

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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HOUSE BILL 911  
Committee Substitute Favorable 6/10/21  
Committee Substitute #2 Favorable 8/5/21  
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PROPOSED SENATE COMMITTEE SUBSTITUTE H911-PCS10600-BR-31

Short Title: Regulatory Reform Act of 2022.

(Public)

Sponsors:

Referred to:

May 11, 2021

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH  
3 CAROLINA.

4 The General Assembly of North Carolina enacts:

5  
6 **CLARIFY REQUESTING BOARD FOR RESIDENCY LICENSE**

7 **SECTION 1.(a)** G.S. 115C-270.20 reads as rewritten:

8 "**§ 115C-270.20. Licensure requirements.**

9 (a) Teacher Licenses. – The State Board shall adopt rules for the issuance of the following  
10 classes of teacher licenses, including required levels of preparation for each classification:

11 ...

12 (5) Residency License or RL. – A one-year license, renewable twice, that meets  
13 both of the following requirements:

14 a. Is requested by the ~~local board of education~~ governing body of a public  
15 school unit and accompanied by a certification of supervision from the  
16 recognized educator preparation program in which the individual is  
17 enrolled.

18 b. The individual for whom the license is requested meets all of the  
19 following requirements:

20 1. Holds at least one of the following:

21 I. A bachelor's degree.

22 II. An advanced degree.

23 2. Has either completed coursework relevant to the requested  
24 licensure area or passed the content area examination relevant  
25 to the requested licensure area that has been approved by the  
26 State Board.

27 3. Is enrolled in a recognized educator preparation program.

28 4. Meets all other requirements established by the State Board,  
29 including completing preservice requirements prior to  
30 teaching.

31 ...."



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1           **SECTION 1.(b)** This section is effective when it becomes law and applies to  
2 individuals seeking licensure on or after that date.

3  
4 **TOLLING THE TERMS OF CHARTERS TO ALLOW TIME TO OBTAIN LAND USE**  
5 **APPROVALS**

6           **SECTION 2.** G.S. 115C-218.5 is amended by adding a new subsection to read:

7           "(g) A charter school shall be entitled to automatically extend any deadline to begin  
8 operations or commence the term of its charter until the next school year if it notifies the State  
9 Board by June 30 that it is seeking land use or development approvals for its selected site or  
10 facilities or if it is challenging the denial of any requested land use or development approvals.  
11 The term of the charter issued by the State Board shall be tolled during the period of any extension  
12 or extensions issued under this section."

13  
14 **AUTHORIZE SANITARY DISTRICTS TO CREATE, MAINTAIN, AND OPERATE**  
15 **PARKS AND RECREATION PROGRAMS AND FACILITIES**

16           **SECTION 3.** G.S. 130A-55 reads as rewritten:

17 **"§ 130A-55. Corporate powers.**

18           A sanitary district board shall be a body politic and corporate and may sue and be sued in  
19 matters relating to the sanitary district. Notwithstanding any limitation in the petition under  
20 G.S. 130A-48, but subject to the provisions of G.S. 130A-55(17)e, each sanitary district may  
21 exercise all of the powers granted to sanitary districts by this Article. In addition, the sanitary  
22 district board shall have the following powers:

23           ...

24           (4a) To provide for the creation, maintenance, and operation of parks and  
25 recreation programs and facilities with all the powers provided to cities and  
26 counties in G.S. 160A-353. However, a sanitary district may not exercise the  
27 power of eminent domain to acquire real property for parks and recreation  
28 programs or facilities.

29           ...."

30  
31 **CLARIFY NC VETERINARY MEDICAL BOARD AUTHORITY TO ISSUE CERTAIN**  
32 **CIVIL PENALTIES**

33           **SECTION 4.(a)** G.S. 90-187.8 reads as rewritten:

34 **"§ 90-187.8. Discipline of licensees.**

35           ...

36           (b) The Board may impose and collect from a ~~licensee~~ licensee, or a veterinary facility  
37 permittee, a civil monetary penalty of up to five thousand dollars (\$5,000) for each violation of  
38 this Article or a rule adopted under this Article. The clear proceeds of these civil penalties shall  
39 be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

40           The amount of the civil penalty, up to the maximum, shall be determined upon a finding of  
41 one or more of the following factors:

- 42           (1) The degree and extent of harm to the public health or to the health of the  
43 animal under the licensee's care.  
44           (2) The duration and gravity of the violation.  
45           (3) Whether the violation was committed willfully or intentionally or reflects a  
46 continuing pattern.  
47           (4) Whether the violation involved elements of fraud or deception either to the  
48 client or to the Board, or both.  
49           (5) The prior disciplinary record with the Board of the licensee.  
50           (6) Whether and the extent to which the licensee profited by the violation.

51           ...."

1           **SECTION 4.(b)** This section is effective when it becomes law and applies to civil  
2 penalties issued on or after that date.

3  
4 **STATE AUDITOR TECHNICAL CHANGE**

5           **SECTION 5.** G.S. 143C-6-23 reads as rewritten:

6 **"§ 143C-6-23. State grant funds: administration; oversight and reporting requirements.**

7           ...

8           (d) Office of State Budget Rules Must Require Uniform Administration of State Grants.  
9 – The Office of State Budget and Management shall adopt rules to ensure the uniform  
10 administration of State grants by all grantor State agencies and grantees or subgrantees. The  
11 Office of State Budget and Management shall consult with the Office of the State Auditor and  
12 the Attorney General in establishing the rules required by this subsection. The rules shall  
13 establish policies and procedures for disbursements of State grants and for State agency  
14 oversight, monitoring, and evaluation of grantees and subgrantees. The policies and procedures  
15 shall:

16           ...

17           (6) Establish mandatory periodic reporting requirements for grantees and  
18 subgrantees, including methods of reporting, to provide financial and program  
19 performance information. ~~The mandatory periodic reporting requirements~~  
20 ~~shall require grantees and subgrantees to file with the State Auditor copies of~~  
21 ~~reports and statements that are filed with State agencies pursuant to this~~  
22 ~~subsection. Compliance with the mandatory periodic reporting requirements~~  
23 ~~of this subdivision shall not require grantees and subgrantees to file with the~~  
24 ~~State Auditor the information described in subsections (b) and (c) of this~~  
25 ~~section.~~

26           ...

27           (8) ~~Require grantees and subgrantees to ensure that work papers in the possession~~  
28 ~~of their auditors are available to the State Auditor for the purposes set out in~~  
29 ~~subsection (i) of this section.~~

30           ...

31           (i) ~~State Agencies to Submit Grant List to Auditor. No later than October 1 of each~~  
32 ~~year, each State agency shall submit a list to the State Auditor, in the format prescribed by the~~  
33 ~~State Auditor, of every grantee to which the agency disbursed grant funds in the prior fiscal year.~~  
34 ~~The list shall include the amount disbursed to each grantee and other information as required by~~  
35 ~~the State Auditor to comply with the requirements of this section.~~

36           ...."

37  
38 **CONFORMING CHANGE TO LEAD DUST STANDARDS**

39           **SECTION 6.(a)** G.S. 130A-131.7 reads as rewritten:

40 **"§ 130A-131.7. Definitions.**

41           The following definitions apply in this Part:

42           ...

43           (4) "Department" means the Department of ~~Environmental Quality Health and~~  
44 ~~Human Services~~ or its authorized agent.

45           ...

46           (7) "Lead poisoning hazard" means any of the following:

47           ...

48           c. Any concentration of lead dust that is equal to or greater than ~~40-10~~  
49 ~~micrograms per square foot on floors or 250 floors, 100~~ micrograms  
50 ~~per square foot on interior windowsills, or 250 micrograms per square~~  
51 ~~foot on vinyl miniblinds, bathtubs, kitchen sinks, or lavatories.~~

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...."

**SECTION 6.(b)** G.S. 130A-131.9C(i), as amended by S.L. 2021-69, reads as

rewritten:

"(i) All remediation plans shall require that the lead poisoning hazards be reduced to the following levels:

- (1) ~~Fewer~~Less than ~~40~~10 micrograms per square foot for lead dust on floors.
- (2) ~~Fewer~~Less than ~~250~~100 micrograms per square foot for lead dust on interior ~~windowsills, bathtubs, kitchen sinks, and lavatories.~~windowsills.
- (2a) Less than 250 micrograms per square foot for lead dust on vinyl miniblinds, bathtubs, kitchen sinks, and lavatories.
- (3) ~~Fewer~~Less than 400 micrograms per square foot for lead dust on window troughs.
- (4) ~~Fewer~~Less than 400 parts per million for lead in bare soil in play areas, gardens, pet sleeping areas, and areas within three feet of the residential housing unit or child-occupied facility. Lead in bare soil in other locations of the yard shall be reduced to less than 1,200 parts per million.
- (5) ~~Fewer~~Less than 10 parts per billion for lead in drinking water."

**SECTION 6.(c)** This section becomes effective on December 1, 2022.

**SENSITIVE PUBLIC SECURITY INFORMATION PUBLIC RECORDS CHANGES**

**SECTION 7.(a)** G.S. 132-1.7 reads as rewritten:

"§ 132-1.7. Sensitive public security information.

(a) Public records, as defined in G.S. 132-1, shall not include ~~information~~sensitive public security information, which means any of the following:

- (1) Information containing specific details of public security plans and arrangements or the detailed plans and drawings of public buildings and infrastructure facilities or plans, facilities, including detailed plans and drawings contained in, or capable of being produced from, information storage systems or geographic information system databases.
- (2) Plans, schedules, or other documents that include information regarding patterns or practices associated with executive protection and security.
- (3) Specific security information or detailed plans, patterns, or practices associated with prison or local confinement facilities operations.
- (4) Specific security information or detailed plans, patterns, or practices to prevent or respond to criminal, gang, or organized illegal activity.
- (5) Specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure, whether physical or virtual, for the production, generation, transmission, or distribution of energy.

~~(a1) Public records, as defined in G.S. 132-1, shall not include specific security information or detailed plans, patterns, or practices associated with prison operations.~~

~~(a2) Public records, as defined in G.S. 132-1, shall not include specific security information or detailed plans, patterns, or practices to prevent or respond to criminal, gang, or organized illegal activity.~~

...."

**SECTION 7.(b)** G.S. 130A-304 reads as rewritten:

"§ 130A-304. Confidential information protected.

(a) The following information received or prepared by the Department in the course of carrying out its duties and responsibilities under this Article is confidential information and shall not be subject to disclosure under G.S. 132-6:

- (1) Information which the Secretary determines is entitled to confidential treatment pursuant to G.S. 132-1.2. If the Secretary determines that

1 information received by the Department is not entitled to confidential  
2 treatment, the Secretary shall inform the person who provided the information  
3 of that determination at the time such determination is made. The Secretary  
4 may refuse to accept or may return any information that is claimed to be  
5 confidential that the Secretary determines is not entitled to confidential  
6 treatment.

7 (2) Information that is confidential under any provision of federal or state law.

8 (3) Information compiled in anticipation of enforcement or criminal proceedings,  
9 but only to the extent disclosure could reasonably be expected to interfere with  
10 the institution of such proceedings.

11 (4) Sensitive public security information, as defined in G.S. 132-1.7.

12 (b) Confidential information may be disclosed to officers, employees, or authorized  
13 representatives of federal or state agencies if such disclosure is necessary to carry out a proper  
14 function of the Department or the requesting agency or when relevant in any proceeding under  
15 this Article.

16 (c) Except as provided in subsection (b) of this section or as otherwise provided by law,  
17 any officer or employee of the State who knowingly discloses information designated as  
18 confidential under this section shall be guilty of a Class 1 misdemeanor and shall be removed  
19 from office or discharged from employment."

20 **SECTION 7.(c)** G.S. 143-215.3C reads as rewritten:

21 "**§ 143-215.3C. Confidential information protected.**

22 (a) Information obtained under this Article or Article 21A or 21B of this Chapter shall  
23 be available to the public except that, upon a showing satisfactory to the Commission by any  
24 person that information to which the Commission has access, if made public, would divulge  
25 methods or processes entitled to protection as trade secrets pursuant to G.S. 132-1.2, or would  
26 divulge sensitive public security information, as defined in G.S. 132-1.7, the Commission shall  
27 consider the information confidential.

28 (b) Effluent data, as defined in 40 Code of Federal Regulations § 2.302 (1 July 1993  
29 Edition) and emission data, as defined in 40 Code of Federal Regulations § 2.301 (1 July 1993  
30 Edition) is not entitled to confidential treatment under this section.

31 (c) Confidential information may be disclosed to any officer, employee, or authorized  
32 representative of any federal or state agency if disclosure is necessary to carry out a proper  
33 function of the Department or other agency or when relevant in any proceeding under this Article  
34 or Article 21A or Article 21B of this Chapter.

35 (d) The Commission shall provide for adequate notice to any person who submits  
36 information of any decision that the information is not entitled to confidential treatment and of  
37 any decision to release information that the person who submits the information contends is  
38 entitled to confidential treatment. Any person who requests information and any person who  
39 submits information who is dissatisfied with a decision of the Commission to withhold or release  
40 information may request a declaratory ruling from the Commission under G.S. 150B-4 within 10  
41 days after the Commission notifies the person of its decision. The information may not be  
42 released by the Commission until the Commission issues a declaratory ruling or, if judicial  
43 review of the final agency decision is sought by any party, the information may not be released  
44 by the Commission until a final judicial determination has been made."

45  
46 **CLARIFY LIABILITY FOR ONSITE WASTEWATER SYSTEMS INSTALLED**  
47 **PURSUANT TO LICENSED SOIL SCIENTISTS OPTION FOR NONENGINEERED**  
48 **SYSTEMS**

49 **SECTION 8.(a)** G.S. 130A-335(a2) reads as rewritten:

50 "(a2) Evaluations conducted by a licensed soil scientist or a licensed geologist pursuant to  
51 subsection (a1) of this section to produce design and construction features for a new proposed

1 wastewater system or a proposed repair project for an existing wastewater system, including the  
2 addressing of any special hydrologic conditions that may be required under the applicable rules  
3 for an authorization to construct or for permitting, shall be approved by the applicable permitting  
4 authorities under ~~G.S. 130A-336 and G.S. 130A-336.1~~, G.S. 130A-336, 130A-336.1, and  
5 130A-336.2, provided both of the following conditions are met:

- 6 (1) The evaluation of soil conditions, site ~~features~~, features, design features,  
7 construction features, or geologic and hydrogeologic conditions satisfies all  
8 requirements of this Article. The evaluation shall not cover areas outside the  
9 scope of the applicable license.
- 10 (2) The licensed soil scientist or licensed geologist conducting the evaluation  
11 maintains an errors and omissions liability insurance policy issued by an  
12 insurer licensed under Chapter 58 of the General Statutes in an amount  
13 commensurate with the risk.

14 Upon receipt of a signed written evaluation from the soil scientist or licensed geologist, the  
15 Department, the Department's authorized agents, and the local health department shall be  
16 discharged and released from any liabilities, duties, and responsibilities imposed by statute or in  
17 common law from any claim arising out of or attributed to the soil conditions, site ~~features~~,  
18 features, design features, construction features, geologic conditions, or hydrogeologic conditions  
19 for which the signed written evaluation was submitted."

20 **SECTION 8.(b)** This section is effective when it becomes law and applies to  
21 evaluations conducted by a licensed soil scientist pursuant to G.S. 130A-336.2 on or after that  
22 date.

## 23

## 24 **EXEMPT OFF-FRAME MODULAR HOMES FROM CERTAIN DESIGN ELEMENTS**

## 25 **REQUIRED BY THE NORTH CAROLINA BUILDING CODE**

26 **SECTION 9.** G.S. 143-139.1 reads as rewritten:

27 "**§ 143-139.1. Certification of manufactured buildings, structures or components by**  
28 **recognized independent testing laboratory; minimum standards for**  
29 **single-family, on-frame modular homes.**

30 (a) Certification. – The State Building Code may provide, in circumstances deemed  
31 appropriate by the Building Code Council, for testing, evaluation, inspection, and certification of  
32 buildings, structures or components manufactured off the site on which they are to be erected, by  
33 a recognized independent testing laboratory having follow-up inspection services approved by  
34 the Building Code Council. Approval of such buildings, structures or components shall be  
35 evidenced by labels or seals acceptable to the Council. All building units, structures or  
36 components bearing such labels or seals shall be deemed to meet the requirements of the State  
37 Building Code and this Article without further inspection or payment of fees, except as may be  
38 required for the enforcement of the Code relative to the connection of units and components and  
39 enforcement of local ordinances governing zoning, utility connections, and foundations permits.  
40 The Building Code Council shall adopt and may amend from time to time such reasonable and  
41 appropriate rules and regulations as it deems necessary for approval of agencies offering such  
42 testing, evaluation, inspection, and certification services and for overseeing their operations.  
43 Such rules and regulations shall include provisions to insure that such agencies are independent  
44 and free of any potential conflicts of interest which might influence their judgment in exercising  
45 their functions under the Code. Such rules and regulations may include a schedule of reasonable  
46 fees to cover administrative expenses in approving and overseeing operations of such agencies  
47 and may require the posting of a bond or other security satisfactory to the Council guaranteeing  
48 faithful performance of duties under the Code.

49 The Building Code Council may also adopt rules to insure that any person that is not licensed,  
50 in accordance with G.S. 87-1, and that undertakes to erect a North Carolina labeled manufactured  
51 modular building, meets the manufacturer's installation instructions and applicable provisions of

1 the State Building Code. Any such person, before securing a permit to erect a modular building,  
2 shall provide the code enforcement official proof that he has in force for each modular building  
3 to be erected a \$5,000 surety bond insuring compliance with the regulations of the State Building  
4 Code governing installation of modular buildings.

5 (b) Minimum Standards for Single-Family, On-Frame Modular Homes. – To qualify for  
6 a label or seal under subsection (a) of this section, a ~~single-family~~ single-family, on-frame  
7 modular home must meet or exceed the following construction and design standards:

- 8 (1) Roof pitch. – For homes with a single predominant roofline, the pitch of the  
9 roof shall be no less than five feet rise for every 12 feet of run.
- 10 (2) Eave projection. – The eave projections of the roof shall be no less than 10  
11 inches, which may not include a gutter around the perimeter of the home,  
12 unless the roof pitch is 8/12 or greater.
- 13 (3) Exterior wall. – The minimum height of the exterior wall shall be at least seven  
14 feet six inches for the first story.
- 15 (4) Siding and roofing materials. – The materials and texture for the exterior  
16 materials shall be compatible in composition, appearance, and durability to  
17 the exterior materials commonly used in standard residential construction.
- 18 (5) Foundations. – The home shall be designed to require foundation supports  
19 around the perimeter. The supports may be in the form of piers, pier and  
20 curtain wall, piling foundations, a perimeter wall, or other approved perimeter  
21 supports."  
22

## 23 **EXTEND DEADLINE FOR SMALL MUNICIPALITIES TO ADOPT** 24 **COMPREHENSIVE LAND-USE PLANS**

25 **SECTION 10.** Section 2.9(c) of S.L. 2019-111 reads as rewritten:

26 "**SECTION 2.9.(c)** Any local government that has adopted zoning regulations but that has  
27 not adopted a comprehensive plan shall adopt such plan no later than July 1, 2022, in order to  
28 retain the authority to adopt and apply zoning ~~regulations~~ regulations, except that municipalities  
29 with a population of 1,500 or less according to the most recent federal decennial census shall  
30 adopt such plan no later than July 1, 2023."  
31

## 32 **APPLY THE TMDL TRANSPORT FACTOR WHEN OFFSETTING PERMITTED** 33 **WASTEWATER DISCHARGES FROM LOCAL GOVERNMENTS IN THE NEUSE** 34 **RIVER BASIN**

35 **SECTION 11.** Section 15 of S.L. 2020-18 reads as rewritten:

36 "**SECTION 15.(a)** Notwithstanding 15A NCAC 02B .0701 (Nutrient Strategies  
37 Definitions), 15A NCAC 02B .0703 (Nutrient Offset Credit Trading), and 15A NCAC 02B .0713  
38 (Neuse Nutrient Strategy: Wastewater Discharge Requirements), nutrient offset credits shall be  
39 applied to a wastewater permit by applying the TMDL transport factor to the permitted  
40 wastewater discharge and to the nutrient offset credits.

41 "**SECTION 15.(b)** Subsection (a) of this section applies only to wastewater discharge permit  
42 applications for a ~~local government~~ governments located in the Neuse River ~~Basin~~ with a  
43 customer base of fewer than 15,000 connections Basin.

44 "**SECTION 15.(c)** No later than August 1, 2020, the Department of Environmental Quality,  
45 in conjunction with affected parties, shall begin the modeling necessary to determine new  
46 transport zones and delivery factors for the Neuse River Basin for point source discharges and  
47 nutrient offset credits. Once the Department has completed the modeling, the Environmental  
48 Management Commission shall use the modeling and other information provided during the  
49 public comment period to adopt new transport zones and delivery factors by rule. The  
50 Environmental Management Commission may adopt temporary rules to implement this section.

1        **"SECTION 15.(d)** This section is effective when it becomes law. Subsections (a) and (b) of  
2 this section shall expire when the rule required by subsection (c) of this section becomes  
3 effective."  
4

5        **EFFECTIVE DATE**

6                **SECTION 12.** Except as otherwise provided, this act is effective when it becomes  
7 law.