom or for the benefit of whom the trustee has the
43 power to distribute principal or income of the original trust. The permissible
44 appointees of the power of appointment conferred upon a beneficiary may
45 include persons who are not beneficiaries of the original or second trust. The
46 power of appointment conferred upon a beneficiary shall be subject to the
47 provisions of G.S. 41-23 specifying the permissible period allowed for the
48 suspension of the power of alienation of the original trust and the time from
49 which that permissible period is computed.
- 50 (9) The terms of the second trust shall not contain any provisions that would
51 jeopardize (i) the qualification of a transfer as a direct skip under section

1 2642(c) of the ~~[Internal Revenue]~~ Internal Revenue Code, (ii) if the first trust
2 owns subchapter S Corporation stock, the election to treat a corporation as a
3 subchapter S Corporation under section 1362 of the Internal Revenue Code,
4 (iii) if the first trust owns an interest in property subject to the minimum
5 distribution rules of section 401(a)(9) of the Internal Revenue Code, a
6 favorable distribution period by shortening the minimum distribution period,
7 or (iv) any other specific tax benefit for which ~~a contribution originally the~~
8 first trust was clearly designed to qualify and for which the first trust
9 qualified or would have qualified for income, gift, estate, or
10 generation skipping transfer tax purposes. but for the enactment of this
11 section. In this subdivision, "tax benefit" means a federal or State tax
12 deduction, exemption, exclusion, or other benefit not otherwise listed in this
13 section, except for the benefit from having the settlor considered the owner
14 under sections 671 through 679 of the Internal Revenue Code. Subject to
15 clause (ii) above, the second trust may be a trust as to which the settlor is not
16 considered the owner under sections 671 through 679 of the Internal
17 Revenue Code even if the settlor is considered the owner of the first trust,
18 and the second trust may be a trust as to which the settlor of the first trust is
19 considered the owner under sections 671 through 679 of the Internal
20 Revenue Code, even if the settlor is not considered the owner of the first
21 trust.

22 (10) Notwithstanding any other provision of this section, but subject to the
23 limitations of subdivisions (1), (2), (4), (5), and (9) of this subsection, a
24 trustee may exercise the power to appoint principal and income under
25 subsection (b) of this section with respect to a disabled beneficiary's interest
26 in the original trust to a second trust that is a supplemental needs trust that
27 does not have (i) an ascertainable standard (or has a different ascertainable
28 standard); (ii) a fixed income, annuity, or unitrust interest in the assets of the
29 original trust; or (iii) a right of withdrawal, if the trustee determines that it
30 would be in the best interest of the disabled beneficiary. For purposes of this
31 subsection, the following apply:

- 32 a. A "supplemental needs trust" means a trust that is a discretionary
33 trust under G.S. 36C-5-504 and relative to the original trust contains
34 either lesser or greater restrictions on the trustee's power to distribute
35 income or principal, and which the trustee believes would, if
36 implemented, allow the disabled beneficiary to receive greater
37 governmental benefits than the disabled beneficiary would receive if
38 the power to appoint principal and income had not been exercised.
- 39 b. "Governmental benefits" means medical assistance, financial aid, or
40 services from any local, State, or federal agency or department.
- 41 c. A "disabled beneficiary" means a current beneficiary of the original
42 trust who the trustee determines has a condition that substantially
43 impairs the beneficiary's ability to provide for his or her own support,
44 care, or custody whether or not the beneficiary has been adjudicated
45 a "disabled person" by any government agency or department.
- 46 d. The second supplemental needs trust shall not be liable to pay or
47 reimburse the State or any government or public agency for medical
48 assistance, financial aid, or services provided to the disabled
49 beneficiary except as provided in the second supplemental needs
50 trust.

1 (d) A trustee may not exercise the power to appoint principal or income under
2 subsection (b) of this section if the trustee is a beneficiary of the original trust, but the
3 remaining cotrustee or a majority of the remaining cotrustees may act for the trust. If all the
4 trustees are beneficiaries of the original trust, then the court may appoint a special fiduciary
5 with authority to exercise the power to appoint principal or income under subsection (b) of this
6 section.

7 (e) The exercise of the power to appoint principal or income under subsection (b) of
8 this section:

9 (1) Shall be considered the exercise of a power of appointment, other than a
10 power to appoint to the trustee, the trustee's creditors, the trustee's estate, or
11 the creditors of the trustee's estate; and

12 (2) Shall be subject to the provisions of G.S. 41-23 specifying the permissible
13 period allowed for the suspension of the power of alienation of the original
14 trust and the time from which that permissible period is computed; and

15 (3) Is not prohibited by a spendthrift provision or by a provision in the original
16 trust instrument that prohibits amendment or revocation of the trust.

17 (f) To effect the exercise of the power to appoint principal or income under subsection
18 (b) of this section, all of the following shall apply:

19 (1) The exercise of the power to appoint shall be made by an instrument in
20 writing, signed and acknowledged by the trustee, setting forth the manner of
21 the exercise of the power, including the terms of the second trust, and the
22 effective date of the exercise of the power. The instrument shall be filed with
23 the records of the original trust.

24 (2) The trustee shall give written notice to all qualified beneficiaries of the
25 original trust, at least 60 days prior to the effective date of the exercise of the
26 power to appoint, of the trustee's intention to exercise the power. The notice
27 shall include a copy of the instrument described in subdivision (1) of this
28 subsection.

29 (3) If all qualified beneficiaries waive the notice period by a signed written
30 instrument delivered to the trustee, the trustee's power to appoint principal or
31 income shall be exercisable after notice is waived by all qualified
32 beneficiaries, notwithstanding the effective date of the exercise of the power.

33 (4) The trustee's notice under this subsection shall not limit the right of any
34 beneficiary to object to the exercise of the trustee's power to appoint and
35 bring an action for breach of trust seeking appropriate relief as provided by
36 G.S. 36C-10-1001.

37 (g) Nothing in this section shall be construed to create or imply a duty of the trustee to
38 exercise the power to distribute principal or income, and no inference of impropriety shall be
39 made as a result of a trustee not exercising the power to appoint principal or income conferred
40 under subsection (b) of this section. Nothing in this section shall be construed to abridge the
41 right of any trustee who has a power to appoint property in further trust that arises under the
42 terms of the original trust or under any other section of this Chapter or under another provision
43 of law or under common law.

44 (h) A trustee or beneficiary may commence a proceeding to approve or disapprove a
45 proposed exercise of the trustee's special power to appoint to a second trust pursuant to
46 subsection (b) of this section."

47 **SECTION 12.(b)** If Senate Bill 450, 2017 Regular Session, becomes law, this
48 section is repealed.

49 **SECTION 12.1.(a)** G.S. 36F-2 reads as rewritten:

50 **"§ 36F-2. Definitions.**

51 The following definitions apply in this Chapter:

1 ...
 2 (5) ~~Reserved.~~
 3 ...
 4 (21) ~~Reserved.~~
 5"

6 **SECTION 12.1.(b)** G.S. 36F-13 reads as rewritten:

7 **"§ 36F-13. Disclosure of other digital assets held in trust when trustee not original user.**

8 Unless otherwise ordered by the court, directed by the user, or provided in a trust, a
 9 custodian shall disclose, to a trustee that is not an original user of an account, a catalogue of
 10 electronic communications sent or received by an original or successor user and stored, carried,
 11 or maintained by the custodian in an account of the trust and any digital assets, other than the
 12 content of electronic communications, in which the trust has a right or interest if the trustee
 13 gives the custodian all of the following:

- 14 (1) A written request for disclosure in physical or electronic form.
- 15 (2) A ~~certified~~-verified copy of the trust instrument or a certification of the trust
 16 under G.S. 36C-10-1013.
- 17 (3) A certification by the trustee, under penalty of perjury, that the trust exists
 18 and the trustee is a currently acting trustee of the trust.
- 19 (4) If requested by the custodian, any of the following:
 - 20 a. A number, username, address, or other unique subscriber or account
 21 identifier assigned by the custodian to identify the trust's account.
 - 22 b. Evidence linking the account to the trust."

23 **SECTION 13.(a)** G.S. 39-33 and G.S. 39-34 are repealed.

24 **SECTION 13.(b)** G.S. 39-35 is recodified as G.S. 31D-5-505.

25 **SECTION 13.(c)** G.S. 39-36 is recodified as G.S. 31D-4-403.1.

26 **SECTION 13.1.** G.S. 42A-4 reads as rewritten:

27 **"§ 42A-4. Definitions.**

28 The following definitions apply in this Chapter:

29 ...
 30 (1b) through (1f) ~~Reserved.~~

31 ...
 32 (4) Vacation rental agreement. – A written agreement between a landlord or ~~his~~
 33 ~~or her~~ the landlord's real estate broker and a tenant in which the tenant agrees
 34 to rent residential property belonging to the landlord for a vacation rental."

35 **SECTION 14.** Reserved.

36 **SECTION 14.1.(a)** G.S. 53-208.42(20) reads as rewritten:

37 "(20) Virtual currency. – A digital representation of value that can be digitally
 38 traded and functions as a medium of exchange, a unit of account, or a store
 39 of value but only to the extent defined as stored value under
 40 ~~G.S. 53-208.42(19)~~, subdivision (19) of this section, but does not have legal
 41 tender status as recognized by the United States Government."

42 **SECTION 14.1.(b)** G.S. 53-208.44(a) reads as rewritten:

43 "(a) This Article shall not apply to any of the following:

- 44 ...
 45 (7) A person that is engaged exclusively in any of the following:
 - 46 a. Delivering wages or salaries on behalf of employers to
 47 ~~employees;~~employees.
 - 48 b. Facilitating the payment of payroll taxes to State and federal
 49 ~~agencies;~~agencies.
 - 50 c. Making payments relating to employee benefit ~~plans;~~plans.

- 1 d. Making distribution of other authorized deductions from employees'
 2 wages or ~~salaries; or salaries.~~
 3 e. Transmitting other funds on behalf of an employer in connection
 4 with transactions related to employees.

5 (8) A person appointed by a payee to collect and process payments as the bona
 6 fide agent of the payee, provided the person can demonstrate to the
 7 Commissioner ~~that~~ all of the following:

- 8 a. There exists a written agreement between the payee and agent
 9 directing the agent to collect and process payments on the payee's
 10 ~~behalf; behalf.~~
 11 b. The payee holds the agent out to the public as accepting payments on
 12 the payee's ~~behalf; and~~ behalf.
 13 c. Payment is treated as received by the payee upon receipt by the
 14 agent.

15 This exemption ~~would extend~~ extends to those otherwise engaged in money
 16 transmission as set forth in G.S. 53-208.42(13)b., including those
 17 transactions conducted in whole or in part in virtual currency."

18 **SECTION 14.1.(c)** G.S. 53-208.47 reads as rewritten:

19 **"§ 53-208.47. Surety bond.**

20 ...

21 (c) Any increased surety bond required under subsection (b) ~~[of this section]~~ of this
 22 section shall be filed with the Commissioner on or before May 31 annually. Failure to obtain
 23 the additional surety bond required is grounds for summary suspension pursuant to
 24 G.S. 53-208.57(d)(2).

25 (d) The surety bond shall be in a form satisfactory to the Commissioner and shall run to
 26 the State for the benefit of any claimants against the licensee to secure the faithful performance
 27 of the obligations of the licensee with respect to the receipt, handling, transmission, and
 28 payment of money or monetary value in connection with the sale and issuance of payment
 29 instruments, stored value, or transmission of money. The Commissioner has the discretion to
 30 require the applicant ~~[to]~~ to obtain additional insurance coverage to address related
 31 cybersecurity risks inherent in the applicant's business model as it relates to virtual currency
 32 transmission and to the extent such risks are not within the scope of the required surety bond.

33"

34 **SECTION 14.1.(d)** G.S. 53-208.51 reads as rewritten:

35 **"§ 53-208.51. Prohibited practices.**

36 No person required to be licensed under this Article ~~shall~~ shall do any of the following:

- 37 (1) Fail to remit all money or monetary value received for transmission pursuant
 38 to G.S. 53-208.42(13)b., or give instructions committing equivalent money
 39 or monetary value to the person designated by the sender within 10 days
 40 after receipt by the licensee unless otherwise directed by the ~~sender;~~ sender.
 41 (2) Fail to immediately notify the Commissioner in writing if the licensee
 42 dishonors or fails to satisfy any money transmission transaction within the
 43 10 days following receipt for any reason other than direction by the
 44 ~~sender;~~ sender.
 45 (3) Engage in the business of money transmission in the State under any name
 46 other than that ~~[under]~~ under which it is organized or otherwise authorized to
 47 do business in the ~~State;~~ State.
 48 (4) Fail to comply with the Federal Bank Secrecy Act, ~~31 U.S.C. [§] 5311 et~~
 49 ~~seq.,~~ 31 U.S.C. § 5311, et seq., and 31 C.F.R. Part 1022, including
 50 maintenance of active registration with the United States Department of
 51 Treasury Financial Crimes Enforcement ~~Network;~~ Network.

- 1 (5) Fail to comply with the Federal Electronic Funds Transfer Act, ~~12 U.S.C. [§]~~
 2 ~~1693 et seq.,~~ 12 U.S.C. § 1693, et seq., and Regulation E, ~~12 C.F.R. [§] 1005~~
 3 ~~et seq.;~~ 12 C.F.R. § 1005, et seq.
 4 (6) Fail to safeguard identifying information obtained in the course of money
 5 transmission and otherwise comply with the requirements set forth under
 6 ~~G.S. 75-60 et seq.;~~ G.S. 75-60, et seq.
 7 (7) Fail to comply with applicable State and federal laws and regulations related
 8 to the business of money ~~transmission;~~ transmission.
 9 (8) Use or cause to be published or disseminated any advertising communication
 10 which contains any false, misleading, or deceptive statement or
 11 ~~representation;~~ or representation.
 12 (9) Engage in unfair, deceptive, or fraudulent practices."

13 **SECTION 14.1.(e)** G.S. 53-208.53(d) reads as rewritten:

14 "(d) ~~[Timely reporting.]~~ — Timely Reporting. — Failure to timely submit any reports
 15 required under this section is grounds for summary suspension pursuant to
 16 G.S. 53-208.57(d)(2)."

17 **SECTION 14.1.(f)** G.S. 53-208.57 reads as rewritten:

18 "**§ 53-208.57. Disciplinary authority.**

19 ...

20 (c) The Commissioner may by order:

- 21 (1) Impose a civil money penalty upon any person required to be licensed under
 22 this Article for any violation of or failure to comply with this Article or any
 23 order of the Commissioner in an amount specified by the Commissioner, not
 24 to exceed five thousand dollars (\$5,000) for each violation or, in the case of
 25 a continuing violation, one thousand dollars (\$1,000) for each day that the
 26 violation continues. Each violation of or failure to comply with this Article
 27 shall be a separate and distinct violation. All civil money penalties collected
 28 under this Article shall be paid to the ~~county school fund.~~ Civil Penalty and
 29 Forfeiture Fund in accordance with G.S. 115C-457.2.
 30 (2) Require that any person required to be licensed under this Article to disgorge
 31 and pay to the sender any amounts that were not remitted or refunded in
 32 violation of G.S. 53-208.51(1).

33 ...

34 (h) The Commissioner, in the exercise of reasonable judgment, may compromise, settle,
 35 and collect civil penalties with any person for violations of any provision of this Article, or of
 36 any rule, regulation, or order issued or promulgated ~~[pursuant]~~ pursuant to this Article."

37 **SECTION 14.2.(a)** G.S. 55-1-40(13a) reads as rewritten:

38 "(13a) ~~An item is "mailed" when it is deposited.~~ "Mail," when used as a verb, means
 39 to deposit in the United States mail with postage thereon prepaid and
 40 correctly addressed. When a corporation mails an item to a shareholder,
 41 "correctly addressed" means addressed to the shareholder's address as shown
 42 in the corporation's current record of shareholders."

43 **SECTION 14.2.(b)** If Senate Bill 622, 2017 Regular Session, becomes law, this
 44 section is repealed.

45 **SECTION 14.3.** G.S. 66-71.14(b) reads as rewritten:

46 "(b) A person failing to file an assumed business name certificate or a certificate of
 47 amendment as required by this Article is liable to any person injured by the failure for the
 48 reasonable expenses, including attorneys' fees, incurred by the person in ascertaining, for a
 49 reasonable purpose, the information required to be stated in the assumed business name
 50 certificate or certificate of amendment. Notwithstanding this subsection, a person is not liable
 51 for expenses caused by an error or ambiguity in describing the nature of the business in an

1 assumed business name certificate under G.S. 66-71.5 or a certificate of amendment under
2 G.S. 71.7 [~~G.S. 66-71.7~~].G.S. 66-71.7."

3 **SECTION 14.4.(a)** G.S. 69-25.15(d) reads as rewritten:

4 "(d) Whenever a city is required to make fire protection district tax payments by
5 subsection (c) of this section, and the city has paid or has contracted to pay to a rural fire
6 department funds under ~~G.S. 160A-37.1~~ or G.S. 160A-58.57, the county shall pay to the city
7 from funds of the rural fire protection district an amount equal to the amount paid by the city
8 (or to be paid by the city) to a rural fire department under ~~G.S. 160A-37.1~~ or G.S. 160A-58.57
9 on account of annexation of territory in the rural fire protection district for the number of
10 months in that fiscal year used in calculating the numerator under subsection (c) of this section;
11 provided that the required payments by the county to the city shall not exceed the total of fire
12 protection district payments made to taxpayers in the district on account of that annexation."

13 **SECTION 14.4.(b)** G.S. 153A-304.1(d) reads as rewritten:

14 "(d) Whenever a city is required to make fire protection district tax payments by
15 subsection (c) of this section, and the city has paid or has contracted to pay to a rural fire
16 department funds under ~~G.S. 160A-37.1~~ or G.S. 160A-58.57, the county shall pay to the city
17 from funds of the county service district an amount equal to the amount paid by the city (or to
18 be paid by the city) to a rural fire department under ~~G.S. 160A-37.1~~ or G.S. 160A-58.57 on
19 account of annexation of territory in the county service district for the number of months in that
20 fiscal year used in calculating the numerator under subsection (c) of this section; provided that
21 the required payments by the county to the city shall not exceed the total of fire protection
22 district payments made to taxpayers in the district on account of that annexation."

23 **SECTION 15.** G.S. 97-25(f) reads as rewritten:

24 "(f) In claims subject to G.S. 97-18(b) and (d), a party may file a motion as set forth in
25 this subsection regarding a request for medical compensation or a dispute involving medical
26 issues. The nonmoving party shall have the right to contest the motion. Motions and responses
27 shall be submitted contemporaneously via electronic ~~mail means~~ to the Commission and to the
28 opposing party or the opposing party's ~~attorney[, as follows]~~:attorney, as follows:

- 29 (1) A party may file a motion with the Executive Secretary for an administrative
30 ruling regarding a request for medical compensation or a dispute involving
31 medical issues. The motion shall be decided administratively pursuant to
32 rules governing motions practices in contested cases. The Commission shall
33 decide the motion within 30 days of the filing of the motion unless an
34 extension of time to respond to the motion has been granted for good cause
35 shown. Either party may file a motion for reconsideration of the
36 administrative order with the Executive Secretary. Either party may request
37 an expedited formal hearing pursuant to G.S. 97-84 and subdivision (2) of
38 this subsection to appeal the decision of the Executive Secretary approving
39 or denying the original motion or the motion for reconsideration. Within five
40 days of the filing of a request for an expedited formal hearing pursuant to
41 G.S. 97-84 and subdivision (2) of this subsection to appeal the decision of
42 the Executive Secretary, the Commission shall assign a Deputy
43 Commissioner to conduct the formal hearing. The decision shall not be
44 stayed during the pendency of an appeal pursuant to G.S. 97-84 and
45 subdivision (2) of this subsection except under those circumstances set out in
46 subdivision (4) of this subsection. A motion to stay shall be filed with the
47 Deputy Commissioner scheduled to conduct the formal hearing pursuant to
48 G.S. 97-84. Either party may appeal the decision of the Deputy
49 Commissioner pursuant to G.S. 97-84 to the Full Commission pursuant to
50 G.S. 97-85. The decision of the Deputy Commissioner shall not be stayed
51 during the pendency of an appeal except under those circumstances set out in

1 subdivision (4) of this subsection. A motion to stay the decision of the
2 Deputy Commissioner pursuant to G.S. 97-84 shall be directed to the Chair
3 of the Commission. The Full Commission shall render a decision on the
4 appeal of the Deputy Commissioner's decision on the motion within 60 days
5 of the filing of the notice of appeal.

6 (2) In lieu of filing a motion with the Executive Secretary for an administrative
7 ruling pursuant to subdivision (1) of this subsection, when appealing a ruling
8 made pursuant to subdivision (1) of this subsection or when appealing an
9 administrative ruling of the Chief Deputy or the Chief Deputy's designee on
10 an emergency motion, a party may request a full evidentiary hearing
11 pursuant to G.S. 97-84 on an expedited basis, limited to a request for
12 medical compensation or a dispute involving medical issues, by filing a
13 motion with the Office of the Chief Deputy Commissioner. The case will not
14 be ordered into mediation based upon a party's request for hearing on the
15 motion or appeal under this subdivision, except upon the consent of the
16 parties. The Commission shall set the date of the expedited hearing, which
17 shall be held within 30 days of the filing of the motion or appeal and shall
18 notify the parties of the time and place of the hearing on the motion or
19 appeal. Upon request, the Commission may order expedited discovery. The
20 record shall be closed within 60 days of the filing of the motion, or in the
21 case of an appeal pursuant to subdivisions (1) and (3) of this subsection,
22 within 60 days of the filing of the appeal, unless the parties agree otherwise
23 or the Commission so orders. Transcripts of depositions shall be expedited if
24 necessary and paid pursuant to rules promulgated by the Commission related
25 to depositions and shall be submitted electronically to the Commission. The
26 Commission shall decide the issue in dispute and make findings of fact
27 based upon the preponderance of the evidence in view of the entire record.
28 The award, together with a statement of the findings of fact, rulings of law,
29 and other matters pertinent to the questions at issue shall be filed with the
30 record of the proceedings within 15 days of the close of the hearing record,
31 and a copy of the award shall immediately be sent to the parties. Either party
32 may appeal the decision of the Deputy Commissioner pursuant to G.S. 97-84
33 to the Full Commission pursuant to G.S. 97-85. The decision of the Deputy
34 Commissioner pursuant to G.S. 97-84 shall not be stayed during the
35 pendency of an appeal except under those circumstances set out in
36 subdivision (4) of this subsection. A motion to stay the decision of the
37 Deputy Commissioner pursuant to G.S. 97-84 shall be directed to the Chair
38 of the Commission. The Full Commission shall render a decision on the
39 appeal of the Deputy Commissioner's decision on the motion within 60 days
40 of the filing of the notice of appeal.

41 (3) An emergency medical motion filed by either party shall be filed with the
42 Office of the Chief Deputy Commissioner. The Chief Deputy or Chief
43 Deputy's designee shall rule on the motion within five days of receipt unless
44 the Chief Deputy or Chief Deputy's designee determines that the motion is
45 not an emergency, in which case the motion shall be referred to the
46 Executive Secretary for an administrative ruling pursuant to subdivision (1)
47 of this subsection. Motions requesting emergency medical relief shall
48 contain all of the following:

49 a. An explanation of the medical diagnosis and treatment
50 recommendation of the health care provider that requires emergency
51 attention.

- 1 b. A specific statement detailing the time-sensitive nature of the request
2 to include relevant dates and the potential for adverse consequences
3 to the movant if the recommended relief is not provided emergently.
4 c. An explanation of opinions known and in the possession of the
5 movant of additional medical or other relevant experts, independent
6 medical examiners, and second opinion examiners.
7 d. Documentation known and in the possession of the movant in
8 support of the request, including relevant medical records.
9 e. A representation that informal means of resolving the issue have
10 been attempted.

11 Either party may appeal the decision of the Chief Deputy or the Chief
12 Deputy's designee on the emergency motion by requesting an expedited
13 formal hearing pursuant to G.S. 97-84 and subdivision (2) of this subsection
14 to appeal the administrative decision of the Chief Deputy or the Chief
15 Deputy's designee on the emergency motion. Within five days of the filing
16 of a request for an expedited formal hearing pursuant to G.S. 97-84 and
17 subdivision (2) of this subsection, the Commission shall assign a Deputy
18 Commissioner to conduct the formal hearing. The decision of the Chief
19 Deputy or the Chief Deputy's designee shall not be stayed during the
20 pendency of an appeal of the administrative decision except under those
21 circumstances set out in subdivision (4) of this subsection. Any motion to
22 stay shall be filed with the Deputy Commissioner scheduled to conduct the
23 expedited formal hearing pursuant to G.S. 97-84 and subdivision (2) of this
24 subsection. Either party may appeal the decision of the Deputy
25 Commissioner pursuant to G.S. 97-84 to the Full Commission pursuant to
26 G.S. 97-85. If so, the decision of the Deputy Commissioner shall not be
27 stayed during the pendency of an appeal except under those circumstances
28 set out in subdivision (4) of this subsection. Any motion to stay the decision
29 of the Deputy Commissioner pursuant to G.S. 97-84 shall be directed to the
30 Chair of the Commission. The Full Commission shall render a decision on
31 the appeal of the Deputy Commissioner's decision on the motion within 60
32 days of the filing of the notice of appeal.

- 33 (4) The Commission shall consider, among other factors, all of the following
34 when determining whether to grant a motion to stay filed pursuant to this
35 subsection:
36 a. Whether there would be immediate and irreparable injury, harm, loss,
37 or damage to either party.
38 b. The nature and cost of the medical relief sought.
39 c. The risk for further injury or disability to the employee inherent in
40 the treatment or its delay.
41 d. Whether it has been recommended by an authorized physician.
42 e. Whether alternative therapeutic modalities are available and
43 reasonable.
44 (5) If the Commission determines that any party has acted unreasonably by
45 initiating or objecting to a motion filed pursuant to this section, the
46 Commission may assess costs associated with any proceeding, including any
47 reasonable attorneys' fees and deposition costs, against the offending party."

48 **SECTION 15.1.** G.S. 105-164.13(11b) reads as rewritten:

49 "(11b) Sales of aviation gasoline and jet fuel to an interstate air business for use in a
50 commercial aircraft. For purposes of this subdivision, the term "commercial
51 aircraft" has the same meaning as defined in subdivision (45a) of this

1 ~~subsection~~ ~~[section]~~ section. This exemption also applies to aviation gasoline
2 and jet fuel purchased for use in a commercial aircraft in interstate or foreign
3 commerce by a person whose primary business is scheduled passenger air
4 transportation. This subdivision expires January 1, 2020."

5 **SECTION 15.2.** G.S. 106-950 reads as rewritten:

6 **"§ 106-950. Exempt fires; no permit fees.**

7 (a) This Article ~~shall~~ does not apply to any fires started, or caused to be started, within
8 100 feet of an occupied dwelling house if ~~such~~ the fire shall be ~~is~~ confined (i) within an
9 enclosure from which burning material may not escape or (ii) within a protected area upon
10 which a watch is being maintained and which is provided with adequate fire protection
11 equipment.

12 (a1) Except in cases where the Commissioner has prohibited all open burning during
13 periods of hazardous forest fire conditions or during air pollution episodes declared pursuant to
14 Article 21B of Chapter 143 of the General Statutes, this Article ~~shall~~ does not apply to, and no
15 air quality permit shall be required for, the burning of polyethylene agricultural plastic used in
16 connection with agricultural operations related to the growing, harvesting, or maintenance of
17 crops, when all of the following conditions apply:

18 "

19 **SECTION 16.** The catch line of G.S. 108A-70.21 reads as rewritten:

20 **"§ 108A-70.21. Program eligibility; benefits; enrollment fee and other cost-sharing;**
21 **coverage from private plans; purchase of extended coverage plans."**

22 **SECTION 17.** G.S. 115C-112.6(b1)(2)d. reads as rewritten:

23 "d. Carryforward of funds for reimbursements. – Any unexpended
24 scholarship funds at the end of each fiscal year shall revert to the
25 General Fund, except that the Authority may carry forward for the
26 next fiscal year an amount necessary to ensure that any outstanding,
27 allowable reimbursements can be disbursed in accordance with this
28 section. Any funds carried forward for the purpose of meeting
29 anticipated reimbursement obligations from the prior fiscal year that
30 are not expended shall not be used to award additional scholarships
31 to eligible students but shall revert to the General Fund at the end of
32 ~~the~~ that fiscal year."

33 **SECTION 18.** G.S. 120-4.16(b) reads as rewritten:

34 "(b) Purchase of Service Credits Through Rollover Contributions From Certain Other
35 Plans. – Notwithstanding any other provision of this Article, and without regard to any
36 limitations on contributions otherwise set forth in this Article, a member, who is eligible to
37 restore or purchase membership or creditable service pursuant to the provisions of this Article,
38 may purchase such service credits through rollover contributions to the Annuity Savings Fund
39 from (i) an annuity contract described in Section 403(b) of the Internal Revenue Code, (ii) an
40 eligible plan under Section 457(b) of the Internal Revenue Code which is maintained by a state,
41 political subdivision of a state, or any agency or instrumentality of a state or political
42 subdivision of a state, (iii) an individual retirement account or annuity described in Section
43 408(a) or 408(b) of the Internal Revenue Code that is eligible to be rolled over and would
44 otherwise be includible in gross income, or (iv) a qualified plan described in Section 401(a) or
45 403(a) of the Internal Revenue Code. Notwithstanding the foregoing, the Retirement System
46 shall not accept any amount as a rollover contribution unless such amount is eligible to be
47 rolled over to a qualified trust in accordance with applicable law and the member provides
48 evidence satisfactory to the Retirement System that such amount qualifies for rollover
49 treatment. Unless received by the Retirement System in the form of a direct rollover, the
50 rollover contribution must be paid to the Retirement System on or before the 60th day after the
51 date it was received by the member.

1 (b1) Purchase of Service Credits Through Plan-to-Plan Transfers. – Notwithstanding any
2 other provision of this Article, and without regard to any limitations on contributions otherwise
3 set forth in this Article, a member, who is eligible to restore or purchase membership or
4 creditable service pursuant to the provisions of this Article, may purchase such service credits
5 through a direct transfer to the Annuity Savings Fund of funds from (i) an annuity contract
6 described in Section 403(b) of the Internal Revenue Code or (ii) an eligible plan under Section
7 457(b) of the Code which is maintained by a state, political subdivision of a state, or any
8 agency or instrumentality of a state or political subdivision of a state."

9 **SECTION 19.** G.S. 120-57 is repealed.

10 **SECTION 19.1.** G.S. 120-70.106(d) reads as rewritten:

11 "(d) An establishment to which permits may be issued pursuant to G.S. 18B-1006(n1), as
12 enacted by S.L. 2016-23, is designated a special class of property under Section 2(2) of Article
13 V of the North Carolina Constitution, and the motor fuel sold by that establishment is taxable in
14 accordance with this subsection. Notwithstanding G.S. 105-449.80, the motor fuel excise tax
15 rate for an establishment to which permits may be issued pursuant to G.S. 18B-1006(n1), as
16 enacted by S.L. 2016-23, is sixteen cents (16¢) per gallon. The Revenue Laws Study
17 Committee shall annually compare the motor fuel excise tax rate imposed by this subsection
18 with the rate levied by the State of South Carolina on motor fuels and may recommend a
19 change in the rate imposed by this subsection to an amount no greater than the rate then in
20 effect for the State of South Carolina. An establishment designated as a special class of
21 property by this subsection may obtain monthly refunds on the difference between the motor
22 fuel excise tax imposed under G.S. 105-449.80 and the motor fuel excise tax imposed by this
23 subsection. The Department ~~of Revenue~~ of Revenue shall calculate for each calendar year the
24 difference between the motor fuel excise tax that would have been imposed under
25 G.S. 105-449.80 on the motor fuel sold by an establishment classified by this subsection in the
26 absence of this classification and the motor fuel excise tax that was imposed on the motor fuel
27 sold by the establishment due to the classification. The difference in taxes, together with any
28 interest, penalties, or costs that may accrue thereon, are a lien on the real property underlying
29 the establishment as provided in G.S. 105-355(a). The difference in taxes shall be carried
30 forward in the records of the Department as deferred taxes. The deferred taxes for the preceding
31 three calendar years are due and payable on the day this subsection becomes ineffective due to
32 the occurrence of a disqualifying event; provided, however, the amount collected for deferred
33 taxes pursuant to this subsection does not exceed the tax value of the property. A disqualifying
34 event occurs when the title to the real property underlying the establishment is transferred to a
35 new owner. A lien for deferred taxes is extinguished when the amount required by this
36 subsection is paid."

37 **SECTION 20.** G.S. 136-41.2(c) reads as rewritten:

38 "(c) No municipality shall be eligible to receive funds under G.S. 136-41.1 unless it has
39 formally adopted a budget ordinance in substantial compliance with ~~G.S. 160-410.3, G.S. 159-8~~
40 and G.S. 159-13, showing revenue received from all sources, and showing that funds have been
41 appropriated for at least two of the following municipal services if the municipality was
42 incorporated with an effective date prior to January 1, 2000, water distribution; sewage
43 collection or disposal; garbage and refuse collection or disposal; fire protection; police
44 protection; street maintenance, construction, or right-of-way acquisition; or street lighting, or at
45 least four of the following municipal services if the municipality was incorporated with an
46 effective date of on or after January 1, 2000: (i) police protection; (ii) fire protection; (iii) solid
47 waste collection or disposal; (iv) water distribution; (v) street maintenance; (vi) street
48 construction or right-of-way acquisition; (vii) street lighting; and (viii) zoning."

49 **SECTION 20.1(a)** G.S. 143-58.5 reads as rewritten:

50 "**§ 143-58.5. Alternative Fuel Revolving Fund.**

51 (a) The definitions set out in G.S. 143-58.4 apply to this section.

1 (b) The Alternative Fuel Revolving Fund is created and shall be held by the State
2 Treasurer. The Fund shall consist of moneys received from the sale of EAct credits under
3 G.S. 143-58.4, any moneys appropriated to the Fund by the General Assembly, and any
4 moneys obtained or accepted by the Department for deposit into the Fund. The Fund shall be
5 managed to maximize benefits to the State for the purchase of alternative fuel, related refueling
6 infrastructure, and AFV purchases. To the extent possible, benefits from the sale of EAct
7 credit shall be distributed to State departments, institutions, and agencies in proportion to the
8 number of EAct credits generated by each. No portion of the Fund shall be transferred to the
9 General Fund, and any appropriation made to the Fund shall not revert. The State Treasurer
10 shall invest moneys in the Fund in the same manner as other funds are invested. Interest and
11 moneys earned on such investments shall be credited to the Fund.

12 (c) The Fund shall be used to offset the incremental fuel cost of biodiesel and biodiesel
13 blend fuel with a minimum biodiesel concentration of B-20 for use in State vehicles, for the
14 purchase of ethanol fuel with a minimum ethanol concentration of E-85 for use in State
15 vehicles, the incremental vehicle cost of purchasing AFVs, for the development of related
16 refueling infrastructure, for the costs of administering the Fund, and for projects approved by
17 the Energy Policy Council.

18 (d) The Secretary of ~~Administration~~ Environmental Quality shall adopt rules as
19 necessary to implement this section.

20 (e) The Department shall submit to the Joint Legislative Commission on Governmental
21 Operations and the Fiscal Research Division no later than ~~1 October~~ October 1 of each year a
22 report on the expenditures from the Fund during the preceding fiscal year."

23 **SECTION 20.1.(b)** The Codifier of Rules shall make any conforming rule changes
24 necessary to reflect name changes and any recodifications resulting from the name change
25 made by this section.

26 **SECTION 21.** G.S. 143-215.31(a1) reads as rewritten:

27 "(a1) The owner of a dam classified by the Department as a high-hazard dam or an
28 intermediate-hazard dam shall develop an Emergency Action Plan for the dam as provided in
29 this ~~subsection~~; subsection:

30 (1) The owner of the dam shall submit a proposed Emergency Action Plan for
31 the dam within 90 days after the dam is classified as a high-hazard dam or an
32 intermediate-hazard dam to the Department and the Department of Public
33 Safety for their review and approval. The Department and the Department of
34 Public Safety shall approve the Emergency Action Plan if they determine
35 that it complies with the requirements of this subsection and will protect
36 public health, safety, and welfare; the environment; and natural resources.

37 ...

38 (6) Information included in an Emergency Action Plan that constitutes sensitive
39 public security information, as provided in G.S. 132-1.7, shall be maintained
40 as confidential information and shall not be subject to disclosure under the
41 Public Records Act. For purposes of this section, "sensitive public security
42 information" shall include Critical Energy Infrastructure Information
43 protected from disclosure under rules adopted by the Federal Energy
44 Regulatory Commission in ~~18 C.F.R. § 333.112~~; 18 C.F.R. § 388.112."

45 **SECTION 22.** G.S. 143-341.2(b)(3) reads as rewritten:

46 "(3) Auditor may audit submissions. – The State Auditor may audit submissions
47 made to the Department of Administration pursuant to subdivision (1) of this
48 subsection and may recover any costs incurred in ~~performing~~ performing
49 such an audit from the State Land Fund, in accordance with G.S. 146-72."

50 **SECTION 23.** G.S. 143B-168.5 reads as rewritten:

51 "§ 143B-168.5. Child Care – special unit.

1 There is established within the Department of Health and Human ~~Services~~ Services,
 2 Division of Child Development and Early Education, a special unit to deal primarily with
 3 violations involving child abuse and neglect in child care arrangements. The Child Care
 4 Commission shall make rules for the investigation of reports of child abuse or neglect and for
 5 administrative action when child abuse or neglect is substantiated, pursuant to G.S. 110-88(6a),
 6 110-105, ~~and 110-105.2, 110-105.3, 110-105.4, 110-105.5, and 110-105.6.~~"

7 **SECTION 24.** G.S. 143B-394.15(c) reads as rewritten:

8 "(c) Membership. – The Commission shall consist of ~~39~~ 38 members, who reflect the
 9 geographic and cultural regions of the State, as follows:

10 ...

11 (4) The following persons or their designees, ex officio:

- 12 a. The Governor.
- 13 b. The Lieutenant Governor.
- 14 c. The Attorney General.
- 15 d. The Secretary of ~~the Department of~~ Administration.
- 16 e. ~~The Secretary of the Department of Public Safety.~~
- 17 f. The Superintendent of Public Instruction.
- 18 g. The Secretary of Public Safety.
- 19 h. The Secretary of ~~the Department of~~ Health and Human Services.
- 20 i. The Director of the Office of State Human Resources.
- 21 j. The Chair of the North Carolina Council for Women.
- 22 k. The Dean of the School of Government at the University of North
 23 Carolina at Chapel Hill.
- 24 l. The Chairman of the Governor's Crime Commission."

25 **SECTION 24.1.** G.S. 143B-437.56(b) reads as rewritten:

26 "(b) The term of the grant shall not exceed the duration listed in this subsection. The first
 27 grant payment must be made within six years after the date on which the grant was awarded.
 28 The number of years in the base period for which grant payments may be made shall not
 29 exceed five years. ~~[Maximum durations are:]~~ Maximum durations are:

- 30 (1) For high-yield projects in which the business receives the enhanced
 31 percentage pursuant to subsection (a1) of this section, 20 years starting with
 32 the first year a grant payment is made. If a business is disqualified from the
 33 enhanced percentage in one of the first 12 years, the term of the grant shall
 34 not exceed 12 years starting with the first year a grant payment is made. If a
 35 business is disqualified from receiving the enhanced percentage after the
 36 first 12 years, the term of the grant ends in the year the disqualification
 37 occurs.
- 38 (2) For all other projects, 12 years starting with the first year a grant payment is
 39 made."

40 **SECTION 25.** G.S. 143B-931(b) reads as rewritten:

41 "(b) The Department of Public Safety may provide a criminal history record check to the
 42 board of directors of a regional school of a person who is employed at a regional school or of a
 43 person who has applied for employment at a regional school if the employee or applicant
 44 consents to the record check. The Department may also provide a criminal history record check
 45 of school personnel as defined in ~~G.S. 115C-238.56N~~ G.S. 115C-238.73 by fingerprint card to
 46 the board of directors of the regional school from the National Repositories of Criminal
 47 Histories, in accordance with ~~G.S. 115C-238.56N~~ G.S. 115C-238.73. The information shall be
 48 kept confidential by the board of directors of the regional school as provided in ~~G.S.~~
 49 ~~115C-238.56N~~ G.S. 115C-238.73."

50 **SECTION 26.** G.S. 143C-6-4(b) reads as rewritten:

1 "(b) Budget Adjustments. – Notwithstanding the provisions of G.S. 143C-6-1, a State
2 agency may, with approval of the Director of the Budget, spend more than was appropriated in
3 the certified budget by adjusting the authorized budget for all of the following:

- 4 (1) Line items within programs. – An object or line item within a purpose or
5 program so long as the total amount expended for the purpose or program is
6 no more than was authorized in the certified budget for the purpose or
7 program.
- 8 (2) Responses to extraordinary events. – A purpose or program if the
9 overexpenditure of the purpose or program is:
 - 10 a. Required by a court or Industrial Commission order;
 - 11 b. Authorized under ~~G.S. 166A-19.40(a)~~ G.S. 166A-19.40(a)(1) and (c)
12 of the North Carolina Emergency Management Act; or
 - 13 c. Required to call out the North Carolina National Guard.
- 14 (3) Responses to unforeseen circumstances. – A purpose or program not subject
15 to the provisions of subdivision (b)(2) of this subsection, if each of the
16 following conditions is satisfied:
 - 17 a. The overexpenditure is required to continue the purpose or programs
18 due to complications or changes in circumstances that could not have
19 been foreseen when the budget for the fiscal period was enacted.
 - 20 b. The scope of the purpose or program is not increased.
 - 21 c. The overexpenditure is authorized on a one-time nonrecurring basis
22 for one year only, unless the overexpenditure is the result of (i) salary
23 adjustments authorized by law or (ii) the establishment of
24 time-limited positions funded with agency receipts."

25 **SECTION 27.** G.S. 146-9(b) reads as rewritten:

26 "(b) Notwithstanding subsection (a) of this section, or any other provision of law, prior
27 to expiration of a lease of mineral deposits in State lands, the Department of Administration or
28 other entity designated by the Department shall solicit competitive bids for lease of such
29 mineral deposits, which shall include a process for upset bids as described in this subsection.
30 An upset bid is an increased or raised bid whereby a person offers to lease such mineral rights
31 for an amount exceeding the highest bid received in response to the initial solicitation for
32 competitive bids, or the last upset bid, as applicable, by a minimum of five percent (5%). The
33 process shall provide that the Department or other designated entity that issued the solicitation
34 for competitive bids shall issue a notice of high bid to the person submitting the highest bid in
35 response to the initial solicitation for competitive bids, or the person submitting the last upset
36 bid, as applicable, and any other bidders that have submitted a bid in an amount seventy-five
37 percent (75%) or more of the highest bid received in response to the initial solicitation for
38 competitive bids, or the last upset bid, as applicable, of the highest bid received at that point
39 within 10 days of the closure of the bidding period, as provided in the solicitation for
40 competitive bids, through notice delivered by any means authorized under G.S. 1A-1, Rule 4.
41 Thereafter, an upset bid may be made by delivering to the Department or other designated
42 entity, subject to all of the following requirements and conditions:

- 43 ...
- 44 (4) When an upset bid is made as provided in this subsection, the Department or
45 other designated entity shall notify ~~to~~ the highest prior bidder, and any other
46 bidders that have submitted a bid in an amount seventy-five percent (75%)
47 or more of the current high bid received in response to the initial solicitation
48 for competitive bids, or the last upset bid, as applicable.

49 "
50 **SECTION 28.** G.S. 147-12(a) reads as rewritten:

1 "(a) In addition to the powers and duties prescribed by the Constitution, the Governor
2 has the powers and duties prescribed in this and the following sections:

3 (1) To supervise the official conduct of all executive and ministerial officers;
4 and when the Governor deems it advisable to visit all State institutions for
5 the purpose of inquiring into the management and needs of the same.

6 ...

7 (12) To name and locate State government buildings, monuments, memorials,
8 and improvements, as provided by ~~G.S. 143B-373(1)~~.G.S. 143B-373(a)(1).

9 "

10 **SECTION 28.1.(a)** G.S. 147-69.2(b) reads as rewritten:

11 "(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated
12 in subsection (a) of this section in excess of the amount required to meet the current needs and
13 demands on ~~such~~ these funds. The State Treasurer may invest the funds as provided in this
14 subsection in the manner authorized by subsection (e) of this section. If an investment was
15 authorized by this subsection at the time the investment was made or contractually committed
16 to be made, then that investment shall continue to be authorized by this subsection, and none of
17 the percentage or other limitation on investments set forth in this subsection shall be construed
18 to require the State Treasurer to subsequently dispose of the investment or fail to honor any
19 contractual commitments as a result of changes in market values, ratings, or other investment
20 qualifications. For purposes of computing market values on which percentage limitations on
21 investments in this subsection are based, all investments shall be valued as of the last date of
22 the most recent fiscal quarter. Notwithstanding anything in this section to the contrary, the State
23 Treasurer shall categorize investment management arrangements according to the primary
24 investment type or primary strategy utilized under the arrangement authorized under subsection
25 (e) of this section. No investment management arrangement may be categorized in more than
26 one of the subdivisions of this section. ~~[The State Treasurer shall select from among the~~
27 ~~following investments subject to the following limitations and requirements:]~~The State
28 Treasurer shall select from among the following investments subject to the following
29 limitations and requirements:

30 (1) Investments authorized by G.S. 147-69.1(c)(1)-(7).

31 (2) General obligations of other states of the United States.

32 (3) General obligations of cities, counties and special districts in North Carolina.

33 (4) Obligations of any company, other organization or legal entity incorporated
34 or otherwise created or located within or outside the United States, including
35 obligations that are convertible into equity securities, if, when acquired, the
36 obligations are within one of the four highest rating categories regardless of
37 gradations, such as ratings beginning with "AAA," "AA," "A," or either
38 "BBB" or "Baa," of at least one nationally recognized rating service
39 designated by the U.S. Securities and Exchange Commission.

40 (5) Repealed by Session Laws 2001-444, s. 2, effective October 1, 2001.

41 (6) Asset-backed securities (whether considered debt or equity), if, when
42 acquired, the obligations are within one of the four highest ratings categories
43 regardless of gradations, such as ratings beginning with "AAA," "AA," "A,"
44 or either "BBB" or "Baa," of at least one nationally recognized rating service
45 designated by the U.S. Securities and Exchange Commission.

46 (6a) In addition to the limitations and requirements with respect to the
47 investments of the Retirement Systems set forth in this subsection, the State
48 Treasurer shall select investments of the assets of the Retirement Systems
49 such that investments made pursuant to subdivisions (b)(1) through (6) of
50 this section shall at all times equal or exceed twenty percent (20%) of the
51 market value of all invested assets of the Retirement Systems.

- 1 (6b) Repealed by Session Laws 2016-55, s. 1.3, effective January 31, 2017.
- 2 (6c) With respect to Retirement Systems' assets referred to in subdivision (b)(8),
3 they may be invested, within or outside the United States, in obligations,
4 debt securities, and asset-backed securities, whether considered debt or
5 equity, including obligations and securities convertible into other securities,
6 that do not meet the requirements of any of subdivisions (b)(1) through (6)
7 of this section nor subdivision (b)(7) of this section. The amount invested
8 under this subdivision shall not exceed seven and one-half percent (7.5%) of
9 the market value of all invested assets of the Retirement Systems.
- 10 (7) Retirement Systems' assets referred to in subdivision (8) of this subsection
11 may be invested in strategies managed primarily for the purpose of owning
12 real estate or related debt financing, excluding asset-backed financing and
13 timberlands, located within or outside the United States. The amount
14 invested under this subdivision shall not exceed ten percent (10%) of the
15 market value of all invested assets of the Retirement Systems.
- 16 (8) With respect to assets of the Teachers' and State Employees' Retirement
17 System, the Consolidated Judicial Retirement System, the Firefighters' and
18 Rescue Workers' Pension Fund, the Local Governmental Employees'
19 Retirement System, the Legislative Retirement System, the North Carolina
20 National Guard Pension Fund, the Registers of Deeds' Supplemental Pension
21 Fund, and the Retiree Health Benefit Fund (hereinafter referred to
22 collectively as the Retirement Systems), they may be invested in a strategy
23 composed primarily of equity securities traded on a public securities
24 exchange or market organized and regulated pursuant to the laws of the
25 jurisdiction of ~~such~~the exchange or market and issued by any company
26 incorporated or otherwise created or located within or outside the United
27 States; ~~provided~~States as long as the investments meet the conditions of this
28 subdivision. The investments authorized for the Retirement Systems under
29 this subdivision are subject to the following limitations:
- 30 a. Repealed by Session Laws 2016-55, s. 1.3, effective January 31,
31 2017.
- 32 a1. The aggregate amount of ~~such~~the investments cannot exceed
33 sixty-five percent (65%) of the market value of all invested assets of
34 the Retirement Systems.
- 35 b. The aggregate amount of the investment invested through investment
36 companies described in sub-subdivision (e)(4)b. of this section shall
37 not exceed eight and one-half percent (8.5%) of the market value of
38 all invested assets of the Retirement Systems, except that the market
39 value of group trusts and individual, common, or collective trust
40 funds of banks and trust companies shall not be applied against this
41 limit.
- 42 c. Repealed by Session Laws 2016-55, s. 1.3, effective January 31,
43 2017.
- 44 (9) With respect to Retirement Systems' assets, as defined in subdivision (b)(8)
45 of this subsection, they may be invested in (i) a strategy composed primarily
46 of private equity, or corporate buyout transactions, within or outside the
47 United States or (ii) an arrangement authorized under subsection (e) of this
48 section with the primary purpose to engage in other strategies not expressly
49 authorized by any other subdivision of this subsection. The amount invested
50 under this subdivision shall not exceed eight and three-quarters percent
51 (8.75%) of the market value of all invested assets of the Retirement Systems.

1 (9a) With respect to Retirement Systems' assets, as defined in subdivision (b)(8)
2 of this subsection, they may be invested, within or outside the United States,
3 in obligations, debt securities, asset-backed securities, whether considered
4 debt or equity, and other investments that are acquired by the Treasurer for
5 the primary purpose of providing protection against risks associated with
6 inflation, along with timberland, natural resources, commodities,
7 infrastructure, transportation, agriculture, and other tangible and intangible
8 real assets. The amount invested under this subdivision shall not exceed
9 seven and one-half percent (7.5%) of the market value of all invested assets
10 of the Retirement Systems.

11 (10) Recodified as part of subdivision (b)(9) by Session Laws 2000-160, s. 2.

12 (10a) With respect to Retirement Systems' assets, as defined in subdivision (8) of
13 this subsection, the market value of any of subdivision (6c) or (7),
14 sub-subdivision b. of subdivision (8), or subdivision (9) or (9a) of this
15 subsection shall not exceed ten percent (10%) of the market value of all
16 invested assets of the Retirement Systems; and the aggregate market value of
17 all assets invested pursuant to subdivisions (6c) and (7), sub-subdivision b.
18 of subdivision (8), and subdivisions (9) and (9a) of this subsection shall not
19 exceed thirty-five percent (35%) of the market value of all invested assets of
20 the Retirement Systems.

21 (11) Repealed by Session Laws 2013-360, s. 6.3(c), effective July 1, 2013.

22 (12) It is the intent of the General Assembly that the Escheat Fund provide a
23 perpetual and sustainable source of funding for the purposes authorized by
24 the State Constitution. Accordingly, the following provisions apply:

25 a. With respect to assets of the Escheat Fund, in addition to those
26 investments authorized by subdivisions (1) through (6) of this
27 subsection, up to ten percent (10%) of ~~such~~the assets may be
28 invested in the investments authorized under subdivisions (6c)
29 through (9a) of this subsection, notwithstanding the percentage
30 limitations imposed on the Retirement Systems' investments under
31 those subdivisions, and provided that the State Treasurer may invest
32 the assets as provided in subsection (e) of this section.

33 b. Repealed by Session Laws 2016-55, s. 1.3, effective January 31,
34 2017.

35 c. The State Treasurer shall invest, in addition to those investments
36 authorized by sub-subdivision a. of this subdivision, ten percent
37 (10%) of the net assets of the Escheat Fund as authorized under
38 G.S. 147-69.2A."

39 **SECTION 28.1.(b)** G.S. 147-69.12(c) reads as rewritten:

40 "(c) The Treasurer shall report to the Governor annually and to the General Assembly at
41 the beginning of each biennial session the exact balance in the treasury to the credit of the
42 State, with a summary of the receipts and payments of the treasury during the preceding fiscal
43 year, and so far as practicable an account of the same down to the termination of the current
44 calendar year. ~~Reserved.~~"

45 **SECTION 29.** G.S. 153A-340(h) reads as rewritten:

46 "(h) As provided in this subsection, counties may adopt temporary moratoria on any
47 ~~county development approval required by law.~~ county development approval required by law,
48 except for the purpose of developing and adopting new or amended plans or ordinances as to
49 residential uses. The duration of any moratorium shall be reasonable in light of the specific
50 conditions that warrant imposition of the moratorium and may not exceed the period of time
51 necessary to correct, modify, or resolve such conditions. Except in cases of imminent and

1 substantial threat to public health or safety, before adopting an ordinance imposing a
2 development moratorium with a duration of 60 days or any shorter period, the board of
3 commissioners shall hold a public hearing and shall publish a notice of the hearing in a
4 newspaper having general circulation in the area not less than seven days before the date set for
5 the hearing. A development moratorium with a duration of 61 days or longer, and any
6 extension of a moratorium so that the total duration is 61 days or longer, is subject to the notice
7 and hearing requirements of G.S. 153A-323. Absent an imminent threat to public health or
8 safety, a development moratorium adopted pursuant to this section shall not apply to any
9 project for which a valid building permit issued pursuant to G.S. 153A-357 is outstanding, to
10 any project for which a conditional use permit application or special use permit application has
11 been accepted, to development set forth in a site-specific or phased development plan approved
12 pursuant to G.S. 153A-344.1, to development for which substantial expenditures have already
13 been made in good faith reliance on a prior valid administrative or quasi-judicial permit or
14 approval, or to preliminary or final subdivision plats that have been accepted for review by the
15 county prior to the call for public hearing to adopt the moratorium. Any preliminary
16 subdivision plat accepted for review by the county prior to the call for public hearing, if
17 subsequently approved, shall be allowed to proceed to final plat approval without being subject
18 to the moratorium.

19 Any ordinance establishing a development moratorium must expressly include at the time
20 of adoption each of the following:

- 21 (1) A clear statement of the problems or conditions necessitating the moratorium
22 and what courses of action, alternative to a moratorium, were considered by
23 the county and why those alternative courses of action were not deemed
24 adequate.
- 25 (2) A clear statement of the development approvals subject to the moratorium
26 and how a moratorium on those approvals will address the problems or
27 conditions leading to imposition of the moratorium.
- 28 (3) An express date for termination of the moratorium and a statement setting
29 forth why that duration is reasonably necessary to address the problems or
30 conditions leading to imposition of the moratorium.
- 31 (4) A clear statement of the actions, and the schedule for those actions, proposed
32 to be taken by the county during the duration of the moratorium to address
33 the problems or conditions leading to imposition of the moratorium.

34 No moratorium may be subsequently renewed or extended for any additional period unless
35 the city shall have taken all reasonable and feasible steps proposed to be taken by the county in
36 its ordinance establishing the moratorium to address the problems or conditions leading to
37 imposition of the moratorium and unless new facts and conditions warrant an extension. Any
38 ordinance renewing or extending a development moratorium must expressly include, at the
39 time of adoption, the findings set forth in subdivisions (1) through (4) of this subsection,
40 including what new facts or conditions warrant the extension.

41 Any person aggrieved by the imposition of a moratorium on development approvals
42 required by law may apply to the appropriate division of the General Court of Justice for an
43 order enjoining the enforcement of the moratorium, and the court shall have jurisdiction to
44 issue that order. Actions brought pursuant to this section shall be set down for immediate
45 hearing, and subsequent proceedings in those actions shall be accorded priority by the trial and
46 appellate courts. In any such action, the county shall have the burden of showing compliance
47 with the procedural requirements of this subsection."

48 **SECTION 30.** G.S. 160A-332(a) reads as rewritten:

49 "(a) The suppliers of electric service inside the corporate limits of any city in which a
50 secondary supplier was furnishing electric service on the determination date (as defined in G.S.

1 ~~160A-331(1)~~ date, as defined in G.S. 160A-331(1b), shall have rights and be subject to
2 restrictions as follows:

3"

4 **SECTION 31.(a)** G.S. 160A-372(e) reads as rewritten:

5 "(e) The ordinance may provide that a developer may provide funds to the city whereby
6 the city may acquire recreational land or areas to serve the development or subdivision,
7 including the purchase of land that may be used to serve more than one subdivision or
8 development within the immediate area. All funds received by the city pursuant to this
9 ~~paragraph [subsection]~~ subsection shall be used only for the acquisition or development of
10 recreation, park, or open space sites. Any formula enacted to determine the amount of funds
11 that are to be provided under this ~~paragraph [subsection]~~ subsection shall be based on the value
12 of the development or subdivision for property tax purposes. The ordinance may allow a
13 combination or partial payment of funds and partial dedication of land when the governing
14 body of the city determines that this combination is in the best interests of the citizens of the
15 area to be served."

16 **SECTION 31.(b)** G.S. 160A-372(f) reads as rewritten:

17 "(f) The ordinance may provide that in lieu of required street construction, a developer
18 may be required to provide funds that the city may use for the construction of roads to serve the
19 occupants, residents, or invitees of the subdivision or development and these funds may be used
20 for roads which serve more than one subdivision or development within the area. All funds
21 received by the city pursuant to this ~~paragraph [subsection]~~ subsection shall be used only for
22 development of roads, including design, land acquisition, and construction. However, a city
23 may undertake these activities in conjunction with the Department of Transportation under an
24 agreement between the city and the Department of Transportation. Any formula adopted to
25 determine the amount of funds the developer is to pay in lieu of required street construction
26 shall be based on the trips generated from the subdivision or development. The ordinance may
27 require a combination of partial payment of funds and partial dedication of constructed streets
28 when the governing body of the city determines that a combination is in the best interests of the
29 citizens of the area to be served."

30 **SECTION 31.1.** G.S. 160A-536 reads as rewritten:

31 **"§ 160A-536. Purposes for which districts may be established.**

32 ...

33 (d) Contracts. – A city may provide services, facilities, functions, or promotional and
34 developmental activities in a service district with its own forces, through a contract with
35 another governmental agency, through a contract with a private agency, or by any combination
36 thereof. Any contracts entered into pursuant to this subsection shall comply with all of the
37 following criteria:

- 38 (1) The contract shall specify the purposes for which city moneys are to be used
39 for that service district.
40 (2) The contract shall require an appropriate accounting for those moneys at the
41 end of each fiscal year or other appropriate period. ~~The~~ For contracts entered
42 into on or after June 1, 2016, the appropriate accounting shall include the
43 name, location, purpose, and amount paid to any person or persons with
44 whom the private agency contracted to perform or complete any purpose for
45 which the city moneys were used for that service district.

46 (d1) Additional Requirements for Certain Contracts. – In addition to the requirements of
47 subsection (d) of this section, if the city enters into a contract with a private agency for a
48 service district under subdivision (a)(1a), (2), or (2a) of this section, the city shall comply with
49 all of the following:

- 50 (1) The city shall solicit input from the residents and property owners as to the
51 needs of the service district prior to entering into the contract.

- 1 (2) Prior to entering into, or the renewal of, any contract under this section, the
 2 city shall use a bid process to determine which private agency is best suited
 3 to achieve the needs of the service district. The city shall determine criteria
 4 for selection of the private agency and shall select a private agency in
 5 accordance with those criteria. If the city determines that a multiyear
 6 contract with a private agency is in the best interest of the city and the
 7 service district, the city may enter into a multiyear contract not to exceed
 8 five years in length.
- 9 (3) The city shall hold a public hearing prior to entering into the contract, which
 10 shall be noticed by publication in a newspaper of general circulation, for at
 11 least two successive weeks prior to the public hearing, in the service district.
- 12 (4) The city shall require the private agency to report annually to the city, by
 13 presentation in a city council meeting and in written report, regarding the
 14 needs of the service district, completed projects, and pending projects. Prior
 15 to the annual report, the private agency shall seek input of the property
 16 owners and residents of the service district regarding needs for the upcoming
 17 year.
- 18 (5) The contract shall specify the scope of services to be provided by the private
 19 agency. Any changes to the scope of services shall be approved by the city
 20 council.

21"

22 **SECTION 32.(a)** Section 7.1 of S.L. 2014-107 reads as rewritten:

23 "**SECTION 7.1.** Section 5.1 of this act applies to all trusts created before, on, or after the
 24 effective date of this act. Except as otherwise provided, this act is effective when it becomes
 25 law."

26 **SECTION 32.(b)** This section becomes retroactively effective August 6, 2014.

27 **SECTION 33.** The introductory language of Section 54.5(b) of S.L. 2015-264
 28 reads as rewritten:

29 "~~SECTION 54.5.(b)~~ ~~Section 32.2(e)~~ Section 32.3(c) of S.L. 2015-241 reads as rewritten:"

30 **SECTION 33.1.** Section 2 of S.L. 2016-102 reads as rewritten:

31 "**SECTION 2.** The changes made in Section 1 of this act are effective unless either or both
 32 of the decisions of the United States District Court for the Middle District of North Carolina
 33 ruling G.S. 14-208.18(a)(2) and ~~G.S. 14-408.18(a)(3)~~ G.S. 14-208.18(a)(3) unconstitutional, as
 34 they existed prior to the enactment of this act, are stayed or overturned by a higher court on
 35 appeal, in which case the appropriate portion of the prior version of the statute to which the
 36 decision pertained is again effective as follows:

- 37 (1) If the ruling enjoining enforcement of G.S. 14-208.18(a)(2) is stayed or
 38 overturned, the changes made to subsection (c) of G.S. 14-208.18 by Section
 39 1 of this act shall be repealed.
- 40 (2) If the ruling enjoining enforcement of G.S. 14-208.18(a)(3) is stayed or
 41 overturned, the changes made to subdivision (3) of subsection (a) of
 42 G.S. 14-208.18 by Section 1 of this act shall be repealed."

43 **SECTION 33.2.** The introductory language of Section 6(c) of S.L. 2016-108 reads
 44 as rewritten:

45 "~~SECTION 6.(c)~~ ~~G.S. 136-6(o)~~ G.S. 135-6(o) reads as rewritten:"

46 **SECTION 33.3.** Section 2(m) of S.L. 2016-117 is rewritten to read:

47 "**SECTION 2.(m)** The title of Article 1D of Chapter 90 of the General Statutes reads as
 48 rewritten:

49 "Article 1D.

50 "~~Peer Review.~~ Health Program for Medical Professionals."

1 **SECTION 33.4.(a)** The introductory language of Section 6.1(a) of S.L. 2016-123
2 reads as rewritten:

3 **"SECTION 6.1.(a)** If House Bill 1030, 2015 Regular Session, becomes law, then
4 ~~G.S. 13-202.1(f)~~, G.S. 113-202.1(f), as enacted by Section 14.11(b) of that act, reads as
5 rewritten:".

6 **SECTION 33.4.(b)** The introductory language of Section 6.1(b) of S.L. 2016-123
7 reads as rewritten:

8 **"SECTION 6.1.(b)** If House Bill 1030, 2015 Regular Session, becomes law, then
9 ~~G.S. 13-202.2(f)~~, G.S. 113-202.2(f), as enacted by Section 14.11(c) of that act, reads as
10 rewritten:".

11 **SECTION 34.(a)** The Revisor of Statutes shall cause to be printed an explanatory
12 comment to G.S. 36C-1-112, prepared by the Estate Planning and Fiduciary Law Section of the
13 North Carolina Bar Association, that Section having originally prepared Chapter 36C of the
14 General Statutes for introduction in 2005, as the Revisor may deem appropriate.

15 **SECTION 34.(b)** The Revisor of Statutes shall cause to be printed all explanatory
16 comments of the drafters of Sections 12 and 13(b) and 13(c) of this act, as the Revisor may
17 deem appropriate.

18 **PART II. OTHER TECHNICAL, CONFORMING, AND CLARIFYING** 19 **AMENDMENTS**

20 **SECTION 35.** G.S. 12-3 is amended by adding two new subdivisions to read:

21 **"(16)** "Husband and Wife" and similar terms. – The words "husband and wife,"
22 "wife and husband," "man and wife," "woman and husband," "husband or
23 wife," "wife or husband," "man or wife," "woman or husband," or other
24 terms suggesting two individuals who are then lawfully married to each
25 other shall be construed to include any two individuals who are then lawfully
26 married to each other.

27 **(17)** "Widow" and "Widower." – The words "widow" and "widower" mean the
28 surviving spouse of a deceased individual."

29 **SECTION 35.1.** The catch line of G.S. 42-45.2 reads as rewritten:

30 **"§ 42-45.2. Early termination of rental agreement by ~~military and~~ tenants residing in**
31 **certain foreclosed property."**

32 **SECTION 36.** G.S. 58-37-1(6) reads as rewritten:

33 **"(6)** "Motor vehicle" means every self-propelled vehicle that is designed for use
34 upon a highway, including trailers and semitrailers designed for use with
35 such vehicles (except traction engines, road rollers, farm tractors, tractor
36 cranes, power shovels, and well drillers). "Motor vehicle" also means a
37 motorcycle, as defined in G.S. 20-4.01(27)d., and a moped, as defined in
38 ~~G.S. 20-4.01(27)d1.~~, ~~or~~ G.S. 20-4.01(27)d1. "Motor vehicle" does not mean
39 an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."
40

41 **SECTION 37.(a)** G.S. 90-12.7(c) reads as rewritten:

42 **"(c)** A pharmacist may dispense an opioid antagonist to a person described in
43 subdivision ~~(b)(1)~~ (1) of subsection (b) of this section pursuant to a prescription issued pursuant
44 to subsection (b) of this section. For purposes of this section, the term "pharmacist" is as
45 defined in G.S. 90-85.3."

46 **SECTION 37.(b)** If House Bill 243, 2017 Regular Session, becomes law, this
47 section is repealed.

48 **SECTION 38.** G.S. 90-96 reads as rewritten:

49 **"§ 90-96. Conditional discharge for first offense.**

50 **(a)** Whenever any person who has not previously been convicted of (i) any felony
51 offense under any state or federal laws; (ii) any offense under this Article; or (iii) an offense

1 under any statute of the United States or any state relating to those substances included in
2 Article 5 or 5A of Chapter 90 or to that paraphernalia included in Article 5B of Chapter 90 of
3 the General Statutes pleads guilty to or is found guilty of (i) a misdemeanor under this Article
4 by possessing a controlled substance included within Schedules I through VI of this Article or
5 by possessing drug paraphernalia as prohibited by ~~G.S. 90-113.22~~, G.S. 90-113.22 or
6 G.S. 90-113.22A or (ii) a felony under G.S. 90-95(a)(3), the court shall, without entering a
7 judgment of guilt and with the consent of ~~such the~~ person, defer further proceedings and place
8 ~~him the person~~ on probation upon such reasonable terms and conditions as it may require,
9 unless the court determines with a written finding, and with the agreement of the District
10 Attorney, that the offender is inappropriate for a conditional discharge for factors related to the
11 offense. Notwithstanding the provisions of G.S. 15A-1342(c) or any other statute or law,
12 probation may be imposed under this section for an offense under this Article for which the
13 prescribed punishment includes only a fine. To fulfill the terms and conditions of probation the
14 court may allow the defendant to participate in a drug education program approved for this
15 purpose by the Department of Health and Human Services or in the Treatment for Effective
16 Community Supervision Program under Subpart B of Part 6 of Article 13 of Chapter 143B of
17 the General Statutes. Upon violation of a term or condition, the court may enter an adjudication
18 of guilt and proceed as otherwise provided. Upon fulfillment of the terms and conditions, the
19 court shall discharge ~~such the~~ person and dismiss the ~~proceedings against him~~ proceedings.
20 Discharge and dismissal under this section shall be without court adjudication of guilt and shall
21 not be deemed a conviction for purposes of this section or for purposes of disqualifications or
22 disabilities imposed by law upon conviction of a crime including the additional penalties
23 imposed for second or subsequent convictions under this Article. Discharge and dismissal
24 under this section or G.S. 90-113.14 may occur only once with respect to any person.
25 Disposition of a case to determine discharge and dismissal under this section at the district
26 court division of the General Court of Justice shall be final for the purpose of appeal. Prior to
27 taking any action to discharge and dismiss under this section the court shall make a finding that
28 the defendant has no record of previous convictions as provided in this subsection.

29 (a1) Upon the first conviction only of any offense which qualifies under the provisions
30 of subsection (a) of this section, and the provisions of this subsection, the court may place
31 defendant on probation under this section for an offense under this Article including an offense
32 for which the prescribed punishment includes only a fine. The probation, if imposed, shall be
33 for not less than one year and shall contain a minimum condition that the defendant who was
34 found guilty or pleads guilty enroll in and successfully complete, within 150 days of the date of
35 the imposition of said probation, the program of instruction at the drug education school
36 approved by the Department of Health and Human Services pursuant to G.S. 90-96.01. The
37 court may impose probation that does not contain a condition that defendant successfully
38 complete the program of instruction at a drug education school if:

- 39 (1) There is no drug education school within a reasonable distance of the
40 defendant's residence; or
- 41 (2) There are specific, extenuating circumstances which make it likely that
42 defendant will not benefit from the program of instruction.

43 The court shall enter such specific findings in the record; provided that in the case of
44 subdivision (2) above, such findings shall include the specific, extenuating circumstances
45 which make it likely that the defendant will not benefit from the program of instruction.

46 Upon fulfillment of the terms and conditions of the probation, the court shall discharge such
47 person and dismiss the proceedings against the person.

48 For the purposes of determining whether the conviction is a first conviction or whether a
49 person has already had discharge and dismissal, no prior offense occurring more than seven
50 years before the date of the current offense shall be considered. In addition, convictions for
51 violations of a provision of G.S. 90-95(a)(1) or 90-95(a)(2) or 90-95(a)(3), or 90-113.10, or

1 90-113.11, or 90-113.12, or ~~90-113.22~~ 90-113.22, or 90-113.22A shall be considered previous
2 convictions.

3 Failure to complete successfully an approved program of instruction at a drug education
4 school shall constitute grounds to revoke probation pursuant to this subsection and deny
5 application for expunction of all recordation of defendant's arrest, indictment, or information,
6 trial, finding of guilty, and dismissal and discharge pursuant to G.S. 15A-145.2. For purposes
7 of this subsection, the phrase "failure to complete successfully the prescribed program of
8 instruction at a drug education school" includes failure to attend scheduled classes without a
9 valid excuse, failure to complete the course within 150 days of imposition of probation, willful
10 failure to pay the required fee for the course as provided in G.S. 90-96.01(b), or any other
11 manner in which the person fails to complete the course successfully. The instructor of the
12 course to which a person is assigned shall report any failure of a person to complete
13 successfully the program of instruction to the court which imposed probation. Upon receipt of
14 the instructor's report that the person failed to complete the program successfully, the court
15 shall revoke probation, shall not discharge such person, shall not dismiss the proceedings
16 against the person, and shall deny application for expunction of all recordation of defendant's
17 arrest, indictment, or information, trial, finding of guilty, and dismissal and discharge pursuant
18 to G.S. 15A-145.2. A person may obtain a hearing before the court of original jurisdiction prior
19 to revocation of probation or denial of application for expunction.

20 This subsection is supplemental and in addition to existing law and shall not be construed
21 so as to repeal any existing provision contained in the General Statutes of North Carolina.

22 (b) Upon the discharge of such person, and dismissal of the proceedings against the
23 person under subsection (a) or (a1) of this section, such person, if he or she was not over 21
24 years of age at the time of the offense, may be eligible to apply for expunction of certain
25 records relating to the offense pursuant to G.S. 15A-145.2(a).

26 (c) Repealed by Session Laws 2009-510, s. 8(b), effective October 1, 2010.

27 (d) Whenever any person is charged with a misdemeanor under this Article by
28 possessing a controlled substance included within Schedules I through VI of this Article or a
29 felony under G.S. 90-95(a)(3), upon dismissal by the State of the charges against such person,
30 upon entry of a nolle prosequi, or upon a finding of not guilty or other adjudication of
31 innocence, the person may be eligible to apply for expunction of certain records relating to the
32 offense pursuant to G.S. 15A-145.2(b).

33 (e) Whenever any person who has not previously been convicted of (i) any felony
34 offense under any state or federal laws; (ii) any offense under this Article; or (iii) an offense
35 under any statute of the United States or any state relating to controlled substances included in
36 any schedule of this Article or to that paraphernalia included in Article 5B of Chapter 90 of the
37 General Statutes pleads guilty to or has been found guilty of (i) a misdemeanor under this
38 Article by possessing a controlled substance included within Schedules I through VI of this
39 Article, or by possessing drug paraphernalia as prohibited by G.S. 90-113.22 or
40 G.S. 90-113.22A, or (ii) a felony under G.S. 90-95(a)(3), the person may be eligible to apply
41 for cancellation of the judgment and expunction of certain records related to the offense
42 pursuant to G.S. 15A-145.2(c).

43 (f) Repealed by Session Laws 2009-577, s. 6, effective December 1, 2009, and
44 applicable to petitions for expunctions filed on or after that date."

45 **SECTION 39.(a)** G.S. 90-414.5(a) reads as rewritten:

46 "(a) The Authority shall provide the Department and the State Health Plan for Teachers
47 and State Employees secure, real-time access to data and information disclosed through the
48 HIE Network, solely for the purposes set forth in ~~subsection (a) of this section~~ G.S. 90-414.4(a)
49 and in G.S. 90-414.2. The Authority shall limit access granted to the State Health Plan for
50 Teachers and State Employees pursuant to this section to data and information disclosed

1 through the HIE Network that pertains to services (i) rendered to teachers and State employees
2 and (ii) paid for by the State Health Plan."

3 **SECTION 39.(b)** G.S. 90-414.7(b) reads as rewritten:

4 "(b) Powers and Duties. – The Authority has the following powers and duties:

5 (1) Oversee and administer the HIE Network in a manner that ensures all of the
6 following:

7 ...

8 h. Minimization of the amount of data required to be submitted under
9 ~~G.S. 90-414(b)~~ G.S. 90-414.4(b) and any use or disclosure of such
10 data to what is determined by the Authority to be required in order to
11 advance the purposes set forth in G.S. 90-414.2 and ~~G.S.~~
12 ~~90-414(a)~~ G.S. 90-414.4(a)."

13 **SECTION 40.(a)** If House Bill 630, 2017 Regular Session, becomes law,
14 G.S. 108A-74, as amended by Section 3.1(a) of that act, reads as rewritten:

15 "**§ 108A-74. ~~County departments~~ Counties required to enter into annual written**
16 **agreement for all social services programs other than medical assistance;**
17 **County department failure to provide child welfare services; State intervention**
18 **in or control of child welfare service delivery.**

19 ...

20 (a1) Beginning in fiscal year 2018-2019, the Secretary shall require all ~~departments of~~
21 ~~social services counties~~ to enter into a written agreement each year that specifies mandated
22 performance requirements and administrative responsibilities with regard to all social services
23 programs other than medical assistance.

24 (1) When possible, the mandated performance requirements shall be based upon
25 standardized metrics utilizing reliable data.

26 (2) The administrative responsibilities shall address, at a minimum, staff
27 training, data submission to the Department, and communication with the
28 Department.

29 (3) The written agreement may be standardized or may be tailored to address
30 issues in specific jurisdictions.

31 (4) The written agreement shall authorize the Department to withhold State and
32 federal funds in the event the department fails to satisfy mandated
33 performance requirements or comply with the terms of the agreement.

34"

35 **SECTION 40.(b)** If House Bill 630, 2017 Regular Session, becomes law, Section
36 3.1(b) of that act reads as rewritten:

37 "**SECTION 3.1.(b)** This section ~~becomes effective upon ratification~~ is effective when it
38 becomes law and applies to written agreements required pursuant to G.S. 108A-74(a1) for
39 fiscal years 2018-2019 and 2019-2020."

40 **SECTION 40.(c)** If House Bill 630, 2017 Regular Session, becomes law, then,
41 effective March 1, 2020, G.S. 108A-74, as amended by Sections 3.1(a) and 3.2(a) of that act
42 and by Section 40(a) of this act, reads as rewritten:

43 "**§ 108A-74. Counties ~~Local and regional social services departments~~ required to enter**
44 **into annual written agreement for all social services programs other than**
45 **medical assistance; ~~Local~~ local department failure to comply with the written**
46 **agreement or applicable law; corrective action; State intervention in or control**
47 **of child welfare service delivery.**

48 ...

49 (a2) The Secretary shall require all ~~departments of social services counties and regional~~
50 social services departments to enter into a written agreement each year that specifies mandated

1 performance requirements and administrative responsibilities with regard to all social services
2 programs other than medical assistance.

- 3 (1) The mandated performance requirements shall be based upon standardized
4 metrics utilizing data and outcome measures derived from the Social
5 Services System Transparency and Wellness Dashboard and other reliable
6 data sources.
- 7 (2) The administrative responsibilities shall address, at a minimum, staff
8 training, data submission to the Department, and communication with the
9 Department.
- 10 (3) The written agreement may be standardized or may be tailored to address
11 issues in specific jurisdictions.
- 12 (4) The written agreement shall authorize the Department to withhold State or
13 federal funds in the event the department fails to satisfy mandated
14 performance requirements or comply with the terms of the agreement or
15 applicable law.

16"

17 **SECTION 40.(d)** If House Bill 630, 2017 Regular Session, becomes law,
18 G.S. 108A-15.3D, as enacted by Section 4.1 of that act, reads as rewritten:

19 "**§ 108A-15.3D. Regional social services director.**

20 A regional social services director appointed by a regional social services board shall have
21 all the powers and duties of a director of social services provided by G.S. 108A-14 and other
22 applicable laws. The director shall also have the authority to enter contracts, in accordance with
23 the Local Government Finance Act, Chapter 159 of the General Statutes, on behalf of the
24 regional social services department."

25 **SECTION 40.(e)** If House Bill 630, 2017 Regular Session, becomes law, Section
26 4.6 of that act reads as rewritten:

27 "**SECTION 4.6.** Sections 4.1, 4.2, 4.3, and 4.4 become effective March 1, 2019. Section
28 ~~4.5 becomes effective upon ratification~~ is effective when it becomes law."

29 **SECTION 40.(f)** If House Bill 630, 2017 Regular Session, becomes law,
30 G.S. 7B-1001(a), as amended by Section 8(a) of that act and by Section 4 of S.L. 2017-7, reads
31 as rewritten:

32 "(a) In a juvenile matter under this Subchapter, appeal of a final order of the court shall
33 be made directly to the Court of Appeals, unless otherwise specified. Only the following
34 juvenile matters may be appealed:

35 ...

- 36 (5) An order under G.S. 7B-906.2(b) eliminating reunification, as defined by
37 G.S. 7B-101(18b), as a permanent plan by either of the following:
 - 38 a. A parent who is a party and:
 - 39 1. Has preserved the right to appeal the order in writing within
40 30 days after entry and service of the order.
 - 41 2. A termination of parental rights petition or motion has not
42 been filed within 65 days of entry and service of the order.
 - 43 3. A notice of appeal of the order eliminating reunification is
44 filed within 30 days after ~~entry and service of~~ the expiration
45 of the 65 days.
 - 46 b. A party who is a guardian or custodian with whom reunification is
47 not a permanent plan.

48 (6) ~~shall be made directly to the Supreme Court."~~

49 **SECTION 40.(g)** If House Bill 630, 2017 Regular Session, becomes law,
50 subsection (c) of this section becomes effective March 1, 2020, subsection (d) of this section
51 becomes effective March 1, 2019, subsection (f) of this section becomes effective January 1,

1 2019, and applies to appeals filed on or after that date, and the remainder of this section is
2 effective on the date House Bill 630 becomes law.

3 **SECTION 41.** G.S. 113-291.4A reads as rewritten:

4 **"§ 113-291.4A. Open seasons for taking foxes with firearms.**

5 (a) There is an open season for the taking of foxes with firearms in all areas of the State
6 east of Interstate Highway 77 and in Mitchell and Caldwell Counties from the beginning of the
7 season established by the Wildlife Resources Commission for the taking of rabbits and quail
8 through January 1 of each year. The selling, buying, or possessing for sale of any fox or fox
9 part taken pursuant to this subsection is prohibited, and is punishable as provided by
10 G.S. 113-294(a) or (j).

11 (b) The Wildlife Resources Commission shall establish appropriate bag and season
12 limits that may be imposed upon the taking of foxes pursuant to this ~~aet, section,~~ and may make
13 reasonable rules governing the possession of foxes killed by motor vehicles or other accidental
14 means."

15 **SECTION 41.5.** G.S. 115C-105.51 reads as rewritten:

16 **"§ 115C-105.51. Anonymous tip lines and monitoring and response applications.**

17 (a) Each local school administrative unit is encouraged to develop and operate an
18 anonymous tip line, in coordination with local law enforcement and social services agencies, to
19 receive anonymous information on internal or external risks to the school population, school
20 buildings, and school-related activities. The Department of Public ~~Safety, Instruction,~~ in
21 consultation with the Department of Public ~~Instruction, Safety,~~ may develop standards and
22 guidelines for the development, operation, and staffing of tip lines.

23 (b) The Department of Public ~~Safety, Division of Emergency Management, Instruction~~
24 and the Center for Safer Schools, in collaboration with the Department of Public ~~Instruction,~~
25 ~~Safety, Division of Emergency Management,~~ shall implement and maintain an anonymous
26 safety tip line application for purposes of receiving anonymous student information on internal
27 or external risks to the school population, school buildings, and school-related activities.

28"

29 **SECTION 42.** G.S. 115D-67.4 reads as rewritten:

30 **"§ 115D-67.4. Fees collected by the Center; purchases using Center funds.**

31 Notwithstanding any other provision of law, all fees collected by the Applied Textile
32 Technology Center for services to the textile industry, except for regular curriculum and
33 continuing education tuition receipts, shall be retained by the Center and used for the
34 operations of the Center. Purchases made by the Center using these funds are not subject to the
35 provisions of Article 3 of Chapter 143 of the General Statutes. However, the Center shall: (i)
36 submit all proposed agreements or contracts for supplies, materials, printing, equipment, and
37 contractual services that exceed one million dollars (\$1,000,000) authorized by this section to
38 the ~~Attorney General or the Attorney General's Secretary of Administration or the Secretary's~~
39 designee for review as provided in G.S. 114-8.3; and (ii) include in all agreements or contracts
40 to be awarded by the Center under this section a standard clause which provides that the State
41 Auditor and internal auditors of the Center may audit the records of the contractor during and
42 after the term of the contract to verify accounts and data affecting fees and performance. The
43 Center shall not award a cost plus percentage of cost agreement or contract for any purpose."

44 **SECTION 42.1.** G.S. 143-49(9) reads as rewritten:

45 "(9) To include a standard clause in all contracts awarded by the State and
46 departments, agencies, and institutions of the State, providing that the State
47 Auditor and internal auditors of the affected department, agency, or
48 institution may audit the records of the ~~contractor~~ contractor during and after
49 the term of the contract to verify accounts and data affecting fees or
50 performance."

51 **SECTION 43.** G.S. 143B-30.1(e) and (f) read as rewritten:

1 "(e) The Chief Administrative Law ~~Judge, Judge of the~~ Office of Administrative
2 ~~Hearings, Hearings shall assign the staff and designate the Director of the Commission in~~
3 ~~accordance with G.S. 7A-760.~~ designate, from among the employees of the Office of
4 Administrative Hearings, the staff of the Rules Review Commission.

5 (f) The Commission shall prescribe procedures and forms to be used in submitting rules
6 to the Commission for review. ~~The Commission may have computer access to the North~~
7 ~~Carolina Administrative Code to enable the Commission and its staff to view and copy rules in~~
8 ~~the Code."~~

9 **SECTION 44.** G.S. 143B-437.01(a)(6) reads as rewritten:

10 "(6) The funds shall not be used for any retail, entertainment, or sports projects.
11 The funds shall not be used for any nonmanufacturing project that does not
12 meet the wage standard for the development tier area or zone in which the
13 project is located. There is no wage standard for a development tier one area.
14 If an urban progress zone or an agrarian growth zone is not in a development
15 tier one area, then the wage standard for that zone is an average weekly
16 wage that is at least equal to ninety percent (90%) of the lesser of the
17 average wage for all insured private employers in the State and the average
18 wage for all insured private employers in the county in which the ~~datacenter~~
19 project is located. The wage standard for a development tier two area or a
20 development tier three area is an average weekly wage that is at least equal
21 to one hundred ten percent (110%) of the lesser of the average wage for all
22 insured private employers in the State and ninety percent (90%) of the
23 average wage for all insured private employers in the county in which the
24 ~~datacenter~~ project is located."

25 **SECTION 44.1.** G.S. 143B-1333(c) reads as rewritten:

26 "(c) Receipts shall be used solely for the purpose for which they were collected. In
27 coordination with the Office of the State Controller and the Office of State Budget and
28 Management, the State CIO shall ensure processes are established to manage federal receipts,
29 maximize those receipts, and ensure that federal receipts are correctly utilized."

30 **SECTION 45.** G.S. 147-12(b) reads as rewritten:

31 "(b) The Department of Transportation, the Division of Adult Correction of the
32 Department of Public Safety, the State Highway Patrol, the Wildlife Resources Commission,
33 the Division of Parks and Recreation in the ~~Department of Natural and Natural Resources~~
34 ~~{Department of Natural and Cultural Resources}~~, Department of Natural and Cultural
35 Resources, and the Division of Marine Fisheries in the Department of Environmental Quality
36 shall deliver to the Governor by February 1 of each year detailed information on the agency's
37 litter enforcement, litter prevention, and litter removal efforts. The Administrative Office of the
38 Courts shall deliver to the Governor, by February 1 of each year, detailed information on the
39 enforcement of the littering laws of the State, including the number of charges and convictions
40 under the littering laws of the State. The Governor shall gather the information submitted by
41 the respective agencies and deliver a consolidated annual report, on or before March 1 of each
42 year, to the Environmental Review Commission, the Joint Legislative Transportation Oversight
43 Committee, and the House of Representatives and the Senate appropriations committees with
44 jurisdiction over natural and economic resources."

45 **SECTION 45.5.** If Senate Bill 655, 2017 Regular Session, becomes law,
46 G.S. 163-213.4 reads as rewritten:

47 "**§ 163-213.4. Nomination by State Board of Elections.**

48 No later than 90 days preceding the North Carolina presidential preference primary, the
49 chair of each political party shall submit to the State Board of Elections a list of its presidential
50 candidates to be placed on the presidential preference primary ballot. The list must be
51 comprised of candidates whose candidacy is generally advocated and recognized in the news

1 media throughout the United States or in North Carolina, unless any such candidate executes
2 and files with the chair of the political party an affidavit stating without qualification that the
3 candidate is not and does not intend to become a candidate for nomination in the North
4 Carolina Presidential Preference Primary Election. The State Board of Elections shall prepare
5 and publish a list of the names of the presidential candidates submitted. The State Board of
6 Elections shall convene in Raleigh on the first Tuesday in ~~March~~ January preceding the
7 presidential preference primary ~~election~~ election, unless the first Tuesday in January is the first
8 day of that month, in which case the State Board shall meet on January 2. At the meeting
9 required by this section, the State Board of Elections shall nominate as presidential primary
10 candidates all candidates affiliated with a political party, recognized pursuant to the provisions
11 of Article 9 of Chapter 163 of the General Statutes, who have been submitted to the State Board
12 of Elections. Additionally, the State Board of Elections, by vote of at least three of its members
13 in the affirmative, may nominate as a presidential primary candidate any other person affiliated
14 with a political party that it finds is generally advocated and recognized in the news media
15 throughout the United States or in North Carolina as candidates for the nomination by that
16 party. Immediately upon completion of these requirements, the Board shall release to the news
17 media all such nominees selected. Provided, however, nothing shall prohibit the partial
18 selection of nominees prior to the meeting required by this section, if all provisions herein have
19 been complied with."

20 **SECTION 46.** Section 3 of S.L. 2016-81 reads as rewritten:

21 "**SECTION 3.** This act becomes effective ~~October 1, 2015~~ October 1, 2016."

22 **SECTION 47.** Reserved.

23 24 **PART III. ADJUST CERTAIN EDUCATION REPORT DATES**

25 **SECTION 48.(a)** G.S. 115C-12(25) reads as rewritten:

26 "(25) Duty to Report to Joint Legislative Education Oversight Committee. – Upon
27 the request of the Joint Legislative Education Oversight Committee, the
28 State Board shall examine and evaluate issues, programs, policies, and fiscal
29 information, and shall make reports to that Committee. Furthermore,
30 ~~beginning October 15, 2015, and annually thereafter, by November 15 of~~
31 each year, the State Board shall submit reports to that Committee regarding
32 schools identified as low-performing, school improvement plans found to
33 significantly improve student performance, personnel actions taken in
34 low-performing schools, and recommendations for additional legislation to
35 improve student performance and increase local flexibility."

36 **SECTION 48.(b)** G.S. 115C-296.13(e) reads as rewritten:

37 "(e) Annual State Board of Education Report. – The educator preparation program report
38 cards shall be submitted to the Joint Legislative Education Oversight Committee on an annual
39 basis by ~~December 15~~ March 15."

40 **SECTION 48.(c)** G.S. 115C-238.55 reads as rewritten:

41 "**§ 115C-238.55. Evaluation of cooperative innovative high schools.**

42 The State Board of Education and the governing Boards shall evaluate the success of
43 students in cooperative innovative high schools approved under this Part. Success shall be
44 measured by high school retention rates, high school completion rates, high school dropout
45 rates, certification and associate degree completion, admission to four-year institutions,
46 postgraduation employment in career or study-related fields, and employer satisfaction of
47 employees who participated in and graduated from the schools. The Boards shall jointly report
48 by ~~January 15~~ March 15 of each year to the Joint Legislative Education Oversight Committee
49 on the evaluation of these schools."

50 **SECTION 48.(d)** Section 1(b) of S.L. 2013-1, as amended by Section 16.1 of S.L.
51 2013-410 and by Section 89 of S.L. 2014-115, reads as rewritten:

1 "SECTION 1.(b) The State Board of Education shall make high school diploma
2 endorsements, as provided under this section, available to students graduating from high school
3 beginning with the 2014-2015 school year. The State Board of Education shall report to the
4 Joint Legislative Education Oversight Committee on the progress toward establishing specific
5 college and career endorsements for high school diplomas and for awarding these endorsements
6 by February 1, 2014. The State Board of Education shall submit the report on the impact of
7 awarding the high school endorsements on high school graduation, college acceptance and
8 remediation, and post-high school employment rates by ~~September 15, 2016,~~ November 15,
9 2016, and annually thereafter."

10 **SECTION 48.(e)** G.S. 115C-156.2(b) reads as rewritten:

11 "(b) Beginning in 2014, the State Board of Education shall report to the Joint Legislative
12 Education Oversight Committee by ~~September 15~~ November 15 of each year on the number of
13 students in career and technical education courses who earned (i) community college credit and
14 (ii) related industry certifications and credentials."

15 **SECTION 48.(f)** Section 8.29(e) of S.L. 2015-241 reads as rewritten:

16 "**SECTION 8.29.(e)** The Department of Public Instruction shall provide interim reports on
17 the grant program to the Joint Legislative Education Oversight Committee by September 15,
18 2016, with a final report on the program by ~~September 15, 2017.~~ November 15, 2017. The final
19 report shall include the final results of the program and recommendations regarding effective
20 after-school program models, standards, and performance measures based on student
21 performance, leveraging of community-based resources to expand student access to learning
22 activities and academic support, and the experience of the grant recipients."

23 **SECTION 48.(g)** G.S. 115C-83.10(c) reads as rewritten:

24 "(c) The State Board of Education shall establish a uniform format for local boards of
25 education to report the required information listed in subsections (a) and (b) of this section and
26 shall provide the format to local boards of education no later than 90 days prior to the annual
27 due date. The State Board of Education shall compile annually this information and submit a
28 State-level summary to the Governor, the President Pro Tempore of the Senate, the Speaker of
29 the House of Representatives, and the Joint Legislative Education Oversight Committee by
30 ~~October 15 of each year, beginning with the 2015-2016 school year.~~ December 15, 2016, and
31 annually thereafter."

32 **SECTION 48.(h)** G.S. 115C-174.26(h) reads as rewritten:

33 "(h) ~~Beginning November 15, 2014, the~~ The State Board of Education shall report
34 annually by December 15 to the Joint Legislative Education Oversight Committee on advanced
35 courses in North Carolina. The report shall include, at a minimum, the following information:

- 36 (1) The North Carolina Advanced Placement Partnership's report to the
37 Department of Public Instruction as required by subsection (g) of this section
38 and the State Board's assessment of that report.
- 39 (2) Number of students enrolled in advanced courses and participating in
40 advanced course examinations, including demographic information by
41 gender, race, and free and reduced-price lunch status.
- 42 (3) Student performance on advanced course examinations, including
43 information by course, local school administrative unit, and school.
- 44 (4) Number of students participating in 10th grade PSATMSQT testing.
- 45 (5) Number of teachers attending summer institutes offered by the North
46 Carolina Advanced Placement Partnership.
- 47 (6) Distribution of funding appropriated for advanced course testing fees and
48 professional development by local school administrative unit and school.
- 49 (7) Status and efforts of the North Carolina Advanced Placement Partnership.
- 50 (8) Other trends in advanced courses and examinations."

51 **SECTION 48.(i)** G.S. 115C-75.9(i) reads as rewritten:

1 "(i) Criminal History Checks. – The State Board of Education shall require applicants
2 for employment with the ASD to be checked for criminal histories using the process provided
3 in ~~G.S. 115C-297.1~~G.S. 115C-332. The State Board of Education shall provide the criminal
4 history it receives to the ASD Superintendent and AS operator."
5

6 **PART IV. EFFECTIVE DATE**

7 **SECTION 49.** Section 5 of this act becomes effective December 1, 2015. Except
8 as otherwise provided in this act, this act is effective when it becomes law.