

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 1043
PROPOSED COMMITTEE SUBSTITUTE H1043-PCS40542-SHfp-28

Short Title: COVID-19 Time Sensitive Matters.

(Public)

Sponsors:

Referred to:

April 28, 2020

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE LAW RELATED TO THE COVID-19
3 PUBLIC HEALTH CRISIS.

4 The General Assembly of North Carolina enacts:

5
6 **RULE 5 SERVICE DURING DECLARATION OF EMERGENCY**

7 **SECTION 1.(a)** G.S. 1A-1, Rule 5, reads as rewritten:

8 **"Rule 5. Service and filing of pleadings and other papers.**

9 ...

10 (b) Service – How made. – A pleading setting forth a counterclaim or cross claim shall
11 be filed with the court and a copy thereof shall be served on the party against whom it is asserted
12 or on the party's attorney of record as provided by this subsection.

13 With respect to all pleadings subsequent to the original complaint and other papers required
14 or permitted to be served, service shall be made upon the party's attorney of record and, if ordered
15 by the court, also upon the party. If the party has no attorney of record, service shall be made
16 upon the party. With respect to such other pleadings and papers, service with due return may be
17 made in a manner provided for service and return of process in Rule 4. Service under this
18 subsection may also be made by one of the following methods:

19 (1) Upon a party's attorney of record:

- 20 a. By delivering a copy to the attorney. Delivery of a copy within this
21 sub-subdivision means handing it to the attorney, leaving it at the
22 attorney's office with a partner or employee, or sending it to the
23 attorney's office by a confirmed telefacsimile transmittal for receipt by
24 5:00 P.M. Eastern Time on a regular business day, as evidenced by a
25 telefacsimile receipt confirmation. If receipt of delivery by
26 telefacsimile is after 5:00 P.M., service will be deemed to have been
27 completed on the next business day. Service may also be made on the
28 attorney by electronic mail (e-mail) to an e-mail address of record with
29 the court in the case. The e-mail shall be sent by 5:00 P.M. Eastern
30 Time on a regular business day. If the e-mail is sent after 5:00 P.M., it
31 will be deemed to have been sent on the next business day.

32 b. By mailing a copy to the attorney's office.

33 (2) Upon a party:

- 34 a. By delivering a copy to the party. Delivery of a copy within this
35 sub-subdivision means handing it to the party.



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- 1 b. By mailing a copy to the party at the party's last known address or, if
2 no address is known, by filing it with the clerk of court.
- 3 c. Service may also be made on the party by electronic mail (e-mail) if
4 the party has consented to receive e-mail service in the case at a
5 particular e-mail address, and a copy of the consent is filed with the
6 court by any party. The e-mail shall be sent by 5:00 P.M. Eastern Time
7 on a regular business day. If the e-mail is sent after 5:00 P.M., it will
8 be deemed to have been sent on the next business day.

9 Service by mail shall be complete upon deposit of the pleading or paper enclosed in a post-paid,
10 properly addressed wrapper in a post office or official depository under the exclusive care and
11 custody of the United States Postal Service.

12 (b1) Service – Certificate of Service. – A certificate of service shall accompany every
13 pleading and every paper required to be served on any party or nonparty to the litigation, except
14 with respect to pleadings and papers whose service is governed by Rule 4. The certificate shall
15 show the date and method of service or the date of acceptance of service and shall show the name
16 and service address of each person upon whom the paper has been served. If one or more persons
17 are served by facsimile ~~transmission, transmission~~ or electronic mail (e-mail), the certificate shall
18 also show the telefacsimile number or e-mail address of each person so served. Each certificate
19 of service shall be signed in accordance with and subject to Rule 11 of these rules.

20 "

21 **SECTION 1.(b)** This section is effective when it becomes law and expires August
22 1, 2020.

23 **EMERGENCY VIDEO NOTARIZATION**

24 **SECTION 2.(a)** G.S. 10B-3 is amended by adding a new subdivision to read:

25 "(7a) Emergency video notarization. – An acknowledgement, affirmation, or oath
26 notarization completed by a notary in compliance with the requirements of
27 G.S. 10B-25. Emergency video notarization shall not include a verification or
28 proof."

29 **SECTION 2.(b)** G.S. 10B-10 reads as rewritten:

30 "**§ 10B-10. Commission; oath of ~~office, office~~; emergency extension.**

31 ...

32 (b) ~~The~~ Except as provided in subsection (b1) of this section, the appointee shall appear
33 before the register of deeds no later than 45 days after commissioning and shall be duly qualified
34 by taking the general oath of office prescribed in G.S. 11-11 and the oath prescribed for officers
35 in G.S. 11-7.

36 (b1) Notwithstanding subsection (b) of this section, if the Secretary grants a commission
37 after March 9, 2020, and before August 1, 2020, the appointee shall have 90 days to appear before
38 the register of deeds to take the general oath of office. A register of deeds may administer the
39 required oath to such appointee using video conference technology, provided the appointee is
40 personally known to the register of deeds or the appointee provides satisfactory evidence of the
41 appointee's identity to the register of deeds. As used in this subsection, video conference
42 technology and satisfactory evidence are as defined in G.S. 10B-25.

43 ...

44 (e) If the appointee does not appear before the register of deeds within ~~45 days of~~
45 ~~commissioning,~~ the time prescribed in this section, the register of deeds must return the
46 commission to the Secretary, and the appointee must reapply for commissioning. If the appointee
47 reapplies within one year of the granting of the commission, the Secretary may waive the
48 educational requirements of this Chapter."

49 **SECTION 2.(c)** Part 3 of Article 1 of Chapter 10B of the General Statutes is
50 amended by adding a new section to read:
51

1 "§ 10B-25. Emergency video notarization.

2 (a) Notwithstanding any other provision of law, a notary may perform an emergency
3 video notarization using video conference technology, provided all of the requirements of this
4 section are satisfied. A notary who is not satisfied that the principal's identity has been proven by
5 satisfactory evidence shall not be required to complete an emergency video notarization. An
6 emergency video notarization shall not change any originality verification requirements for
7 recording with a register of deeds, clerk of superior court, or other government or private office
8 in this State. Nothing in this section shall apply to any notarization under Article 20 of Chapter
9 163 of the General Statutes.

10 (b) As used in this section, video conference technology is electronic communication
11 that:

12 (1) Occurs in real time.

13 (1a) Allows direct interaction between the principal seeking the notary's services
14 and the notary so that each can communicate simultaneously by sight and
15 sound through an electronic device or process.

16 (2) Includes audio with sound clear enough that each participant in the notarial
17 act can hear and understand all other participants.

18 (3) Has sufficient quality to allow a clear and unobstructed visual observation of
19 the face of each participant, and any identification provided by the principal
20 for a sufficient time to allow the notary to determine if it is satisfactory
21 evidence. The notary shall determine if the time is sufficient.

22 (4) Is not prerecorded video or audio or both.

23 (5) May be capable of recording by means of one of the following:

24 a. The video conference technology's recording and storage services.

25 b. An independent video recording device.

26 c. Electronically saved screenshots clearly showing each participant's
27 face, identification presented by the principal, and the notarized
28 document.

29 (c) The requirement of personal appearance, appear in person before a notary, physical
30 presence, and presence, as those terms are used in this Chapter, are satisfied for the purpose of
31 an emergency video notarization if the notary is physically present in North Carolina, the
32 principal verifies to the notary that he or she is physically present in North Carolina at the time
33 of the notarization, identifies the county where he or she is located at the time of the notarial act,
34 and the principal and notary use video conference technology that complies with the requirements
35 of this section.

36 (d) A notary who has personal knowledge of a principal may rely on the video conference
37 technology to verify the principal's identity unless the notary, in the notary's sole discretion,
38 requires satisfactory evidence. A notary who does not have personal knowledge of a principal
39 shall require satisfactory evidence of the principal's identity. The requirement of satisfactory
40 evidence, as that term is used in this Chapter, is satisfied for the purpose of an emergency video
41 notarization if identification of the principal is based on at least one document that meets all of
42 the following:

43 (1) Is current, or if expired, did not expire prior to March 10, 2020.

44 (2) Is issued by a federal, State, or federal or State-recognized tribal government
45 agency.

46 (3) Bears a photographic image of the principal's face.

47 (4) Has both the principal's signature and a physical description of the principal.

48 (e) The notary shall use video conference technology to observe each principal sign each
49 document that is to be notarized. The principal shall verbally state what documents are being
50 signed for the notarial record. After the document is signed by the principal, the principal or the
51 principal's designee shall do the following:

- 1 (1) If an original wet-signed notarization on an original wet-signed document is
2 not required, transmit a legible copy of the signed document to the notary by
3 fax or other electronic means on the same day it was signed. The notary shall
4 notarize the document on the same day the notary receives the document and
5 the notary shall transmit the notarized document back to the principal or the
6 principal's designee by physical delivery, fax, or other electronic means on the
7 same day the notary signed the document.
- 8 (2) If an original wet-signed notarization on an original wet-signed document is
9 required, transmit a legible copy of the signed document by fax or other
10 electronic means to the notary on the same day on which the document was
11 signed and also deliver the original signed document to the notary by mail or
12 other physical method. The notary shall compare the original document with
13 the document transmitted by fax or other electronic means. If the faxed or
14 electronic document is the same as the document received by mail or physical
15 delivery, the notary shall notarize the wet-signature on the original document
16 and date the notarial act as of the date of the act observed using video
17 conference technology and promptly transmit the original wet-notarized
18 original document to the principal or the principal's designee by mail or other
19 physical delivery as directed by the principal.
- 20 (f) If the notarial act is an oath or affirmation, the notary shall administer the oath or
21 affirmation to the affiant using video conference technology.
- 22 (g) An acknowledgement or jurat certificate for an emergency video notarization shall
23 include all of the following:
- 24 (1) The North Carolina county in which the notary public was located during the
25 emergency video notarization.
- 26 (2) The North Carolina county in which the principal stated he or she was
27 physically located during the emergency video notarization.
- 28 (3) The following statement:
- 29 I signed this notarial certificate on _____ (Date) according to the emergency video
30 notarization requirements contained in G.S. 10B-25.
- 31 (h) If an acknowledgement or jurat certificate provided to a notary does not include the
32 statement required by subsection (g) of this section, the notary shall insert the statement. By
33 making or giving a notarial certificate using emergency video notarization, whether or not stated
34 in the certificate, a notary certifies compliance with all the requirements of this section.
- 35 (i) A notary who performs an emergency video notarization shall record information
36 about the notarization in a notary journal that is the exclusive property of the notary. The journal
37 shall be retained by the notary for at least 10 years and may be maintained in electronic form.
38 The notary shall keep the journal in a secure location and shall not allow another person to make
39 entries in the journal. A notary may surrender the journal to the notary's employer upon
40 termination of employment, but the notary shall also keep and maintain an accurate copy of the
41 journal.
- 42 (j) At a minimum, for each emergency video notarization, the notary shall include the
43 following information in the journal:
- 44 (1) The time of day when the notary observed the signing of the document by
45 each principal and was presented with the principal's acceptable form of
46 identification.
- 47 (2) The date of the completion of the emergency video notarization notarial
48 certificate.
- 49 (3) The last and first name of each principal.
- 50 (4) The type of notarial act performed.
- 51 (5) The type of document notarized or proceeding performed.

1 (6) The type of acceptable form of identification presented, including, if
2 applicable, the issuing agency and identification number on the identification
3 presented.

4 (7) The type of video conference technology used during the emergency video
5 notarization.

6 (8) A statement that the notary and each principal could see and hear each other.

7 (9) Whether any other person was present with the principal at the time of
8 signature and if so, the name of that person.

9 (k) A third party involved in a transaction that utilizes an emergency video notarization
10 may require additional information to be included in the journal kept by the notary under
11 subsection (j) of this section such as inclusion of a recording in the notary's journal or the method
12 used by the notary to determine that a wet-signed original document is the same as the faxed or
13 electronically submitted document.

14 (l) As a public official, a notary shall maintain the confidentiality of a principal's
15 documents at all times.

16 (m) The Secretary may issue interpretive guidance or issue emergency or temporary rules
17 as necessary to ensure the integrity of the emergency video notarization measures provided for
18 in this section.

19 (n) This section shall expire at 12:01 A.M. on August 1, 2020; provided, however, all
20 notarial acts made in accordance with this section and while this section is in effect shall remain
21 effective and shall not need to be reaffirmed."

22 **SECTION 2.(d)** This section is effective when it becomes law.

23 24 **EMERGENCY VIDEO WITNESSING**

25 **SECTION 3.(a)** Chapter 10B of the General Statutes is amended by adding a new
26 Article to read:

27 "Article 3.

28 "Video Witnessing During State of Emergency.

29 **"§ 10B-200. Applicability.**

30 (a) This Article applies to the witnessing and signature of all records, as defined in
31 G.S. 10B-3(19), signed on or after the effective date of this act.

32 (b) This Article expires August 1, 2020.

33 (c) No action described in this Article constitutes a notarial act, as defined in
34 G.S. 10B-3(11), and no action described in this Article is governed by Articles 1 or 2 of this
35 Chapter.

36 **"§ 10B-201. Emergency video witnessing.**

37 (a) Notwithstanding any general or special law to the contrary, any person who witnesses
38 the signature of a record through video conference technology shall be considered an "in person"
39 witness and the record shall be considered to have been signed by the principal signer "in the
40 presence of" such witness, if the video conference technology allows for direct, real-time audio
41 and video interaction between each principal signer and the witness.

42 (b) Notwithstanding any general or special law to the contrary, an attesting witness to a
43 record shall be considered to have signed such record in the presence of the principal signer, if
44 all of the following are satisfied:

45 (1) The signature of the principal signer is witnessed by the attesting witness in
46 accordance with the requirements of subsection (a) of this section.

47 (2) The attesting witness immediately thereafter signs such record while the video
48 conference technology still allows for direct, real-time audio and video
49 interaction between the principal signer and the attesting witness.

50 (c) Any record witnessed pursuant to this section shall contain all of the following:

- 1 (1) A conspicuous statement indicating that the record was witnessed by one or
2 more witnesses physically located in the State of North Carolina pursuant to
3 this Article.
4 (2) The county in which each remote witness was physically located when
5 witnessing execution of the record.
6 (3) The county in which each principal signer was physically located during the
7 witnessed execution of the record.
8 (d) Notwithstanding any general or special law to the contrary, absent an express
9 prohibition in a legal document against signing in counterparts, any record witnessed pursuant to
10 this Article may be signed in counterpart, which counterparts, when combined, shall create a
11 single original record."

12 **SECTION 3.(b)** This section is effective when it becomes law.

13 **MASKS AND HOODS FOR THE PROTECTION OF HEALTH**

14 **SECTION 4.(a)** G.S. 14-12.11 reads as rewritten:

15 **"§ 14-12.11. Exemptions from provisions of Article.**

16 (a) ~~The~~ Any of the following are exempted from the provisions of G.S. 14-12.7, 14-12.8,
17 14-12.9, 14-12.10 and 14-12.14:

- 18 (1) Any person or persons wearing traditional holiday costumes in ~~season;~~ season.
19 (2) Any person or persons engaged in trades and employment where a mask is
20 worn for the purpose of ensuring the physical safety of the wearer, or because
21 of the nature of the occupation, trade or ~~profession;~~ profession.
22 (3) Any person or persons using masks in theatrical productions including use in
23 Mardi Gras celebrations and masquerade ~~balls;~~ balls.
24 (4) Persons wearing gas masks prescribed in civil defense drills and exercises or
25 ~~emergencies;~~ and emergencies.
26 (5) Any person or persons, as members or members elect of a society, order or
27 organization, engaged in any parade, ritual, initiation, ceremony, celebration
28 or requirement of such society, order or organization, and wearing or using
29 any manner of costume, paraphernalia, disguise, facial makeup, hood,
30 implement or device, whether the identity of such person or persons is
31 concealed or not, on any public or private street, road, way or property, or in
32 any public or private building, provided permission shall have been first
33 obtained therefor by a representative of such society, order or organization
34 from the governing body of the municipality in which the same takes place,
35 or, if not in a municipality, from the board of county commissioners of the
36 county in which the same takes place.
37 (6) Any person wearing a mask for the purpose of ensuring the physical health or
38 safety of the wearer or others.

39 Provided, that the provisions of this Article shall not apply to any preliminary meetings held
40 in good faith for the purpose of organizing, promoting or forming a labor union or a local
41 organization or subdivision of any labor union nor shall the provisions of this Article apply to
42 any meetings held by a labor union or organization already organized, operating and functioning
43 and holding meetings for the purpose of transacting and carrying out functions, pursuits and
44 affairs expressly pertaining to such labor union.

45 (b) Notwithstanding G.S. 14-12.7 and G.S. 14-12.8, a person may wear a mask for the
46 purpose of protecting the person's head, face, or head and face, when operating a motorcycle, as
47 defined in G.S. 20-4.01. A person wearing a mask when operating a motorcycle shall remove the
48 mask during a traffic stop, including at a checkpoint or roadblock under G.S. 20-16.3A, or when
49 approached by a law enforcement officer.
50

1 (c) A person wearing a mask for the purpose of ensuring the physical health or safety of
2 the wearer or others shall remove the mask during a traffic stop, including at a checkpoint or
3 roadblock under G.S. 20-16.3A, or when approached by a law enforcement officer."

4 **SECTION 4.(b)** This section is effective when it becomes law.
5

6 **EXTEND VALIDITY OF CREDENTIALS ISSUED BY THE DIVISION OF MOTOR** 7 **VEHICLES**

8 **SECTION 5.(a)** Definition. – For purposes of this section, "coronavirus emergency"
9 means the period from March 10, 2020, through August 1, 2020.

10 **SECTION 5.(b)** Extend Validity of Credentials. – Notwithstanding any provision of
11 law to the contrary, the Commissioner of Motor Vehicles is authorized to extend for a period of
12 up to six months the validity of any license, permit, registration, or other credential issued by the
13 Division of Motor Vehicles under Chapter 20 of the General Statutes that expires during the
14 Coronavirus emergency. Any credential extended under this subsection shall expire on the date
15 designated by the Division of Motor Vehicles up to six months from the date it otherwise expired
16 as prescribed by law prior to this act.

17 **SECTION 5.(c)** Waive Penalties. – The Division of Motor Vehicles shall waive any
18 fines, fees, or penalties associated with failing to renew a license, permit, registration, or other
19 credential during the period of time the credential is valid by extension under subsection (b) of
20 this section.

21 **SECTION 5.(d)** Motor Vehicle Taxes. – Notwithstanding any provision of law to
22 the contrary, due dates for motor vehicle taxes that are tied to registration expiration under Article
23 22A of Chapter 105 of the General Statutes shall be extended to correspond with extended
24 expiration dates designated by the Division of Motor Vehicles under subsection (b) of this
25 section.

26 **SECTION 5.(e)** Financial Responsibility. – Nothing in this section waives a vehicle
27 owner's duty to maintain continuous financial responsibility as required by Article 9A and Article
28 13 of Chapter 20 of the General Statutes.

29 **SECTION 5.(f)** Validity by Extension a Defense. – A person may not be convicted
30 or found responsible for any offense resulting from failure to renew a license, permit, registration,
31 or other credential issued by the Division of Motor Vehicles if, when tried for that offense, the
32 person shows that the offense occurred during the period of time the credential is valid by
33 extension under subsection (b) of this section.

34 **SECTION 5.(g)** Report. – Within 30 days of any extension made under subsection
35 (b) of this section, the Division of Motor Vehicles shall submit a report to the Joint Legislative
36 Transportation Oversight Committee and the Fiscal Research Division detailing the credentials
37 affected and the duration of the extension.

38 **SECTION 5.(h)** Effective Date. – This section is effective retroactively to March
39 10, 2020, and applies to expirations occurring on or after that date.
40

41 **REMOTE RENEWAL OF SPECIAL IDENTIFICATION CARDS**

42 **SECTION 6.(a)** G.S. 20-7(f)(6) reads as rewritten:

43 "(6) Remote renewal or conversion. – Subject to the following requirements and
44 limitations, the Division may offer remote renewal of a drivers license or
45 identification card or remote conversion of a full provisional license issued by
46 the Division:

- 47 a. Requirements. – To be eligible for remote renewal or conversion under
48 this subdivision, a person must meet all of the following requirements:
49 1. The license holder possesses either (i) a valid Class C drivers
50 license or (ii) a valid full provisional license and is at least 18
51 years old at the time of the remote conversion.

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2. The license holder's current license includes no restrictions other than a restriction for corrective lenses.
3. The license or identification card holder attests, in a manner designated by the Division, that (i) the license or identification card holder is a resident of the State and currently resides at the address on the license or identification card to be renewed or converted, (ii) the license or identification card holder's name as it appears on the license or identification card to be renewed or converted has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the license or identification card holder does not currently reside at the address on the license or identification card to be renewed or converted, the license or identification card holder may comply with the address requirement of this sub-sub-subdivision by providing the address at which the license or identification card holder resides at the time of the remote renewal or conversion request.
4. For a remote renewal, the most recent renewal was an in-person renewal and not a remote renewal under this subdivision.
5. The license or identification card holder is otherwise eligible for renewal or conversion under this subsection.
- b. Waiver of requirements. – When renewing a drivers license or identification card or converting a drivers license pursuant to this subdivision, the Division may waive ~~the~~ any examination and photograph that would otherwise be required for the renewal or conversion.
- c. Duration of remote renewal or conversion. – A drivers license or identification card issued to a person by remote renewal or conversion under this subdivision expires according to the following schedule:
1. For a person at least 18 years old but less than 66 years old, on the birthday of the licensee or identification card holder in the eighth year after issuance.
 2. For a person at least 66 years old, on the birthday of the licensee or identification card holder in the fifth year after issuance.
- d. Rules. – The Division shall adopt rules to implement this subdivision.
- e. Federal law. – Nothing in this subdivision shall be construed to supersede any more restrictive provisions for renewal or conversion of drivers licenses prescribed by federal law or regulation.
- f. Definition. – For purposes of this subdivision, "remote renewal or conversion" means renewal of a drivers license or identification card or conversion of a full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

SECTION 6.(b) This section is effective when it becomes law.

DELAY DMV HEADQUARTERS MOVE

SECTION 7.(a) Section 34.24(a) of S.L. 2018-5 reads as rewritten:

1 "SECTION 34.24.(a) All Division of Motor Vehicles employees and contractors working
2 at the Division of Motor Vehicles building located on New Bern Avenue in the City of Raleigh
3 shall ~~vacate~~ begin vacating the property by October 1, 2020."

4 SECTION 7.(b) This section is effective when it becomes law.

5
6 **WITNESS REQUIREMENT DURING STATE OF EMERGENCY/HEALTH CARE**
7 **POWER OF ATTORNEY AND ADVANCED DIRECTIVE FOR NATURAL DEATH**

8 SECTION 8.(a) G.S. 32A-16 reads as rewritten:

9 "**§ 32A-16. Definitions.**

10 The following definitions apply in this Article:

11 ...

12 (3) Health care power of attorney. – ~~A~~ Except as provided in G.S. 32A-16A, a
13 written instrument that substantially meets the requirements of this Article,
14 that is signed in the presence of two qualified witnesses, and acknowledged
15 before a notary public, pursuant to which an attorney-in-fact or agent is
16 appointed to act for the principal in matters relating to the health care of the
17 principal. The notary who takes the acknowledgement may but is not required
18 to be a paid employee of the attending physician or mental health treatment
19 provider, a paid employee of a health facility in which the principal is a
20 patient, or a paid employee of a nursing home or any adult care home in which
21 the principal resides.

22 ...

23 (6) Qualified witness. – ~~A~~ Except as provided in G.S. 32A-16A, a witness in
24 whose presence the principal has executed the health care power of attorney,
25 who believes the principal to be of sound mind, and who states that he or she
26 (i) is not related within the third degree to the principal nor to the principal's
27 spouse, (ii) does not know nor have a reasonable expectation that he or she
28 would be entitled to any portion of the estate of the principal upon the
29 principal's death under any existing will or codicil of the principal or under
30 the Intestate Succession Act as it then provides, (iii) is not the attending
31 physician or mental health treatment provider of the principal, nor a licensed
32 health care provider who is a paid employee of the attending physician or
33 mental health treatment provider, nor a paid employee of a health facility in
34 which the principal is a patient, nor a paid employee of a nursing home or any
35 adult care home in which the principal resides, and (iv) does not have a claim
36 against any portion of the estate of the principal at the time of the principal's
37 execution of the health care power of attorney.

38"

39 SECTION 8.(b) Article 3 of Chapter 32A of the General Statutes is amended by
40 adding a new section to read:

41 "**§ 32A-16A. Health care powers of attorney executed during State of Emergency.**

42 (a) The requirement of G.S. 32A-16(3) that a health care power of attorney be executed
43 in the presence of two qualified witnesses shall be waived for all instruments executed on or after
44 the effective date of this section and prior to termination of the State of Emergency declared by
45 Governor Roy Cooper in Executive Order No. 116, on March 10, 2020, as the same may be
46 extended by any subsequent executive order, such that an instrument that is signed by the
47 principal, properly acknowledged before a notary public, and otherwise executed in compliance
48 with the provisions of this Article shall not be invalidated by the principal's failure to execute the
49 health care power of attorney in the presence of two qualified witnesses.

1 (b) Health care powers of attorney executed without two qualified witnesses during the
2 time period defined in subsection (a) of this section shall contain a short and plain statement
3 indicating that the instrument was executed in accordance with the procedures of this section.

4 (c) This section shall expire at 12:01 A.M. on March 1, 2021; provided, however, all
5 instruments made in accordance with this section and while this section is in effect shall remain
6 effective and shall not need to be reaffirmed."

7 **SECTION 8.(c)** G.S. 90-321 reads as rewritten:

8 "**§ 90-321. Right to a natural death.**

9 (a) The following definitions apply in this Article:

10 ...

11 (1a) Declaration. – ~~Any~~ Except as provided in G.S. 90-321A, any signed,
12 witnessed, dated, and proved document meeting the requirements of
13 subsection (c) of this section.

14 ...

15 (c) The attending physician shall follow, subject to subsections (b), (e), and (k) of this
16 section, a declaration:

17 ...

18 (3) ~~That~~ Except as provided in G.S. 90-321A, that has been signed by the
19 declarant in the presence of two witnesses who believe the declarant to be of
20 sound mind and who state that they (i) are not related within the third degree
21 to the declarant or to the declarant's spouse, (ii) do not know or have a
22 reasonable expectation that they would be entitled to any portion of the estate
23 of the declarant upon the declarant's death under any will of the declarant or
24 codicil thereto then existing or under the Intestate Succession Act as it then
25 provides, (iii) are not the attending physician, licensed health care providers
26 who are paid employees of the attending physician, paid employees of a health
27 facility in which the declarant is a patient, or paid employees of a nursing
28 home or any adult care home in which the declarant resides, and (iv) do not
29 have a claim against any portion of the estate of the declarant at the time of
30 the declaration; and

31 "

32 **SECTION 8.(d)** Article 23 of Chapter 90 of the General Statutes is amended by
33 adding a new section to read:

34 "**§ 90-321A. Advanced directive for a natural death executed during State of Emergency.**

35 (a) The requirement of G.S. 90-321 that an advanced directive for a natural death
36 declaration be executed in the presence of two qualified witnesses shall be waived for all
37 instruments executed on or after the effective date of this section and prior to termination of the
38 State of Emergency declared by Governor Roy Cooper in Executive Order No. 116, on March
39 10, 2020, as the same may be extended by any subsequent executive order, such that an
40 instrument that is signed by the declarant, properly acknowledged before a notary public, and
41 otherwise executed in compliance with the provisions of this Article shall not be invalidated by
42 the declarant's failure to execute the advanced directive for a natural death declaration in the
43 presence of two qualified witnesses.

44 (b) Advanced directives for a natural death declaration executed without two qualified
45 witnesses during the time period defined in subsection (a) of this section shall contain a short and
46 plain statement indicating that the instrument was executed in accordance with the procedures of
47 this section, which may but need not be cited by title or section number.

48 (c) This section shall expire at 12:01 A.M. on August 1, 2020; provided, however, all
49 instruments made in accordance with this section and while this section is in effect shall remain
50 effective and shall not need to be reaffirmed."

51 **SECTION 8.(e)** This section is effective when it becomes law.

1
2 **ADULT GUARDIANSHIP SERVICE AND HEARINGS**

3 **SECTION 9.(a)** G.S. 35A-1109 reads as rewritten:

4 **"§ 35A-1109. Service of notice and petition.**

5 (a) Copies of the petition and initial notice of hearing shall be personally served on the
6 respondent. Respondent's counsel or guardian ad litem shall be served pursuant to G.S. 1A-1,
7 Rule 4, Rules of Civil Procedure. A sheriff who serves the notice and petition shall do so without
8 demanding his fees in advance. The petitioner, within five days after filing the petition, shall mail
9 or cause to be mailed, by first-class mail, copies of the notice and petition to the respondent's
10 next of kin alleged in the petition and any other persons the clerk may designate, unless such
11 person has accepted notice. Proof of such mailing or acceptance shall be by affidavit or certificate
12 of acceptance of notice filed with the clerk. The clerk shall mail, by first-class mail, copies of
13 subsequent notices to the next of kin alleged in the petition and to such other persons as the clerk
14 deems appropriate.

15 (b) In the event that personal service is not possible because the respondent resides in a
16 facility that restricts visitors due to a public health emergency, the respondent may be served by
17 the sheriff leaving copies of the petition and initial notice of hearing at the facility with a person
18 employed by the facility who is apparently in charge of the office or who has apparent authority
19 to receive documents intended for residents. The facility employee shall, as soon as practicable,
20 present the copies to the respondent. Proof of service on the respondent shall be by return of
21 service filed with the clerk showing the respondent was personally served or copies were left
22 with the facility as described in this subsection."

23 **SECTION 9.(b)** This section is effective when it becomes law and expires August
24 1, 2020.

25
26 **DISBURSEMENT OF FUNDS PRIOR TO RECORDATION OF DEED IN CERTAIN**
27 **CIRCUMSTANCES**

28 **SECTION 10.(a)** Chapter 45A of the General Statutes is amended by adding a new
29 section to read:

30 **"§ 45A-4.1. Disbursement during certain declarations of emergency.**

31 (a) Notwithstanding any other provision of this Chapter, upon issuance of a declaration
32 of emergency under G.S. 166A-19.20, in real estate transactions involving a one- to four-family
33 residential dwelling or a lot restricted to residential use, a settlement agent may, in accordance
34 with this section, make disbursement of closing funds prior to recordation of the deeds, deeds of
35 trust, and any other required loan documents in the office of the register of deeds.

36 (b) No disbursement of closing funds prior to recordation shall be made under this
37 section, unless all the following apply:

38 (1) On the date of closing, the office of the register of deeds where the deeds,
39 deeds of trust, and any other required loan documents are to be recorded meets
40 the following criteria:

41 a. Is located within the emergency area under G.S. 166A-19.20.

42 b. Is closed to the public as a result of the declaration of emergency.

43 c. Is not accepting documents for recording in person or by electronic
44 means.

45 (2) The lender's closing instructions authorize disbursement of closing funds prior
46 to recording.

47 (3) All parties agree in writing to all the following:

48 a. To waive the requirement of G.S. 45A-4 that the settlement agent shall
49 not disburse closing funds until the deeds, deeds of trust, and any other
50 required loan documents are recorded in the office of the register of
51 deeds and the requirement of that section that closing funds be

1 disbursed only upon collected funds except as provided in
2 G.S. 45A-4(a)(1) through (7).

3 b. That they acknowledge that the recordation date may not be known on
4 the date of closing and the date of recordation by the settlement agent
5 is governed by subsection (d) of this section.

6 c. That they are aware of the risks and implications of proceeding with
7 disbursement of closing funds and, if applicable, transfer of possession
8 of property prior to recordation.

9 d. That after disbursement of closing funds and prior to recordation no
10 party to the transaction will take any action to impair the quality of the
11 title in law or equity.

12 e. Any other terms the parties or the closing instructions require as a
13 condition of disbursement of closing funds prior to recording.

14 (4) The settlement agent does all the following:

15 a. Complies with all conditions of the closing instructions.

16 b. Procures a commitment of title insurance providing for title insurance
17 that includes indemnity coverage for the gap period between the date
18 of disbursement of closing funds and the date of recordation of the
19 necessary documents.

20 c. Updates the applicable title from the date of the preliminary title
21 opinion to the time of disbursement using those public records
22 reasonably available to the settlement agent on the date of
23 disbursement.

24 (c) In all transactions under this section in which the settlement agent makes a
25 disbursement of closing funds prior to recordation, the settlement agent shall hold in a fiduciary
26 capacity until the time provided in subsection (d) of this section, all deeds, deeds of trust, and
27 any other required loan documents that are to be recorded.

28 (d) The authority under this section for the settlement agent to disburse closing proceeds
29 prior to recordation of the deeds, deeds of trust, and any other required loan documents shall
30 terminate on the earlier of the date the office of the register of deeds reopens for the transaction
31 of public business or begins to accept documents for electronic recording. Within three business
32 days of the time set forth in this subsection, the settlement agent shall record all deeds, deeds of
33 trust, and any other required loan documents being held under subsection (c) of this section and
34 shall immediately notify all parties that the documents have been recorded."

35 **SECTION 10.(b)** This section is effective when it becomes law.

37 MARRIAGE LICENSES

38 **SECTION 11.(a)** G.S. 51-8 reads as rewritten:

39 **"§ 51-8. License issued by register of deeds.**

40 (a) Every register of deeds shall, upon proper application, issue a license for the marriage
41 of any two persons who are able to answer the questions regarding age, marital status, and
42 intention to marry, and, based on the answers, the register of deeds determines the persons are
43 authorized to be married in accordance with the laws of this State. In making a determination as
44 to whether or not the parties are authorized to be married under the laws of this State, the register
45 of deeds may require the applicants for the license to marry to present certified copies of birth
46 certificates or such other evidence as the register of deeds deems necessary to the determination.
47 The register of deeds may administer an oath to any person presenting evidence relating to
48 whether or not parties applying for a marriage license are eligible to be married pursuant to the
49 laws of this State. Each applicant for a marriage license shall provide on the application the
50 applicant's social security number. If an applicant does not have a social security number and is
51 ineligible to obtain one, the applicant shall present a statement to that effect, sworn to or affirmed

1 before an officer authorized to administer oaths. Upon presentation of a sworn or affirmed
2 statement, the register of deeds shall issue the license, provided all other requirements are met,
3 and retain the statement with the register's copy of the license. The register of deeds shall not
4 issue a marriage license unless all of the requirements of this section have been met.

5 (b) Notwithstanding subsection (a) of this section, throughout the duration of any
6 declaration of emergency issued under G.S. 166A-19.20, any register of deeds may issue a
7 license for marriage via remote audio-video communication provided the register of deeds can
8 positively identify each applicant before the register of deeds."

9 **SECTION 11.(b)** G.S. 51-16 reads as rewritten:

10 **"§ 51-16. Form of license.**

11 License shall be in the following or some equivalent form:

12 To any ordained minister of any religious denomination, minister authorized by a church, any
13 magistrate, or any other person authorized to solemnize a marriage under the laws of this State:
14 A.B. having applied to me for a license for the marriage of C.D. (the name of the man to be
15 written in full) of (here state his residence), aged ____ years (race, as the case may be), the son
16 of (here state the father and mother, if known; state whether they are living or dead, and their
17 residence, if known; if any of these facts are not known, so state), and E.F. (write the name of
18 the woman in full) of (here state her residence), aged ____ years (race, as the case may be), the
19 daughter of (here state names and residences of the parents, if known, as is required above with
20 respect to the man). (If either of the parties is under 18 years of age, the license shall here contain
21 the following:) And the written consent of G.H., father (or mother, etc., as the case may be) to
22 the proposed marriage having been filed with me, and there being no legal impediment to such
23 marriage known to me, you are hereby authorized, at any time within ~~60~~120 days from the date
24 hereof, to celebrate the proposed marriage at any place within the State. You are required within
25 10 days after you shall have celebrated such marriage, to return this license to me at my office
26 with your signature subscribed to the certificate under this license, and with the blanks therein
27 filled according to the facts, under penalty of forfeiting two hundred dollars (\$200.00) to the use
28 of any person who shall sue for the same.

29 Issued this ____ day of _____, ____
30 _____ L.M.

31 Register of Deeds of ____ County

32 Every register of deeds shall, at the request of an applicant, designate in a marriage license
33 issued the race of the persons proposing to marry by inserting in the blank after the word "race"
34 the words "white," "black," "African-American," "American Indian," "Alaska Native," "Asian
35 Indian," "Chinese," "Filipino," "Japanese," "Korean," "Vietnamese," "Other Asian," "Native
36 Hawaiian," "Guamarian," "Chamorro," "Samoan," "Other Pacific Islander," "Mexican,"
37 "Mexican-American," "Chicano," "Puerto Rican," "Cuban," "Other Spanish/Hispanic/Latino," or
38 "other," as the case may be. The certificate shall be filled out and signed by the minister, officer,
39 or other authorized individual celebrating the marriage, and also be signed by two witnesses
40 present at the marriage, who shall add to their names their place of residence, as follows:

41 I, N.O., an ordained or authorized minister or other authorized individual of (here state to
42 what religious denomination, or magistrate, as the case may be), united in matrimony (here name
43 the parties), the parties licensed above, on the ____ day of _____, ____, at the house of P.R., in
44 (here name the town, if any, the township and county), according to law.

45 _____ N.O.

46 Witness present at the marriage:

47 S.T., of (here give residence)."

48 **SECTION 11.(c)** This section is effective when it becomes law, applies to any
49 marriage license issued on or after February 1, 2020, and expires August 1, 2020, and any
50 marriage license issued on or before that date shall be valid for 120 days.

1 **EXPAND THE DEFINITION OF SECURITY GUARD AND PATROL PROFESSION**
2 **TO INCLUDE SECURITY SERVICES PROVIDERS AT STATE PRISONS**

3 **SECTION 12.(a)** G.S. 74C-3(a) reads as rewritten:

4 "(a) As used in this Chapter, the term "private protective services profession" means and
5 includes the following:

6 ...

7 (6) Security guard and patrol profession. – Any person, firm, association, or
8 corporation that provides a security guard on a contractual basis for another
9 person, firm, association, or corporation for a fee or other valuable
10 consideration and performs one or more of the following functions:

11 ...

12 e. Security services related to entry and exit, direction and movement of
13 individuals at entry and exit, security working towers, and perimeter
14 security patrols at State prison facilities.

15"

16 **SECTION 12.(b)** Article 1 of Chapter 148 of the General Statutes is amended by
17 adding a new section to read:

18 **"§ 148-5.5. Training and authority of security guards.**

19 Any security guard and patrol professional that is licensed pursuant to Chapter 74C of the
20 General Statutes and is employed to provide security services related to entry and exit, direction
21 and movement of individuals at entry and exit, security working towers, or perimeter security
22 patrols at a State prison facility, shall receive training on State prison policies, including policies
23 on the use of force, prior to providing any security services at a State prison. Security guard and
24 patrol professionals trained pursuant to this section shall have the authority to detain and use
25 necessary force pursuant to State prison policies to prevent contraband entry or inmate escape."

26 **SECTION 12.(c)** This section is effective when it becomes law and expires August
27 1, 2020.

28
29 **NEW ATTORNEYS' OATH**

30 **SECTION 12.5.(a)** Notwithstanding G.S. 84-1, in response to the coronavirus
31 emergency, a justice or judge of the General Court of Justice may administer the required oath
32 prescribed for attorneys by G.S. 11-11 to an attorney remotely using a form of live video
33 conferencing technology, provided the individual taking the oath is personally known to the
34 justice or judge or provides satisfactory evidence of identity to the justice or judge.

35 **SECTION 12.5.(b)** This section is effective when it becomes law and expires August
36 1, 2020.

37
38 **DELAY SCHOOL CAPITAL OUTLAY REPORT DUE TO THE LOCAL**
39 **GOVERNMENT COMMISSION**

40 **SECTION 13.(a)** Notwithstanding G.S. 115C-440.1(b), the 2020 report by the Local
41 Government Commission to the General Assembly of the level of each county's appropriations
42 for public school capital outlay, including appropriations to the public school capital outlay fund,
43 funds expended by counties on behalf of and for the benefit of public schools for capital outlay,
44 monies reserved for future years' retirement of debt incurred or capital outlay, and any other
45 information the Local Government Commission considers relevant shall be due July 1, 2020.

46 **SECTION 13.(b)** This section is effective when it becomes law.

47
48 **CARRYFORWARD OF DRIVERS EDUCATION FUNDS**

49 **SECTION 13.5.(a)** Funds appropriated in the 2019-2020 fiscal year from the Civil
50 Penalty and Forfeiture Fund to the State Public School Fund for drivers education that are

1 unexpended and unencumbered at the end of the 2019-2020 fiscal year shall not revert, but shall
2 remain available until the end of the 2020-2021 fiscal year.

3 **SECTION 13.5.(b)** This section becomes effective June 30, 2020.
4

5 **INVOLUNTARY COMMITMENT, TRANSPORTATION**

6 **SECTION 14.(a)** Notwithstanding the requirements of G.S. 122C-202.2(a),
7 122C-251(g), and 122C-261(b) and (d)(4), the governing body of a city or county is authorized
8 to establish an expedited process for designating and training personnel, other than law
9 enforcement officers, for custody and transportation of persons as required by involuntary
10 commitment proceedings.

11 **SECTION 14.(b)** This section is effective when it becomes law and expires August
12 1, 2020.
13

14 **INVOLUNTARY COMMITMENT, TELEMEDICINE**

15 **SECTION 15.(a)** G.S. 122C-263(c) reads as rewritten:

16 "(c) The commitment examiner described in subsection (a) of this section shall examine
17 the respondent as soon as possible, and in any event within 24 hours after the respondent is
18 presented for examination. When the examination set forth in subsection (a) of this section is
19 performed by a commitment examiner, the respondent may either be in the physical face-to-face
20 presence of the commitment examiner or may be examined utilizing telemedicine equipment and
21 procedures. A commitment examiner who examines a respondent by means of telemedicine must
22 be satisfied to a reasonable medical certainty that the determinations made in accordance with
23 subsection (d) of this section would not be different if the examination had been done in the
24 physical presence of the commitment examiner. A commitment examiner who is not so satisfied
25 must note that the examination was not satisfactorily accomplished, and the respondent must be
26 taken for a face-to-face examination in the physical presence of a person authorized to perform
27 examinations under this section. As used in this section, "telemedicine" is the use of two-way
28 real-time interactive audio and video ~~between places of lesser and greater medical capability or~~
29 ~~expertise to provide and support health care when distance separates participants who are in~~
30 ~~different geographical locations. A recipient is referred by one provider to receive the services~~
31 ~~of another provider via telemedicine, where the respondent and commitment examiner can hear~~
32 ~~and see each other."~~

33 **SECTION 15.(b)** G.S. 122C-266 reads as rewritten:

34 "**§ 122C-266. Inpatient commitment; second examination and treatment pending hearing.**

35 (a) Except as provided in subsections (b) and (e), within 24 hours of arrival at a 24-hour
36 facility described in G.S. 122C-252, the respondent shall be examined by a physician. This
37 physician shall not be the same physician who completed the certificate or examination under
38 the provisions of G.S. 122C-262 or G.S. 122C-263. The respondent may either be in the physical,
39 face-to-face presence of the physician or may be examined by the physician utilizing
40 telemedicine equipment and procedures. A physician who examines a respondent by means of
41 telemedicine must be satisfied to a reasonable medical certainty that the findings made in
42 accordance with subdivisions (1) through (3) of this subsection would not be different if the
43 examination had been done in the physical presence of the physician. A physician who is not so
44 satisfied must note that the examination was not satisfactorily accomplished, and the respondent
45 must be taken for a face-to-face examination in the physical presence of a physician. The
46 examination shall include but is not limited to the assessment specified in G.S. 122C-263(c).

47 (1) If the physician finds that the respondent is mentally ill and is dangerous to
48 self, as defined by G.S. 122C-3(11)a., or others, as defined by
49 G.S. 122C-3(11)b., the physician shall hold the respondent at the facility
50 pending the district court hearing.

1 (2) If the physician finds that the respondent meets the criteria for outpatient
2 commitment under G.S. 122C-263(d)(1), the physician shall show these
3 findings on the physician's examination report, release the respondent pending
4 the district court hearing, and notify the clerk of superior court of the county
5 where the petition was initiated of these findings. In addition, the examining
6 physician shall show on the examination report the name, address, and
7 telephone number of the proposed outpatient treatment physician or center.
8 The physician shall give the respondent a written notice listing the name,
9 address, and telephone number of the proposed outpatient treatment physician
10 or center and directing the respondent to appear at that address at a specified
11 date and time. The examining physician before the appointment shall notify
12 by telephone and shall send a copy of the notice and the examination report to
13 the proposed outpatient treatment physician or center.

14 (3) If the physician finds that the respondent does not meet the criteria for
15 commitment under either G.S. 122C-263(d)(1) or G.S. 122C-263(d)(2), the
16 physician shall release the respondent and the proceedings shall be terminated.

17 (4) If the respondent is released under subdivisions (2) or (3) of this subsection,
18 the law enforcement officer or other person designated to provide
19 transportation shall return the respondent to the respondent's residence in the
20 originating county or, if requested by the respondent, to another location in
21 the originating county.

22 (b) If the custody order states that the respondent was charged with a violent crime,
23 including a crime involving assault with a deadly weapon, and that he was found incapable of
24 proceeding, the physician shall examine him as set forth in subsection (a) of this section.
25 However, the physician may not release him from the facility until ordered to do so following
26 the district court hearing.

27 (c) The findings of the physician and the facts on which they are based shall be in writing,
28 in all cases. A copy of the findings shall be sent to the clerk of superior court by reliable and
29 expeditious means.

30 (d) Pending the district court hearing, the physician attending the respondent may
31 administer to the respondent reasonable and appropriate medication and treatment that is
32 consistent with accepted medical standards. Except as provided in subsection (b) of this section,
33 if at any time pending the district court hearing, the attending physician determines that the
34 respondent no longer meets the criteria of either G.S. 122C-263(d)(1) or (d)(2), he shall release
35 the respondent and notify the clerk of court and the proceedings shall be terminated.

36 (e) If the 24-hour facility described in G.S. 122C-252 or G.S. 122C-262 is the facility in
37 which the first examination by a physician or eligible psychologist occurred and is the same
38 facility in which the respondent is held, the second examination shall occur not later than the
39 following regular working day.

40 (f) As used in this section, "telemedicine" is the use of two-way real-time interactive
41 audio and video transmission where the respondent and examining physician can hear and see
42 each other."

43 **SECTION 15.(c)** G.S. 122C-283(c) reads as rewritten:

44 "(c) The commitment examiner described in subsection (a) of this section shall examine
45 the respondent as soon as possible, and in any event within 24 hours, after the respondent is
46 presented for examination. When the examination set forth in subsection (a) of this section is
47 performed by a commitment examiner, the respondent may either be in the physical, face-to-face
48 presence of the commitment examiner or may be examined utilizing telemedicine equipment and
49 procedures. A commitment examiner who examines a respondent by means of telemedicine must
50 be satisfied to a reasonable medical certainty that the determinations made in accordance with
51 subsection (d) of this section would not be different if the examination had been done in the

1 physical presence of the commitment examiner. A commitment examiner who is not so satisfied
2 must note that the examination was not satisfactorily accomplished, and the respondent must be
3 taken for a face-to-face examination in the physical presence of a person authorized to perform
4 examinations under this section. As used in this subsection, "telemedicine" is the use of two-way
5 real-time interactive audio and video where the respondent and commitment examiner can hear
6 and see each other. The examination shall include but is not limited to an assessment of all of the
7 following:

- 8 (1) The respondent's current and previous substance abuse including, if available,
9 previous treatment history.
- 10 (2) The respondent's dangerousness to self or others as defined in
11 G.S. 122C-3(11)."

12 **SECTION 15.(d)** G.S. 122C-285 reads as rewritten:

13 **"§ 122C-285. Commitment; second examination and treatment pending hearing.**

14 (a) Within 24 hours of arrival at a 24-hour facility described in G.S. 122C-252, the
15 respondent shall be examined by a qualified professional. This professional shall be a physician
16 if the initial commitment evaluation was conducted by a commitment examiner who is not a
17 physician. The examination shall include the assessment specified in G.S. 122C-283(c). The
18 respondent may either be in the physical, face-to-face presence of the physician or may be
19 examined by the physician utilizing telemedicine equipment and procedures. A physician who
20 examines a respondent by means of telemedicine must be satisfied to a reasonable medical
21 certainty that the findings made in accordance with this subsection would not be different if the
22 examination had been done in the physical presence of the physician. A physician who is not so
23 satisfied must note that the examination was not satisfactorily accomplished, and the respondent
24 must be taken for a face-to-face examination in the physical presence of a qualified professional
25 provided that, if the initial commitment examination was performed by a qualified professional,
26 this professional shall be a physician. If the physician or qualified professional finds that the
27 respondent is a substance abuser and is dangerous to self or others, the physician or qualified
28 professional shall hold and treat the respondent at the facility or designate other treatment
29 pending the district court hearing. If the physician or qualified professional finds that the
30 respondent does not meet the criteria for commitment under G.S. 122C-283(d)(1), the physician
31 or qualified professional shall release the respondent and the proceeding shall be terminated. In
32 this case the reasons for the release shall be reported in writing to the clerk of superior court of
33 the county in which the custody order originated. If the respondent is released, the law
34 enforcement officer or other person designated or required under G.S. 122C-251(g) to provide
35 transportation shall return the respondent to the originating county.

36 (b) If the 24-hour facility described in G.S. 122C-252 is the facility in which the first
37 examination by a commitment examiner occurred and is the same facility in which the respondent
38 is held, the second examination must occur not later than the following regular working day.

39 (c) The findings of the physician or qualified professional along with a summary of the
40 facts on which they are based shall be made in writing in all cases. A copy of the written findings
41 shall be sent to the clerk of superior court by reliable and expeditious means.

42 (d) As used in this section, "telemedicine" is the use of two-way real-time interactive
43 audio and video transmission where the respondent and examining physician can hear and see
44 each other."

45 **SECTION 15.(e)** This section is effective when it becomes law and expires August
46 1, 2020.

48 **COMMUNICABLE DISEASE INFORMATION TO LAW ENFORCEMENT**

49 **SECTION 16.(a)** G.S. 130A-143 reads as rewritten:

50 **"§ 130A-143. Confidentiality of records.**

1 All information and records, whether publicly or privately maintained, that identify a person
2 ~~who has AIDS virus infection or~~ who has or may have a disease or condition required to be
3 reported pursuant to the provisions of this Article shall be strictly confidential. This information
4 shall not be released or made public except under the following circumstances:

- 5 (1) Release is made of specific medical or epidemiological information for
6 statistical purposes in a way that no person can be ~~identified;~~identified.
- 7 (2) Release is made of all or part of the medical record with the written consent
8 of the person or persons identified or ~~their guardian;~~the person's personal
9 representative, as defined in 45 Code of Federal Regulations § 164.502.
- 10 (3) Release is made for purposes of treatment, payment, research, or health care
11 operations to the extent that disclosure is permitted under 45 Code of Federal
12 Regulations §§ 164.506 and 164.512(i). For purposes of this section, the terms
13 "treatment," "payment," "research," and "health care operations" have the
14 meaning given those terms in 45 Code of Federal ~~Regulations §~~
15 ~~164.501;~~Regulations § 164.501.
- 16 (4) Release is necessary to protect the public health and is made as provided by
17 the Commission in its rules regarding control measures for communicable
18 diseases and ~~conditions;~~conditions.
- 19 (5) Release is made pursuant to other provisions of this ~~Article;~~Article.
- 20 (6) Release is made pursuant to ~~subpoena or court order.~~order or a subpoena
21 issued by a judicial official. Upon request of the person identified in the
22 record, the record shall be reviewed in camera. In the trial, the trial judge may,
23 during the taking of testimony concerning such information, exclude from the
24 courtroom all persons except the officers of the court, the parties and those
25 engaged in the trial of the ~~case;~~case.
- 26 (7) Release is made by the Department or a local health department to a court or
27 a ~~law enforcement judicial~~ official for the purpose of enforcing this Article or
28 Article 22 of this ~~Chapter;~~Chapter.
- 29 (7a) Release is made by the Department or a local health department to a law
30 enforcement official for any of the following purposes: (i) to prevent or lessen
31 a serious or imminent threat to the health or safety of a person or the public,
32 to the extent that disclosure is permitted under 45 Code of Federal Regulations
33 § 164.512(j) and not otherwise permitted by subdivision (4) of this section, or
34 (ii) to enforce this Article or Article 22 of this Chapter, or investigating (iii)
35 to investigate a terrorist incident using nuclear, biological, or chemical agents.
36 A law enforcement official who receives the information shall not disclose it
37 further, except (i) when necessary to enforce this Article or Article 22 of this
38 ~~Chapter;~~Chapter; or when necessary to conduct an investigation of a terrorist
39 incident using nuclear, biological, or chemical ~~agents;~~agents; or (ii) when the
40 Department or a local health department seeks the assistance of the law
41 enforcement official in preventing or controlling the spread of the disease or
42 condition and expressly authorizes the disclosure as necessary for that
43 ~~purpose;~~purpose.
- 44 (8) Release is made by the Department or a local health department to another
45 federal, ~~state-state,~~ tribal, or local public health agency for the purpose of
46 preventing or controlling the spread of a communicable disease or
47 communicable ~~condition;~~condition.
- 48 (9) Release is made by the Department for bona fide research purposes. The
49 Commission shall adopt rules providing for the use of the information for
50 research ~~purposes;~~purpose.
- 51 (10) Release is made pursuant to ~~G.S. 130A-144(b); or~~G.S. 130A-144(b).

1 (11) Release is made pursuant to any other provisions of law that specifically
2 authorize or require the release of information or records related to AIDS."

3 **SECTION 16.(b)** This section is effective when it becomes law.
4

5 **ALLOW LICENSED SOIL SCIENTISTS TO EVALUATE, INSPECT, AND APPROVE**
6 **ON-SITE WASTEWATER SYSTEM PROJECTS DURING THE CORONAVIRUS**
7 **EMERGENCY**

8 **SECTION 16.2.(a)** Notwithstanding G.S. 130A-336.2(a), an individual licensed as
9 a soil scientist pursuant to Chapter 89F of the General Statutes may, at the direction of the owner
10 of a proposed on-site wastewater system, prepare signed and sealed soil and site evaluations,
11 specifications, plans, and reports for the site layout, construction, operation, and maintenance of
12 a wastewater system without also obtaining further certification from the North Carolina On-Site
13 Wastewater Contractors and Inspectors Board.

14 **SECTION 16.2.(b)** In addition to the authority granted pursuant to subsection (a) of
15 this Section, an individual licensed as a soil scientist pursuant to Chapter 89F of the General
16 Statutes and engaged by the owner of a proposed on-site wastewater system may conduct all
17 necessary inspections, certifications, and approvals, including the issuance of the final inspection
18 and report certifying that the system has been installed according to the approved plans and
19 specifications for the construction, installation, and operation of a proposed wastewater system.

20 **SECTION 16.2.(c)** Wastewater systems constructed, installed, and operated under
21 authority of this section shall otherwise comply with the requirements of G.S. 130A-336.2 and
22 rules adopted thereunder. The owner of a proposed wastewater system shall notify the local
23 health department that the owner is engaging a licensed soil scientist pursuant to the authority
24 granted in this section.

25 **SECTION 16.2.(d)** The Department of Health and Human Services, the
26 Department's authorized agents, and local health departments shall have no liability for
27 wastewater systems developed, constructed, installed, or approved by a licensed soil scientist
28 acting pursuant to the authority granted in this section; however, nothing in this section shall
29 relieve the Department, the Department's authorized agents, and local health departments from
30 any of their other obligations under State law or administrative rule. The licensed soil scientist
31 conducting the evaluation, installation, and construction of a proposed wastewater system
32 pursuant to this section shall maintain an errors and omissions liability insurance policy issued
33 by an insurer licensed under Chapter 58 of the General Statutes in an amount commensurate with
34 the risk.

35 **SECTION 16.2.(e)** This section is effective when it becomes law and expires August
36 1, 2020. However, the expiration of this section shall not prevent a licensed soil scientist acting
37 under this section's authority from completing a proposed wastewater system begun before the
38 section expires.
39

40 **EXPAND LOCAL GOVERNMENT AUTHORITY TO REQUEST WAIVERS FROM**
41 **THE DEPARTMENT OF ENVIRONMENTAL QUALITY WITH RESPECT TO**
42 **CERTAIN ITEMS BANNED FROM LANDFILLS, TO INCLUDE YARD WASTE, AND**
43 **CONSIDERATION OF RISKS TO PUBLIC HEALTH**

44 **SECTION 16.3.(a)** Notwithstanding G.S. 130A-309.10(f)(3) and
45 G.S. 130A-309.10(k), a county or city may petition the Department of Environmental Quality
46 for a waiver from the prohibition on disposal of yard trash in a landfill based on a showing that
47 prohibiting the disposal of the material would constitute an economic hardship or a real or
48 potential public health risk.

49 **SECTION 16.3.(b)** This section is effective when it becomes law and expires August
50 1, 2020.
51

EXPAND WHO MAY BE APPOINTED MEDICAL EXAMINER

SECTION 17.(a) G.S. 130A-382(a) reads as rewritten:

"(a) The Chief Medical Examiner shall appoint two or more county medical examiners for each county for a three-year term. In appointing medical examiners for each county, the Chief Medical Examiner shall give preference to physicians licensed to practice medicine in this State but may also appoint licensed-retired physicians previously licensed to practice in this State; physician assistants, nurse practitioners, nurses, or nurses licensed to practice in this State; emergency medical technician paramedics, paramedics credentialed under G.S. 131E-159; medicolegal death investigators certified by the American Board of Medicolegal Death Investigators; and pathologists' assistants. A medical examiner may serve more than one county. The Chief Medical Examiner may take jurisdiction in any case or appoint another medical examiner to do so."

SECTION 17.(b) G.S. 130A-383(c) reads as rewritten:

"(c) Upon completion of the investigation collection of investigative information necessary as determined by the medical examiner and in accordance with the rules of the Commission, the medical examiner shall release the body to the next of kin or other interested person who will assume responsibility for final disposition. If the body is unclaimed, the Chief Medical Examiner shall dispose of the body by cremation. For the purpose of this subsection, a body is deemed unclaimed if either of the following conditions apply:

- (1) Within 10 days after the date of death, no individual has notified the person in possession of the dead body of the desire to dispose of the dead body.
- (2) All individuals who have expressed interest in arranging for disposition of the dead body have (i) ceased communicating with the person in possession of the dead body for at least five consecutive days, (ii) at least 10 days have passed since the date of death, and (iii) the person in possession of the body has used reasonable efforts to contact all individuals who have expressed interest in arranging for final disposition."

SECTION 17.(c) This section is effective when it becomes law.

CHARITABLE SOLICITATIONS APPLICATION REVIEW

SECTION 18.(a) G.S. 131F-5 reads as rewritten:

"§ 131F-5. Licensure of charitable organizations and sponsors required.

...

(b) Departmental Review. – The Department shall examine each application filed by a charitable organization or sponsor and shall determine whether the licensing requirements are satisfied. If the Department determines that the requirements are not satisfied, the Department shall notify the charitable organization or sponsor within ~~40~~20 days after its receipt of the application. If the Department does not notify the charitable organization or sponsor within 10 days, the application is deemed to be approved and the license shall be granted. Within seven days after receipt of a notification that the requirements are not satisfied, the charitable organization or sponsor may file a petition for a contested case. The State has the burden of proof in the contested case. The contested case hearing must be held within seven days after the petition is filed. A final decision must be made within five days of the hearing. The contested case hearing proceedings shall be conducted in accordance with Chapter 150B of the General Statutes except that the time limits and provisions set forth in this section shall prevail to the extent of any conflict. The applicant shall be permitted to continue to operate or continue operations pending judicial review of the Department's denial of the application. The Department shall make rules regarding the custody and control of any funds collected during the review period and disposal of such funds in the event the denial of the application is affirmed on appeal.

...

1 (d) Extension of Time. – For good cause shown, the Department may extend until August
2 1, 2020, the time for ~~the any~~ license renewal and the annual filing of any updated information ~~for~~
3 ~~a period not to exceed 60 days~~, during which time the previous license shall remain in effect."

4 **SECTION 18.(b)** This section is effective when it becomes law and expires August
5 1, 2020.

6
7 **STATE HEALTH PLAN PREMIUM AND DEBT PAYMENT DEFERRAL OPTION**
8 **DURING DECLARATION OF EMERGENCY**

9 **SECTION 19.(a)** G.S. 135-48.30(a) is amended by adding a new subdivision to read:

10 "(18) In accordance with G.S. 135-48.39 and subject to approval by the Board of
11 Trustees, issue an order declaring an option of deferring premium or debt
12 payments when there is a state of disaster or emergency."

13 **SECTION 19.(b)** Part 3 of Article 3B of Chapter 135 of the General Statutes is
14 amended by adding a new section to read:

15 "**§ 135-48.39. Operations during state of disaster or emergency.**

16 (a) For the purposes of this section, the term "state of disaster" shall mean that one of the
17 following has occurred:

18 (1) The Governor or legislature has declared a state of emergency under
19 G.S. 166A-19.20.

20 (2) The Governor has issued a disaster declaration under G.S. 116A-19.21.

21 (3) The President of the United States has issued a major disaster declaration
22 under the Robert T. Stafford Disaster Relief and Emergency Assistance Act,
23 42 U.S.C. § 5121, et seq., as amended, for this State, for an area within this
24 State, or for an area in which a member or an employing unit is located.

25 (4) The Governor, legislature, or other governing body has declared a state of
26 emergency or disaster, or the equivalent, for an area in which a member or
27 employing unit is located.

28 (b) Subject to approval by the Board of Trustees, when there is a state of disaster the State
29 Treasurer may order that members, employing units, or both adversely affected by the state of
30 disaster shall have the option of deferring premium or debt payments that are due during the time
31 period in which there is a state of disaster. The State Treasurer may order the expiration of the
32 option to defer premium or debt payments prior to the end of the time period in which there is a
33 state of disaster but may not extend the option beyond that period.

34 (c) Any option to defer premium or debt payments offered under this section shall be
35 made for a period 30 days from the last day the premium or debt payment may have been made
36 under the terms of the Plan, policy, contract, or agreement. This 30-day deferral period may also
37 be applied to any statute, rule, or other policy or contract provision that imposes a time limit on
38 the Plan or a member to perform any act related to the Plan during the time period in which there
39 is a state of disaster. This 30-day deferral period may be extended by the State Treasurer in 30-day
40 increments, subject to approval by the Board of Trustees. A deferral period shall not last beyond
41 90 days from the last day of the time period in which there is a state of disaster.

42 (d) An option to defer premium or debt payments offered under this section may be
43 limited to a specific category of members or employing units, as the state of disaster necessitates
44 and as determined by the State Treasurer.

45 (e) Nothing in this section shall be construed as to authorize the nonpayment of premiums
46 or debt. All premium payments in arrears shall be paid to the Plan. If premiums in arrears are not
47 paid, coverage shall lapse as of the last day of the month for which premiums were paid in full.
48 The member shall be responsible for all medical expenses incurred since the effective date of the
49 lapse in coverage."

50 **SECTION 19.(c)** This section is effective retroactively to January 1, 2020.
51

INTERIM DETERMINATIONS AND INTERIM CERTIFICATIONS FOR CERTAIN DISABILITY BENEFITS

SECTION 20.(a) This section shall apply to the following General Statutes:

- (1) Article 1A of Chapter 120.
- (2) Article 3 of Chapter 128.
- (3) Article 1 of Chapter 135.
- (4) Article 4 of Chapter 135.
- (5) Article 6 of Chapter 135.

SECTION 20.(b) Whenever the medical board, as established under G.S. 128-28(l), 135-6(k), or 135-102(d), is required to make a determination or certification of eligibility for disability benefits, the Director of the Retirement Systems Division of the Department of State Treasurer, or the Director's designee, may make an interim determination or an interim certification that a member or beneficiary is eligible for disability benefits. The Director may not make a determination or certification that a member or beneficiary is not eligible for disability benefits.

SECTION 20.(c) The medical board shall review any interim determinations or interim certifications made in accordance with this section as soon as practicable and shall then make a final determination or final certification for disability benefits. If, subsequent to an interim determination or interim certification, the medical board makes a final determination that a member or beneficiary is not eligible for disability benefits, then any payment to that member or beneficiary shall cease and the determination shall be applied prospectively only so that the final determination will not require any refund by the member or beneficiary to the applicable retirement system or benefit plan for payments or benefits received during the interim period before the final determination is made.

SECTION 20.(d) This section is effective when it becomes law. Subsection (b) of this section expires August 1, 2020. Any interim determinations or interim certifications made, as allowed under subsection (b) of this section, will remain valid until a final determination is made, in accordance with subsection (c) of this section.

TEMPORARILY REMOVE BARRIERS TO ALLOW RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM FOR RETIREES AND THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO RETURN TO WORK ON A PART-TIME, TEMPORARY, OR INTERIM BASIS DURING STATE OF EMERGENCY RELATED TO COVID-19

SECTION 21.(a) For individuals who retired under the Teachers' and State Employees' Retirement System (TSERS) on or after October 1, 2019, but before April 1, 2020, the six months separation from service from an employer that is required under G.S. 135-1(20) in order for a retirement to become effective shall not apply and instead a one month separation shall be required, provided that the position to which the individual returns is needed due to the COVID-19 pandemic, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing agency. Upon the expiration of this section, all of the following shall apply:

- (1) The six months separation from an employer required under G.S. 135-1(20) shall again be applicable to individuals who retired under TSERS on or after October 1, 2019, but before April 1, 2020.
- (2) In order for a member's retirement under TSERS on or after October 1, 2019, but before April 1, 2020, to become effective in any month, the member must perform no work for an employer, including part-time, temporary, substitute, or contractor work, at any time between the expiration of this section and the end of the six months immediately following the effective date of retirement,

1 provided the expiration of the six-month period of separation did not occur
2 while this section was in effect.

- 3 (3) For individuals who retired under TSERS on or after October 1, 2019, but
4 before April 1, 2020, any time worked between March 10, 2020, and the time
5 this section expires shall not be considered work for the purposes of the
6 six-month separation required under G.S. 135-1(20).

7 **SECTION 21.(b)** For individuals who retired prior to April 1, 2020, any earnings
8 received between March 10, 2020, and the time that this section expires shall not be treated as
9 earned by a TSERS beneficiary under the provisions of G.S. 135-3(8)c., provided those earnings
10 are related to a position needed due to the COVID-19 pandemic, as certified to the Retirement
11 Systems Division of the Department of State Treasurer by the employing agency.

12 **SECTION 21.(c)** For individuals who retired prior to April 1, 2020, any earnings
13 received between March 10, 2020, and the time that this section expires shall not be treated as
14 earned by a beneficiary of the Local Governmental Employees Retirement System (LGERS)
15 under the provisions of G.S. 128-24(5)c., provided those earnings are related to a position needed
16 due to the COVID-19 pandemic, as certified to the Retirement Systems Division of the
17 Department of State Treasurer by the employing unit.

18 **SECTION 21.(d)** Any benefits received by or paid to a law enforcement officer or
19 retired law enforcement officer under Article 12D of Chapter 143 of the General Statutes shall
20 not be impacted by any work performed between March 10, 2020, and the time that this section
21 expires, provided that work performed is needed due to the COVID-19 pandemic, as documented
22 by the employing unit or agency.

23 **SECTION 21.(e)** This section is effective when it becomes law and expires August
24 1, 2020.

25
26 **EXTEND VALIDITY OF PROBATIONARY CERTIFICATES ISSUED BY THE**
27 **NORTH CAROLINA CODE OFFICIALS QUALIFICATION BOARD**

28 **SECTION 21.2.(a)** Extend Validity of Probationary Certificates. – Notwithstanding
29 any provision of law to the contrary, any probationary certificates issued to Code-enforcement
30 officials by the North Carolina Code Officials Qualification Board under G.S. 143-151.13 that
31 are set to expire between March 10, 2020, and July 31, 2020, shall be deemed valid and unexpired
32 until August 1, 2020.

33 **SECTION 21.2.(b)** This section is effective when it becomes law.

34
35 **PROVIDE FOR THE RESCHEDULING OF PUBLIC HEARINGS DURING**
36 **TEMPORARY RULE MAKING**

37 **SECTION 22.(a)** G.S. 150B-21.1 reads as rewritten:

38 **"§ 150B-21.1. Procedure for adopting a temporary rule.**

39 ...

40 (a3) Unless otherwise provided by law, the agency shall:

41 (1) At least 30 business days prior to adopting a temporary rule, submit the rule
42 and a notice of public hearing to the Codifier of Rules, and the Codifier of
43 Rules shall publish the proposed temporary rule and the notice of public
44 hearing on the Internet to be posted within five business days.

45 (2) At least 30 business days prior to adopting a temporary rule, notify persons on
46 the mailing list maintained pursuant to G.S. 150B-21.2(d) and any other
47 interested parties of its intent to adopt a temporary rule and of the public
48 hearing.

49 (3) Accept written comments on the proposed temporary rule for at least 15
50 business days prior to adoption of the temporary rule.

1 (4) Hold at least one public hearing on the proposed temporary rule no less than
2 five days after the rule and notice have been published. If notice of a public
3 hearing has been published and that public hearing has been cancelled, the
4 agency shall publish notice at least five days prior to the date of any
5 rescheduled hearing.

6"

7 **SECTION 22.(b)** This section becomes effective retroactively to March 10, 2020.

8
9 **AUTHORIZE THE CHIEF ADMINISTRATIVE LAW JUDGE TO EXTEND THE TIME**
10 **PERIOD FOR THE FILING OF CONTESTED CASES DURING CATASTROPHIC**
11 **CONDITIONS**

12 **SECTION 23.(a)** G.S. 150B-23 reads as rewritten:

13 "**§ 150B-23. Commencement; assignment of administrative law judge; hearing required;**
14 **notice; intervention.**

15 ...

16 (f) Unless another statute or a federal statute or regulation sets a time limitation for the
17 filing of a petition in contested cases against a specified agency, the general limitation for the
18 filing of a petition in a contested case is 60 days. The time limitation, whether established by
19 another statute, federal statute, or federal regulation, or this section, shall commence when notice
20 is given of the agency decision to all persons aggrieved who are known to the agency by personal
21 delivery, electronic delivery, or by the placing of the notice in an official depository of the United
22 States Postal Service wrapped in a wrapper addressed to the person at the latest address given by
23 the person to the agency. The notice shall be in writing, and shall set forth the agency action, and
24 shall inform the persons of the right, the procedure, and the time limit to file a contested case
25 petition. When no informal settlement request has been received by the agency prior to issuance
26 of the notice, any subsequent informal settlement request shall not suspend the time limitation
27 for the filing of a petition for a contested case hearing. When the Chief Justice of the North
28 Carolina Supreme Court determines and declares that catastrophic conditions exist or have
29 existed in one or more counties of the State and issues an order pursuant to G.S. 7A-39(b), the
30 Chief Administrative Law Judge may by order entered pursuant to this subsection extend, to a
31 date certain no fewer than 10 days after the effective date of the order, the time or period of
32 limitation, whether established by another statute or this section, for the filing of a petition for a
33 contested case. The order shall be in writing and shall become effective for each affected county
34 upon the date set forth in the order, and if no date is set forth in the order, then upon the date the
35 order is signed by the Chief Administrative Law Judge. The order shall provide that it shall expire
36 upon the expiration of the Chief Justice's order.

37"

38 **SECTION 23.(b)** This section becomes effective retroactively to March 10, 2020.

39
40 **DAILY DEPOSIT REQUIREMENT UNDER THE LOCAL GOVERNMENT BUDGET**
41 **AND FISCAL CONTROL ACT**

42 **SECTION 24.(a)** G.S. 159-32 reads as rewritten:

43 "**§ 159-32. Daily deposits.**

44 (a) Except as otherwise provided by law, all taxes and other moneys collected or received
45 by an officer or employee of a local government or public authority shall be deposited in
46 accordance with this section. Each officer and employee of a local government or public authority
47 whose duty it is to collect or receive any taxes or other moneys shall, on a daily basis, deposit or
48 submit to a properly licensed and recognized cash collection service all collections and receipts.
49 However, if the governing board gives its approval, deposits or submissions to a properly licensed
50 and recognized cash collection service shall be required only when the moneys on hand amount
51 to five hundred dollars (\$500.00) or greater. Until deposited or officially submitted to a properly

1 licensed and recognized cash collection service, all moneys must be maintained in a secure
2 location. All deposits shall be made with the finance officer or in an official depository. Deposits
3 in an official depository shall be immediately reported to the finance officer by means of a
4 duplicate deposit ticket. The finance officer may at any time audit the accounts of any officer or
5 employee collecting or receiving taxes or other moneys, and may prescribe the form and detail
6 of these accounts. The accounts of such an officer or employee shall be audited at least annually.

7 (b) The Secretary may, during an emergency declaration issued under G.S. 166A-19.20,
8 set the amount of moneys on hand requiring daily deposits and may require deposits on less than
9 a daily basis, provided the moneys are maintained in a secure location and deposited at least
10 weekly."

11 **SECTION 24.(b)** This section is effective when it becomes law.
12

13 **REINSTATE SPECIAL OBLIGATION BONDS**

14 **SECTION 25.(a)** G.S. 159I-30 is reenacted as it existed immediately before its
15 expiration, is recodified as G.S. 159-146, and is rewritten to read:

16 "Article 7A.

17 "Special Obligation Bonds and Notes.

18 **"§ 159-146. Additional powers of units of local government; issuance of special obligation** 19 **bonds and notes.**

20 (a) Authorization. – Any unit of local government may borrow money for the purpose of
21 financing or refinancing its cost of the acquisition or construction of a project and may issue
22 special obligation bonds and notes, including bond anticipation notes and renewal notes, pursuant
23 to the provisions of this section.

24 (a1) Definitions. – Unless a different meaning is required by the context, the definitions
25 set out in G.S. 130A-290 and the following definitions apply to this Article:

26 (1) Bonds. – The revenue bonds authorized to be issued by a unit of local
27 government under this Article.

28 (2) Costs. – The capital cost of acquiring or constructing any project, including,
29 without limitation, all of the following:

30 a. The costs of doing one or more of the following deemed necessary or
31 convenient by a unit of local government:

32 1. Acquiring, constructing, erecting, providing, developing,
33 installing, furnishing, and equipping.

34 2. Reconstructing, remodeling, altering, renovating, replacing,
35 refurbishing, and re-equipping.

36 3. Enlarging, expanding, and extending.

37 4. Demolishing, relocating, improving, grading, draining,
38 landscaping, paving, widening, and resurfacing.

39 b. The costs of all property, both real and personal and both improved
40 and unimproved, and of plants, works, appurtenances, structures,
41 facilities, furnishings, machinery, equipment, vehicles, easements,
42 water rights, air rights, franchises, and licenses used or useful in
43 connection with the purpose authorized.

44 c. The costs of demolishing or moving structures from land acquired and
45 acquiring any lands to which such structures thereafter are to be
46 moved.

47 d. Financing charges, including estimated interest during the acquisition
48 or construction of such project and for six months thereafter.

49 e. The costs of services to provide and the cost of plans, specifications,
50 studies and reports, surveys, and estimates of costs and revenues.

- 1 f. The costs of paying any interim financing, including principal,
2 interest, and premium, related to the acquisition or construction of a
3 project.
- 4 g. Administrative and legal expenses and administrative charges.
- 5 h. The costs of obtaining bond and reserve fund insurance and investment
6 contracts, of credit-enhancement facilities, liquidity facilities and
7 interest-rate agreements, and of establishing and maintaining debt
8 service and other reserves.
- 9 i. Any other services, costs, and expenses necessary or incidental to the
10 purpose authorized.
- 11 (3) Credit facility. – An agreement entered into by the unit with a bank, a savings
12 and loan association, or another banking institution; an insurance company, a
13 reinsurance company, a surety company, or another insurance institution; a
14 corporation, an investment banking firm, or another investment institution; or
15 any financial institution, providing for prompt payment of all or any part of
16 the principal, or purchase price (whether at maturity, presentment, or tender
17 for purchase, redemption, or acceleration), redemption premium, if any, and
18 interest on any bonds or notes payable on demand or tender by the owner, in
19 consideration of the unit agreeing to repay the provider of the credit facility in
20 accordance with the terms and provisions of the agreement; the provider of
21 any credit facility may be located either within or without the United States of
22 America.
- 23 (4) Local Government Commission. – The Local Government Commission of the
24 Department of the State Treasurer, established by Article 2 of this Chapter and
25 any successor of said Commission.
- 26 (5) Notes. – The revenue notes or revenue bond anticipation notes authorized to
27 be issued by a unit of local government under this Article.
- 28 (6) Par formula. – Any provision or formula adopted by the unit to provide for the
29 adjustment, from time to time of the interest rate or rates borne by any bonds
30 or notes including any of the following:
- 31 a. A provision providing for such adjustment so that the purchase price
32 of such bonds or notes in the open market would be as close to par as
33 possible.
- 34 b. A provision providing for such adjustment based upon a percentage or
35 percentages of a prime rate or base rate, which percentage or
36 percentages may vary or be applied for different periods of time.
- 37 c. Any other provision as the unit may determine to be consistent with
38 this section and does not materially and adversely affect the financial
39 position of the unit and the marketing of the bonds or notes at a
40 reasonable interest cost to the unit.
- 41 (7) Project. – Any of the following:
- 42 a. Solid waste management projects and capital expenditures to
43 implement such projects, including, without limitation, the purchase
44 of equipment or facilities, construction costs of an incinerator; land to
45 be used for recycling facilities or landfills; leachate collection and
46 treatment systems; liners for landfills; monitoring wells; recycling
47 equipment and facilities; volume reduction equipment; and financing
48 charges. This sub-subdivision does not include (i) the operational and
49 maintenance costs of solid waste management facilities or programs;
50 (ii) general planning or feasibility studies; or (iii) the purchase of land,
51 unless the land is to be used for a recycling facility or a landfill.

- 1 b. Any of the following as defined in S.L. 1998-132: water supply
2 systems, water conservation projects, water reuse projects, wastewater
3 collection systems, and wastewater treatment works.
4 c. With respect to a city, any service or facility authorized by
5 G.S. 160A-536 and provided in a municipal service district.
6 (8) Unit of local government or unit. – Any of the following:
7 a. A unit of local government as defined in G.S. 159-44(4).
8 b. Any combination of units, as defined in G.S. 160A-460(2), entering
9 into a contract or agreement with each other under G.S. 160A-461.
10 c. Any joint agency established under G.S. 160A-462; as any such
11 section may be amended from time to time.
12 d. Any regional solid waste management authority created pursuant to
13 G.S. 153A-421.
14 e. A consolidated city-county as defined by G.S. 160B-2(1), including
15 such a consolidated city-county acting with respect to an urban service
16 district defined by a consolidated city-county.

17 (b) Pledge. – Each unit of local government may pledge for the payment of a special
18 obligation bond or note any available source or sources of revenues of the unit and, to the extent
19 the generation of the revenues is within the power of the unit, may enter into covenants to take
20 action in order to generate the revenues, as long as the pledge of these sources for payments or
21 the covenant to generate revenues does not constitute a pledge of the unit's taxing power.

22 No agreement or covenant shall contain a nonsubstitution clause which restricts the right of
23 a unit of local government to replace or provide a substitute for any project financed pursuant to
24 this section.

25 The sources of payment pledged by a unit of local government shall be specifically identified
26 in the proceedings of the governing body authorizing the unit to issue the special obligation bonds
27 or notes.

28 After the issuance of special obligation bonds or notes, the governing body of the issuing unit
29 may identify one or more additional sources of payment for the bonds or notes and pledge these
30 sources, as long as the pledge of the sources does not constitute a pledge of the taxing power of
31 the unit. Each source of additional payment pledged shall be specifically identified in the
32 proceedings of the governing body of the unit pledging the source. The governing body of the
33 unit may not pledge an additional source of revenue pursuant to this paragraph unless the pledge
34 is first approved by the Local Government Commission pursuant to the procedures provided in
35 subsection (i) of this section.

36 The sources of payment so pledged and then held or thereafter received by a unit or any
37 fiduciary thereof shall immediately be subject to the lien of the pledge without any physical
38 delivery of the sources or further act. The lien shall be valid and binding as against all parties
39 having claims of any kind in tort, contract, or otherwise against a unit without regard to whether
40 the parties have notice thereof. The proceedings or any other document or action by which the
41 lien on a source of payment is created need not be filed or recorded in any manner other than as
42 provided in this section.

43 (b1) Security Interest. – In connection with issuing its special obligation bonds or special
44 obligation bond anticipation notes under this Article, a unit of local government may grant a
45 security interest in the project financed, or in all or some portion of the property on which the
46 project is located, or in both. If a unit of local government determines to provide additional
47 security as authorized by this subsection, the following conditions apply:

- 48 (1) No bond order may contain a nonsubstitution clause that restricts the right of
49 a unit of local government to do any of the following:
50 a. Continue to provide a service or activity.

- 1 b. Replace or provide a substitute for any municipal purpose financed
2 pursuant to the bond order.
- 3 (2) A bond order is subject to approval by the Commission under Article 8 of this
4 Chapter if both of the following apply:
- 5 a. The order meets the standards set out in G.S. 159-148(a)(1),
6 159-148(a)(2), and 159-148(a)(3), or involves the construction or
7 repair of fixtures or improvements on real property.
- 8 b. The order is not exempted from the provisions of that Article by one
9 of the exemptions contained in G.S. 159-148(b)(1) and (2).
- 10 The Commission approval required by this subdivision is in addition to the
11 Commission approval required by subsection (i) of this section.
- 12 (3) No deficiency judgment may be rendered against any unit of local government
13 in any action for breach of a bond order authorized by this section, and the
14 taxing power of a unit of local government is not and may not be pledged
15 directly or indirectly to secure any moneys due under a bond order authorized
16 by this section. This prohibition does not impair the right of the holder of a
17 bond or note to exercise a remedy with respect to the revenues pledged to
18 secure the bond or note, as provided in the bond order, resolution, or trust
19 agreement under which the bond or note is authorized and secured. A unit of
20 local government may, in its sole discretion, use tax proceeds to pay the
21 principal of or interest or premium on bonds or notes, but shall not pledge or
22 agree to do so.
- 23 (4) Before granting a security interest under this subsection, a unit of local
24 government shall hold a public hearing on the proposed security interest. A
25 notice of the public hearing shall be published once at least 10 days before the
26 date fixed for the hearing.
- 27 (c) Payment; Call. – Any bond anticipation notes may be made payable from the proceeds
28 of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, the
29 notes may be paid from any sources available under subsection (b) of this section. Bonds or notes
30 may also be paid from the proceeds of any credit facility. The bonds and notes of each issue shall
31 be dated and may be made redeemable prior to maturity at the option of the unit of local
32 government or otherwise, at such price or prices, on such date or dates, and upon such terms and
33 conditions as may be determined by the unit. The bonds or notes may also be made payable from
34 time to time on demand or tender for purchase by the owner, upon terms and conditions
35 determined by the unit.
- 36 (d) Interest. – The interest payable by a unit on any special obligation bonds or notes may
37 be at such rate or rates, including variable rates as authorized in this section, as may be determined
38 by the Local Government Commission with the approval of the governing body of the unit. This
39 approval may be given as the governing body of the unit may direct, including, without limitation,
40 a certificate signed by a representative of the unit designated by the governing body of the unit.
- 41 (e) Nature of Obligation. – Special obligation bonds and notes shall be special obligations
42 of the unit of local government issuing them. The principal of, and interest and any premium on,
43 special obligation bonds and notes shall be secured solely by any one or more of the sources of
44 payment authorized by this section as may be pledged in the proceedings, resolution, or trust
45 agreement under which they are authorized or secured. Neither the faith and credit nor the taxing
46 power of the unit of local government are pledged for the payment of the principal of, or interest
47 or any premium on, any special obligation bonds or notes, and no owner of special obligation
48 bonds or notes has the right to compel the exercise of the taxing power by the unit in connection
49 with any default thereon. Every special obligation bond and note shall recite in substance that the
50 principal and interest and any premium on the bond or note are secured solely by the sources of

1 payment pledged in the bond order, resolution, or trust agreement under which it is authorized or
2 secured. The following limitations apply to payment from the specified sources:

3 (1) Any such use of these sources will not constitute a pledge of the unit's taxing
4 power.

5 (2) The unit is not obligated to pay the principal or interest or premium except
6 from these sources.

7 (f) Details. – In fixing the details of bonds or notes, the unit of local government may
8 provide that any of the bonds or notes may do any of the following:

9 (1) Be made payable from time to time on demand or tender for purchase by the
10 owner thereof as long as a credit facility supports the bonds or notes, unless
11 the Local Government Commission specifically determines that a credit
12 facility is not required upon a finding and determination by the Local
13 Government Commission that the absence of a credit facility will not
14 materially and adversely affect the financial position of the unit and the
15 marketing of the bonds or notes at a reasonable interest cost to the unit.

16 (2) Be additionally supported by a credit facility.

17 (3) Be made subject to redemption or a mandatory tender for purchase prior to
18 maturity.

19 (4) Bear interest at a rate or rates that may vary for such period or periods of time,
20 all as may be provided in the proceedings providing for the issuance of the
21 bonds or notes including, without limitation, such variations as may be
22 permitted pursuant to a par formula.

23 (5) Be made the subject of a remarketing agreement whereby an attempt is made
24 to remarket the bonds or notes to new purchasers prior to their presentment
25 for payment to the provider of the credit facility or to the unit.

26 (g) Credit Facility. – The obligation of a unit of local government under a credit facility
27 to repay any drawing thereunder may be made payable and otherwise secured, to the extent
28 applicable, as provided in this section.

29 (h) Term; Form. – Notes shall mature at such time or times and bonds shall mature, not
30 exceeding 40 years from their date or dates, as may be determined by the unit of local
31 government, except that no such maturity dates may exceed the maximum maturity periods
32 prescribed by the Local Government Commission pursuant to G.S. 159-122, as it may be
33 amended from time to time. The unit shall determine the form and manner of execution of the
34 bonds or notes, including any interest coupons to be attached thereto, and shall fix the
35 denomination or denominations and the place or places of payment of principal and interest,
36 which may be any bank or trust company within or without the United States. In case any officer
37 of the unit whose signature, or a facsimile of whose signature, appears on any bonds or notes or
38 coupons, if any, ceases to be the officer before delivery thereof, the signature or facsimile shall
39 nevertheless be valid and sufficient for all purposes the same as if the officer had remained in
40 office until the delivery. Any bond or note or coupon may bear the facsimile signatures of such
41 persons who at the actual time or the execution thereof were the proper officers to sign although
42 at the date of the bond or note or coupon these persons may not have been the proper officers.
43 The unit may also provide for the authentication of the bonds or notes by a trustee or other
44 authenticating agent. The bonds or notes may be issued as certificated or uncertificated
45 obligations or both, and in coupon or in registered form, or both, as the unit may determine, and
46 provision may be made for the registration of any coupon bonds or notes as to principal alone
47 and also as to both principal and interest, and for the reconversion into coupon bonds or notes of
48 any bonds or notes registered as to both principal and interest, and for the interchange of
49 registered and coupon bonds or notes. Any system for registration may be established as the unit
50 may determine.

1 (i) Local Government Commission Approval. – No bonds or notes may be issued by a
2 unit of local government under this section unless the issuance is approved and the bonds or notes
3 are sold by the Local Government Commission as provided in this section. The unit shall file
4 with the Secretary of the Local Government Commission an application requesting approval of
5 the issuance of the bonds or notes, which application shall contain such information and shall
6 have attached to it such documents concerning the proposed financing as the Secretary of the
7 Local Government Commission may require. The Commission may prescribe the form of the
8 application. Before the Secretary accepts the application, the Secretary may require the governing
9 body of the unit or its representatives to attend a preliminary conference, at which time the
10 Secretary or the deputies of the Secretary may informally discuss the proposed issue and the
11 timing of the steps taken in issuing the special obligation bonds or notes.

12 In determining whether a proposed bond or note issue should be approved, the Local
13 Government Commission may consider, to the extent applicable as shall be determined by the
14 Local Government Commission, the criteria set forth in G.S. 159-52 and G.S. 159-86, as either
15 may be amended from time to time, as well as the effect of the proposed financing upon any
16 scheduled or proposed sale of obligations by the State or by any of its agencies or departments
17 or by any unit of local government in the State. The Local Government Commission shall
18 approve the issuance of the bonds or notes if, upon the information and evidence it receives, it
19 finds and determines that the proposed financing will satisfy such criteria and will effect the
20 purposes of this section. An approval of an issue shall not be regarded as an approval of the
21 legality of the issue in any respect. A decision by the Local Government Commission denying
22 an application is final.

23 Upon the filing with the Local Government Commission of a written request of the unit
24 requesting that its bonds or notes be sold, the bonds or notes may be sold by the Local
25 Government Commission in such manner, either at public or private sale, and for such price or
26 prices as the Local Government Commission shall determine to be in the best interests of the unit
27 and to effect the purposes of this section, if the sale is approved by the unit.

28 (j) Proceeds. – The proceeds of any bonds or notes shall be used solely for the purposes
29 for which the bonds or notes were issued and shall be disbursed in such manner and under such
30 restrictions, if any, as the unit may provide in the resolution authorizing the issuance of, or in any
31 trust agreement securing, the bonds or notes.

32 (k) Interim Documents; Replacement. – Prior to the preparation of definitive bonds, the
33 unit may issue interim receipts or temporary bonds, with or without coupons, exchangeable for
34 definitive bonds when definitive bonds have been executed and are available for delivery. The
35 unit may also provide for the replacement of any bonds or notes which shall become mutilated
36 or shall be destroyed or lost.

37 (l) No Other Conditions. – Bonds or notes may be issued under the provisions of this
38 section without obtaining, except as otherwise expressly provided in this section, the consent of
39 any department, division, commission, board, body, bureau, or agency of the State and without
40 any other proceedings or the happening of any conditions or things other than those proceedings,
41 conditions, or things that are specifically required by this section, and the provisions of the
42 resolution authorizing the issuance of, or any trust agreement securing, the bonds or notes.

43 (m) Trust. – In the discretion of the unit of local government, any bonds and notes issued
44 under the provisions of this section may be secured by a trust agreement by and between the unit
45 and a corporate trustee or by a resolution providing for the appointment of a corporate trustee.
46 Bonds and notes may also be issued under an order or resolution without a corporate trustee. The
47 corporate trustee may be, in either case any trust company or bank having the powers of a trust
48 company within or without the State. The trust agreement or resolution may pledge or assign
49 such sources of revenue as may be permitted under this section. The trust agreement or resolution
50 may contain such provisions for protecting and enforcing the rights and remedies of the owners
51 of any bonds or notes issued thereunder as may be reasonable and proper and not in violation of

1 law, including covenants setting forth the duties of the unit in respect of the purposes to which
2 bond or note proceeds may be applied, the disposition and application of the revenues of the unit,
3 the duties of the unit with respect to the project, the disposition of any charges and collection of
4 any revenues and administrative charges, the terms and conditions of the issuance of additional
5 bonds and notes, and the custody, safeguarding, investment, and application of all moneys. All
6 bonds and notes issued under this section shall be equally and ratably secured by a lien upon the
7 revenues pledged in the trust agreement or resolution, without priority by reasons of number, or
8 dates of bonds or notes, execution, or delivery, in accordance with the provision of this section
9 and of the trust agreement or resolution, except that the unit may provide in the trust agreement
10 or resolution that bonds or notes issued pursuant thereto shall, to the extent and in the manner
11 prescribed in the trust agreement or resolution, be subordinated and junior in standing, with
12 respect to the payment of principal and interest and to the security thereof, to any other bonds or
13 notes. It shall be lawful for any bank or trust company that may act as depository of the proceeds
14 of bonds or notes, revenues, or any other money hereunder to furnish such indemnifying bonds
15 or to pledge such securities as may be required by the unit. Any trust agreement or resolution
16 may set out the rights and remedies of the owners of any bonds or notes and of any trustee, and
17 may restrict the individual rights of action by the owners. In addition to the foregoing, any trust
18 agreement or resolution may contain such other provisions as the unit may deem reasonable and
19 proper for the security of the owners of any bonds or notes. Expenses incurred in carrying out
20 the provisions of any trust agreement or resolution may be treated as a part of the cost of any
21 project or as an administrative charge and may be paid from the revenues or from any other funds
22 available.

23 The State does pledge to, and agree with, the holders of any bonds or notes issued by any unit
24 that so long as any of the bonds or notes are outstanding and unpaid the State will not limit or
25 alter the rights vested in the unit at the time of issuance of the bonds or notes to set the terms and
26 conditions of the bonds or notes and to fulfill the terms of any agreements made with the
27 bondholders or noteholders. The State shall in no way impair the rights and remedies of the
28 bondholders or noteholders until the bonds or notes and all costs and expenses in connection with
29 any action or proceedings by or on behalf of the bondholders or noteholders, are fully paid, met,
30 and discharged.

31 (n) Remedies. – Any owner of bonds or notes issued under the provisions of this Article
32 or any coupons appertaining thereto, and the trustee under any trust agreement securing or
33 resolution authorizing the issuance of such bonds or notes, except to the extent the rights herein
34 given may be restricted by such trust agreement or resolution, may either at law or in equity, by
35 suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws
36 of the State or granted hereunder or under such trust agreement or resolution, or under any other
37 contract executed by a unit of local government pursuant to this Article; and may enforce and
38 compel the performance of all duties required by this Article or by such trust agreement or
39 resolution by the unit of local government or by any officer thereof.

40 (o) UCC Status. – All bonds and notes and interest coupons, if any, issued under this
41 Article are hereby made investment securities within the meaning of and for all the purposes of
42 Article 8 of the Uniform Commercial Code, as enacted in Chapter 25 of the General Statutes.

43 (p) Investment Eligibility. – Bonds and notes issued under the provisions of this Article
44 are hereby made securities in which all public offices, agencies, and public bodies of the State
45 and its political subdivisions, all insurance companies, trust companies, investment companies,
46 banks, savings banks, building and loan associations, credit unions, pension or retirement funds,
47 other financial institutions engaged in business in the State, executors, administrators, trustees,
48 and other fiduciaries may properly and legally invest funds, including capital in their control or
49 belonging to them. Such bonds or notes are hereby made securities, which may properly and
50 legally be deposited with and received by any officer or agency of the State or political

1 subdivision of the State for any purpose for which the deposit of bonds, notes, or obligations of
2 the State or any political subdivision is now or may hereafter be authorized by law.

3 (q) Tax Exemption. – All of the bonds and notes authorized by this Article shall be
4 exempt from all State, county, and municipal taxation or assessment, direct or indirect, general
5 or special, whether imposed for the purpose of general revenue or otherwise, excluding income
6 taxes on the gain from the transfer of the bonds and notes, and franchise taxes. The interest on
7 the bonds and notes shall not be subject to taxation as income."

8 **SECTION 25.(b)** G.S. 113A-115.1(h) reads as rewritten:

9 "(h) A local government may not use funds generated from any of the following financing
10 mechanisms for any activity related to the terminal groin or its accompanying beach fill project:

11 (1) Special obligation bonds issued pursuant to ~~Chapter 159I~~ Article 7A of
12 Chapter 159 of the General Statutes.

13"

14 **SECTION 25.(c)** G.S. 153A-427(a)(13) reads as rewritten:

15 "(13) To issue revenue bonds of the authority and enter into other financial
16 arrangements including those permitted by this Chapter and Chapters ~~159,~~
17 ~~159I,~~ 159 and 160A of the General Statutes to finance solid waste
18 management activities, including but not limited to systems and facilities for
19 waste reduction, materials recovery, recycling, resource recovery, landfilling,
20 ash management, and disposal and for related support facilities, to refund any
21 revenue bonds or notes issued by the authority, whether or not in advance of
22 their maturity or earliest redemption date, or to provide funds for other
23 corporate purposes of the authority;"

24 **SECTION 25.(d)** G.S. 159-7(4) reads as rewritten:

25 "(4) "Debt service" is the sum of money required to pay installments of principal
26 and interest on bonds, notes, and other evidences of debt accruing within a
27 fiscal year, to maintain sinking funds, and to pay installments on debt
28 instruments issued pursuant to Article 7A of this Chapter or Chapter 159G of
29 the General Statutes ~~or Chapter 159I of the General Statutes~~ accruing within
30 a fiscal year."

31 **SECTION 25.(e)** G.S. 159-35(c) reads as rewritten:

32 "(c) The secretary shall mail to each unit of local government not later than 30 days prior
33 to the due date of each payment due to the State under debt instruments issued pursuant to Article
34 7A of this Chapter or Chapter 159G of the General Statutes ~~or Chapter 159I of the General~~
35 ~~Statutes~~ a statement of the amount so payable, the due date, the amount of any moneys due to the
36 unit of local government that will be withheld by the State and applied to the payment, the amount
37 due to be paid by the unit of local government from local sources, the place to which payment
38 should be sent, and a summary of the legal penalties for failing to honor the debt instrument
39 according to its terms. Failure of the secretary timely to mail such statement or otherwise comply
40 with the provisions of this subsection (c) shall not affect in any manner the obligation of a unit
41 of local government to make payments to the State in accordance with any such debt instrument."

42 **SECTION 25.(f)** G.S. 159-123(b) reads as rewritten:

43 "(b) The following classes of bonds may be sold at private sale:

44 ...

45 (3) Revenue bonds, including any refunding bonds issued pursuant to
46 G.S. 159-84, and special obligation bonds issued pursuant to ~~Chapter 159I of~~
47 ~~the General Statutes.~~ Article 7A of this Chapter.

48"

49 **SECTION 25.(g)** G.S. 159-148 reads as rewritten:

50 "§ 159-148. **Contracts subject to Article; exceptions.**

1 (a) Except as provided in subsection (b) of this section, this Article applies to any
2 contract, agreement, memorandum of understanding, and any other transaction having the force
3 and effect of a contract (other than agreements made in connection with the issuance of revenue
4 bonds, special obligation bonds issued pursuant to ~~Chapter 159I of the General Statutes, Article~~
5 7A of this Chapter, or of general obligation bonds additionally secured by a pledge of revenues)
6 made or entered into by a unit of local government (as defined by G.S. 159-7(b) or, in the case
7 of a special obligation bond, as ~~defined in Chapter 159I of the General Statutes~~), authorized in
8 G.S. 159-146), relating to the lease, acquisition, or construction of capital assets, which contract
9 does all of the following:

10 ...
11 (b) This Article shall not apply to:

12 ...
13 ~~(3) Loan agreements entered into by a unit of local government pursuant to the~~
14 ~~North Carolina Solid Waste Management Loan Program, Chapter 159I of the~~
15 ~~General Statutes."~~

16 **SECTION 25.(h)** G.S. 159-165(a) reads as rewritten:

17 "(a) Bond anticipation notes of a municipality, including special obligation bond
18 anticipation notes issued pursuant to ~~Chapter 159I of the General Statutes, Article 7A of this~~
19 Chapter, shall be sold by the Commission at public or private sale according to such procedures
20 as the Commission may prescribe. Bond anticipation notes of the State shall be sold by the State
21 Treasurer at public or private sale, upon such terms and conditions, and according to such
22 procedures as the State Treasurer may prescribe."

23 **SECTION 25.(i)** This section is effective retroactively to July 1, 2019.

24 **EXTEND EFFECTIVE DATE OF CHAPTER 160D**

25 **SECTION 26.(a)** Section 3.2 of S.L. 2019-111 reads as rewritten:

26 "SECTION 3.2. Part II of this act becomes effective ~~January 1, 2021, August 1, 2021~~, and
27 applies to local government development regulation decisions made on or after that date. Part II
28 of this act clarifies and restates the intent of existing law and applies to ordinances adopted
29 before, on, and after the effective date."

30 **SECTION 26.(b)** This section is effective when it becomes law.

31 **REMOTE PARTICIPATION IN OPEN MEETINGS**

32 **SECTION 27.(a)** Article 1A of Chapter 166A of the General Statutes is amended by
33 adding a new section to read:

34 **"§ 166A-19.24. Remote meetings during certain declarations of emergency.**

35 (a) Remote Meetings. – Notwithstanding any other provision of law, upon issuance of a
36 declaration of emergency under G.S. 166A-19.20 that restricts the number of individuals that
37 may gather in one place in order to protect the public and the public health, any public body
38 within the emergency area may conduct remote meetings in accordance with this section and
39 Article 33C of Chapter 143 of the General Statutes throughout the duration of that declaration of
40 emergency.

41 (b) Requirements. – The public body shall comply with all of the following with respect
42 to remote meetings conducted under this section:

43 (1) The public body shall give proper notice under G.S. 143-318.12 and under
44 any other requirement for notice applicable to the public body. The notice
45 shall also specify the means by which the public can access the remote
46 meeting as that remote meeting occurs.

47 (2) Any member of the public body participating by a method of simultaneous
48 communication in which that member cannot be physically seen by the public
49 body must identify himself or herself in each of the following situations:
50
51

- 1 a. When the roll is taken or the remote meeting is commenced.
2 b. Prior to participating in the deliberations, including making motions,
3 proposing amendments, and raising points of order.
4 c. Prior to voting.
5 (3) All documents to be considered during the remote meeting shall be provided
6 to each member of the public body.
7 (4) The method of simultaneous communication shall allow for any member of
8 the public body to do all of the following:
9 a. Hear what is said by the other members of the public body.
10 b. Hear what is said by any individual addressing the public body.
11 c. To be heard by the other members of the public body when speaking
12 to the public body.
13 (5) All votes shall be roll call; no vote by secret or written ballots, whether by
14 paper or electronic means or in accordance with G.S. 143-318.13(b), may be
15 taken during the remote meeting.
16 (6) The public body shall comply with G.S. 143-318.13(c).
17 (7) The minutes of the remote meeting shall reflect that the meeting was
18 conducted by use of simultaneous communication, which members were
19 participating by simultaneous communication, and when such members
20 joined or left the remote meeting.
21 (8) All chats, instant messages, texts, or other written communications between
22 members of the public body regarding the transaction of the public business
23 during the remote meeting are deemed a public record.
24 (9) The remote meeting shall be simultaneously streamed live online with a
25 telephonic option so that simultaneous live audio, and video if any, of such
26 meeting is available to the public. If the public body conducting the remote
27 meeting maintains its own Web site, that live stream shall be available on the
28 Web site of the public body, accessible in a conspicuous location on such Web
29 site. If the remote meeting is conducted by conference call, the public body
30 may comply with this subdivision by providing the public with an opportunity
31 to dial-in or stream the audio live and listen to the remote meeting.
32 (c) Quorum. – A member of the public body participating by simultaneous
33 communication under this section shall be counted as present for quorum purposes only during
34 the period while simultaneous communication is maintained for that member. The provisions of
35 G.S. 160A-75 and G.S. 153A-44 shall apply to all votes of each member of a county or municipal
36 governing board taken during a remote meeting.
37 (d) Voting by Members of the Public Body. – Votes of each member of a public body
38 made during a remote meeting under this section shall be counted as if the member were
39 physically present only during the period while simultaneous communication is maintained for
40 that member.
41 (e) Public Hearings. – A public body may conduct any public hearing required or
42 authorized by law during a remote meeting, and take action thereon, provided the public body
43 allows for written comments on the subject of the public hearing to be submitted between
44 publication of any required notice and 24 hours after the public hearing.
45 (f) Quasi-Judicial Hearings. – A public body may conduct a quasi-judicial proceeding as
46 a remote meeting only when all of the following apply:
47 (1) The right of an individual to a hearing and decision occur during the
48 emergency.
49 (2) All persons subject to the quasi-judicial proceeding who have standing to
50 participate in the quasi-judicial hearing have been given notice of the
51 quasi-judicial hearing and consent to the remote meeting.

1 (3) All due process rights of the parties affected are protected.
2 (g) Not Exclusive. – This section applies only during emergency declarations and does
3 not supersede any authority for electronic meetings under Article 33C of the General Statutes.

4 (h) For purposes of this section, the following definitions apply:

5 (1) Official meeting. – As defined in G.S. 143-318.10(d).

6 (2) Public body. – As defined in G.S. 143-318.10(b) and (c).

7 (3) Remote meeting. – An official meeting, or any part thereof, with between one
8 and all of the members of the public body participating by simultaneous
9 communication.

10 (4) Simultaneous communication. – Any communication by conference
11 telephone, conference video, or other electronic means."

12 **SECTION 27.(b)** G.S. 143-318.10(a) reads as rewritten:

13 (a) Except as provided in G.S. 143-318.11, 143-318.14A, and 143-318.18, each official
14 meeting of a public body shall be open to the public, and any person is entitled to attend such a
15 meeting. Remote meetings conducted in accordance with G.S. 166A-19.24 shall comply with
16 this subsection even if all members of the public body are participating remotely."

17 **SECTION 27.(c)** G.S. 143-318.13 is amended by adding a new subsection to read:

18 (d) Except as provided in G.S. 166A-19.24(b)(6), this section shall not apply to remote
19 meetings conducted in accordance with that section even if all members of the public body are
20 participating remotely."

21 **SECTION 27.(d)** G.S. 143-318.14A(e) reads as rewritten:

22 (e) The following sections shall apply to meetings of commissions, committees, and
23 standing subcommittees of the General Assembly: G.S. 166A-19.24, G.S. 143-318.10(e) and
24 G.S. 143-318.11, G.S. 143-318.13 and G.S. 143-318.14, G.S. 143-318.16 through
25 G.S. 143-318.17."

26 **SECTION 27.(e)** G.S. 153A-43 reads as rewritten:

27 **"§ 153A-43. Quorum.**

28 (a) A majority of the membership of the board of commissioners constitutes a quorum.
29 The number required for a quorum is not affected by vacancies. If a member has withdrawn from
30 a meeting without being excused by majority vote of the remaining members present, he shall be
31 counted as present for the purposes of determining whether a quorum is present. The board may
32 compel the attendance of an absent member by ordering the sheriff to take the member into
33 custody.

34 (b) Any member present by means of simultaneous communication in accordance with
35 G.S. 166A-19.24 shall be counted as present for the purposes of whether a quorum is present
36 only during the period while simultaneous communication is maintained for that member."

37 **SECTION 27.(f)** G.S. 160A-74 reads as rewritten:

38 **"§ 160A-74. Quorum.**

39 (a) A majority of the actual membership of the council plus the mayor, excluding vacant
40 seats, shall constitute a quorum. A member who has withdrawn from a meeting without being
41 excused by majority vote of the remaining members present shall be counted as present for
42 purposes of determining whether or not a quorum is present.

43 (b) Any member present by means of simultaneous communication in accordance with
44 G.S. 166A-19.24 shall be counted as present for the purposes of whether a quorum is present
45 only during the period while simultaneous communication is maintained for that member."

46 **SECTION 27.(g)** G.S. 160A-75, effective until January 1, 2021, reads as rewritten:

47 **"§ 160A-75. (Effective until January 1, 2021) Voting.**

48 (a) No member shall be excused from voting except upon matters involving the
49 consideration of the member's own financial interest or official conduct or on matters on which
50 the member is prohibited from voting under G.S. 14-234, 160A-381(d), or 160A-388(e)(2). In
51 all other cases except votes taken under G.S. 160A-385, a failure to vote by a member who is

1 physically present in the council chamber, or who has withdrawn without being excused by a
2 majority vote of the remaining members present, shall be recorded as an affirmative vote. The
3 question of the compensation and allowances of members of the council is not a matter involving
4 a member's own financial interest or official conduct.

5 (b) Notwithstanding subsection (a) of this section, a vote or failure to vote by any member
6 present by means of simultaneous communication in accordance with G.S. 166A-19.24 shall be
7 treated as if the member were physically present only during the period while simultaneous
8 communication is maintained for that member.

9 (c) An affirmative vote equal to a majority of all the members of the council not excused
10 from voting on the question in issue, including the mayor's vote in case of an equal division, shall
11 be required to adopt an ordinance, take any action having the effect of an ordinance, authorize or
12 commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of
13 the city. In addition, no ordinance nor any action having the effect of any ordinance may be
14 finally adopted on the date on which it is introduced except by an affirmative vote equal to or
15 greater than two thirds of all the actual membership of the council, excluding vacant seats and
16 not including the mayor unless the mayor has the right to vote on all questions before the council.
17 For purposes of this section, an ordinance shall be deemed to have been introduced on the date
18 the subject matter is first voted on by the council."

19 **SECTION 27.(h)** G.S. 160A-75, effective January 1, 2021, reads as rewritten:
20 "**§ 160A-75. (Effective January 1, 2021) Voting.**

21 (a) No member shall be excused from voting except upon matters involving the
22 consideration of the member's own financial interest or official conduct or on matters on which
23 the member is prohibited from voting under G.S. 14-234 or G.S. 160D-109. In all other cases
24 except votes taken under G.S. 160D-601, a failure to vote by a member who is physically present
25 in the council chamber, or who has withdrawn without being excused by a majority vote of the
26 remaining members present, shall be recorded as an affirmative vote. The question of the
27 compensation and allowances of members of the council is not a matter involving a member's
28 own financial interest or official conduct.

29 (b) Notwithstanding subsection (a) of this section, a vote or failure to vote by any member
30 present by means of simultaneous communication in accordance with G.S. 166A-19.24 shall be
31 treated as if the member were physically present only during the period while simultaneous
32 communication is maintained for that member.

33 (c) An affirmative vote equal to a majority of all the members of the council not excused
34 from voting on the question in issue, including the mayor's vote in case of an equal division, shall
35 be required to adopt an ordinance, take any action having the effect of an ordinance, authorize or
36 commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of
37 the city. In addition, no ordinance nor any action having the effect of any ordinance, except an
38 ordinance on which a public hearing must be held pursuant to G.S. 160D-601 before the
39 ordinance may be adopted, may be finally adopted on the date on which it is introduced except
40 by an affirmative vote equal to or greater than two thirds of all the actual membership of the
41 council, excluding vacant seats and not including the mayor unless the mayor has the right to
42 vote on all questions before the council. For purposes of this section, an ordinance shall be
43 deemed to have been introduced on the date the subject matter is first voted on by the council."

44 **SECTION 27.(i)** This section does not affect the validity of S.L. 2008-111.

45 **SECTION 27.(j)** This section is effective when it becomes law and applies
46 throughout the duration of any declaration of emergency issued under G.S. 166A-19.20 in effect
47 on or after that date. The actions of any public body in an open meeting conducted via
48 simultaneous communication between March 10, 2020, and the effective date of this section are
49 not deemed invalid due to the use of simultaneous communication to conduct that open meeting.

50
51 **EXTEND ORDINANCE/RULE REPORTING**

1 **SECTION 28.(a)** Section 1 of S.L. 2018-69, as amended by Section 3 of S.L.
2 2019-198, reads as rewritten:

3 **"SECTION 1.** All State agencies, boards, and commissions that have the power to define
4 conduct as a crime in the North Carolina Administrative Code shall create a list of all crimes
5 defined by the agency, board, or commission that are in effect or pending implementation. Each
6 agency, board, or commission shall submit the list to the Joint Legislative Administrative
7 Procedure Oversight Committee no later than ~~November 1, 2019.~~March 1, 2021."

8 **SECTION 28.(b)** Section 3 of S.L. 2018-69, as amended by Section 4 of S.L.
9 2019-198, reads as rewritten:

10 **"SECTION 3.** Every county with a population of 20,000 or more according to the last federal
11 decennial census, city or town with a population of 1,000 or more according to the last federal
12 decennial census, or metropolitan sewerage district that has enacted an ordinance punishable
13 pursuant to G.S. 14-4(a) shall create a list of applicable ordinances with a description of the
14 conduct subject to criminal punishment in each ordinance. Each county, city, town, or
15 metropolitan sewerage district shall submit the list to the Joint Legislative Administrative
16 Procedure Oversight Committee no later than ~~November 1, 2019.~~March 1, 2021."

17 **SECTION 29.(c)** Section 5 of S.L. 2019-198 reads as rewritten:

18 **"SECTION 5.** No ordinance adopted on or after ~~January 1, 2020,~~May 1, 2021, and before
19 ~~January 1, 2022,~~May 1, 2023, by a county, city, or town that was required to report pursuant to
20 Section 3 of S.L. 2018-69, as amended by Section 4 ~~of this act,~~ of S.L. 2019-198 and Section 2
21 of this act, shall be subject to the criminal penalty provided by G.S. 14-4 unless that county, city,
22 or town submitted the required report on or before ~~November 1, 2019.~~March 1, 2021. Ordinances
23 regulated by this section may still be subject to civil penalties as authorized by G.S. 153A-123
24 or G.S. 160A-175."

25 **SECTION 29.(d)** Section 6 of S.L. 2019-198 reads as rewritten:

26 **"SECTION 6.** The General Statutes Commission shall study the reports received pursuant
27 to S.L. 2018-69, as amended by Section 3 and Section 4 of this act, and make recommendations
28 regarding whether any conduct currently criminalized either (i) by an ordinance of a county, city,
29 town, or metropolitan sewerage district or (ii) in the North Carolina Administrative Code by an
30 agency, board, or commission, should have criminal penalties provided by a generally applicable
31 State law. The Commission shall report to the ~~2020 Regular Session of the 2019 General~~
32 ~~Assembly~~2021 General Assembly and to the Joint Oversight Committee on General Government
33 on or before ~~May 1, 2020.~~March 1, 2021."

34 **SECTION 29.(e)** This section is effective when it becomes law.

35 36 **AUTHORIZE MODIFICATION OF CRIMINAL JUDGEMENTS REQUIRING** 37 **INTERMITTENT ACTIVE TIME**

38 **SECTION 30.5.(a)** Any criminal judgment requiring a defendant to serve periods of
39 confinement or imprisonment in a local confinement facility may be modified by the chief district
40 court judge of the judicial district in which the order was issued if the chief district court judge
41 finds that all of the following requirements are met:

- 42 (1) The defendant is unable to serve one or more ordered periods of confinement
43 or imprisonment due to the local confinement facility's restrictions on inmates
44 during the COVID-19 State of Emergency.
- 45 (2) Without modification, the defendant will be in violation of the criminal
46 judgment.
- 47 (3) The District Attorney consents to modification of the criminal judgment.

48 Any modification made pursuant to this authorization shall be as minimal as possible
49 to allow the defendant to comply with the requirements of the criminal judgment.

50 **SECTION 30.5.(b)** This section is effective when it becomes law and expires August
51 1, 2020.

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NCDOT CASH FLOOR

SECTION 30.6.(a) Notwithstanding G.S. 143C-6-11(f), the Department of Transportation shall maintain an available cash balance at the end of each month equal to at least one hundred twenty-five million dollars (\$125,000,000). In the event this cash position is not maintained, no further transportation project contract commitments may be entered into until the cash balance has been regained. Any federal funds on hand shall not be considered as cash for the purposes of this subsection.

SECTION 30.6.(b) This section is effective when it becomes law and expires one year from the date it is effective.

SEVERABILITY

SECTION 31. If any provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

EFFECTIVE DATE

SECTION 32. Except as otherwise provided, this act is effective when it becomes law.