

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

**H.B. 481**  
**Mar 24, 2025**  
**HOUSE PRINCIPAL CLERK**

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HOUSE BILL DRH30223-MUz-29

Short Title: GSC Technical Corrections 2025 Part 2.

(Public)

Sponsors: Representative Davis.

Referred to:

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

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Subject to the grammatical rules and general drafting conventions of  
7 capitalization, the Revisor of Statutes shall make the following changes:

- 8 (1) Subject to subdivision (2) of this section, replace "e-mail", "electronic mail",  
9 or "electronic mailing" with "email" in G.S. 1-75.4, 1-507.34, 1-539.2A,  
10 1A-1, Rule 4, 1A-1, Rule 5, and any other statutes in which any of these terms  
11 appear. The Revisor of Statutes shall make a similar change when any of these  
12 terms is plural.
- 13 (2) Replace "registered, certified, or electronic mail" with "registered mail,  
14 certified mail, or email" in G.S. 143-293.
- 15 (3) Subject to subdivisions (4) and (5) of this section, make "Internet" lowercase  
16 in G.S. 14-113.20, 14-113.30, 14-113.31, 14-118.7, 14-196.3, and any other  
17 statutes in which the term appears.
- 18 (4) Replace "Internet protocol" with "Internet Protocol" in G.S. 105-164.3,  
19 130A-480, and 143B-1400.
- 20 (5) Replace "internet web site", "internet website", "internet site", or "web site",  
21 including any variation in capitalization of any of these terms, with "website"  
22 in G.S. 7A-38.2, 7A-38.3F, 10B-36, 14-44.1, 14-202.5, and any other statutes  
23 in which any of these terms appear. The Revisor of Statutes shall make a  
24 similar change when any of these terms is plural.
- 25 (6) Replace "rule making" or "rule-making" with "rulemaking" in G.S. 7B-4001,  
26 10B-126, 15C-12, 18B-105, 20-37.22, and any other statutes in which either  
27 of these terms appear.

28 The Revisor of Statutes may delete duplicative language resulting from these changes  
29 and may replace "an" with "a" to conform with these changes.

30 **SECTION 2.** G.S. 14-288.9 reads as rewritten:

31 **"§ 14-288.9. Assault ~~on~~ upon emergency personnel; punishments.**

32 (a) An assault upon emergency personnel is an assault upon any person ~~coming included~~  
33 within the definition of "emergency personnel" ~~which in~~ subsection (b) of this section that is  
34 committed in an ~~area~~ area in which either of the following applies:

- 35 (1) ~~In which a~~ A declared state of emergency exists; ~~or exists.~~



(2) Within the immediate ~~vicinity of which~~ vicinity, a riot is occurring or is imminent.

(b) ~~The~~ In this section, the term "emergency personnel" includes law-enforcement officers, ~~firemen, firefighters,~~ ambulance attendants, utility workers, doctors, nurses, members of the North Carolina National Guard, and other persons lawfully engaged in providing essential services or otherwise discharging or attempting to discharge ~~his or her~~ their official duties during ~~the~~ an emergency.

(c) ~~Any~~ A person who commits an assault upon emergency personnel is guilty of a Class H felony.

(d) ~~Any~~ A person who commits an assault upon emergency personnel with or through the use of ~~any~~ a dangerous weapon or substance ~~shall be punished as a Class F felon~~ is guilty of a Class F felony.

(e) ~~Any~~ A person who commits an assault upon emergency personnel causing serious bodily injury to the emergency personnel is guilty of a Class E felony.

(f) ~~Any~~ A person who commits an assault upon emergency personnel causing death to the emergency personnel is guilty of a Class D felony."

**SECTION 3.(a)** G.S. 15A-145.5 reads as rewritten:

**"§ 15A-145.5. Expunction of certain misdemeanors and felonies; no age limitation.**

(a) For purposes of this section, the term "nonviolent misdemeanor" or "nonviolent felony" means any misdemeanor or felony except the following:

- ...
- (4) Any of the following sex-related or stalking offenses: G.S. 14-27.25(b), 14-27.30(b), 14-190.7, 14-190.8, 14-190.9, 14-202, 14-208.11A, 14-208.18, former 14-277.3, 14-277.3A, and 14-321.1.
- (5) Any felony offense in Chapter 90 of the General Statutes ~~where the offense involves that~~ involves methamphetamines, heroin, or possession with intent to sell or deliver or sell and deliver cocaine.
- (6) An offense under G.S. 14-12.12(b), 14-12.13, or 14-12.14, or any offense for which ~~punishment was determined pursuant to G.S. 14-3(e).~~ G.S. 14-3(c) was applied.

...

(c) A person may file a ~~petition, petition~~ petition in the court of the county where the person was convicted. ~~[The following applies:]~~ The following provisions apply:

- (1) For expunction of one or more nonviolent misdemeanor convictions, the petition shall not be filed earlier than ~~one of the following:~~ the following, as applicable:
  - ...
- (2) For expunction of up to three nonviolent felony convictions, the petition shall not be filed earlier than ~~one of the following:~~ the following, as applicable:
  - a. For expunction of one nonviolent felony not subject to ~~the waiting period set forth in~~ sub-subdivision a1. of this subdivision, 10 years after the date of the conviction or 10 years after any active sentence, period of probation, or post-release ~~supervision,~~ supervision related to the conviction ~~listed in the petition,~~ has been served, whichever occurs later.
  - a1. For expunction of one nonviolent felony under G.S. 14-54(a), 15 years after the date of the conviction or 15 years after any active sentence, period of probation, or post-release ~~supervision,~~ supervision related to the conviction ~~listed in the petition,~~ has been served, whichever occurs later.

- 1                   b.       For expunction of two or three nonviolent felonies, 20 years after the  
2                               date of the most recent conviction listed in the petition, or 20 years  
3                               after any active sentence, period of probation, or post-release  
4                               ~~supervision, supervision~~ related to a conviction listed in the ~~petition,~~  
5                               petition has been served, whichever occurs later.

6           A person previously granted an expunction under this section is not eligible for relief under  
7 this section for any offense committed after the date of the previous order for expunction. Except  
8 as provided in subsections (c4) and (c5) of this section, a person previously granted an expunction  
9 under this section for one or more misdemeanors is not eligible for expunction of additional  
10 misdemeanors under this ~~section~~section, and a person previously granted an expunction under  
11 this section for one or more felonies is not eligible for expunction of additional felonies under  
12 this section.

13           (c1) A petition filed pursuant to this section shall contain, but not be limited to, the  
14 following:

- 15           (1) An affidavit by the petitioner that the petitioner is of good moral character and  
16 one of the following ~~statements:~~statements, as applicable:  
17           ...  
18           (2) ~~Verified affidavits~~ Affidavits of two persons who are not related to the  
19 petitioner or to each other by blood or marriage, that they know the character  
20 and reputation of the petitioner in the community in which the petitioner lives  
21 and that the petitioner's character and reputation are good.  
22           (3) A statement that the petition is a motion in the cause in the case ~~wherein~~in  
23 which the petitioner was convicted.  
24           (4) An application on a form approved by the Administrative Office of the Courts  
25 requesting and authorizing ~~a~~all of the following:  
26           a.       A name-based State and national criminal history record check by the  
27 State Bureau of Investigation using any information required by the  
28 Administrative Office of the Courts to identify the ~~individual,~~ a  
29 individual.  
30           b.       A search by the State Bureau of Investigation for any outstanding  
31 warrants ~~on or pending criminal cases, and a cases.~~  
32           c.       A search of the confidential record of expunctions maintained by the  
33 Administrative Office of the Courts.

34           The application shall be filed with the clerk of superior ~~court.~~ The court, who  
35 clerk of superior court shall forward ~~the application~~ it to the State Bureau of  
36 Investigation and to the Administrative Office of the ~~Courts, which shall~~  
37 Courts to conduct the searches and report their findings to the court.

38           ...

39           Upon filing of the petition, the petition shall be served upon the district attorney of the court  
40 ~~wherein in which~~ the case was tried resulting in conviction. The district attorney shall then have  
41 30 days ~~thereafter in which~~ to file any an objection ~~thereto~~ and shall be duly notified as to the  
42 date of the hearing of the petition. Upon good cause shown, the court may grant the district  
43 attorney an additional 30 days to file an objection to the petition. The district attorney shall make  
44 his or her best efforts to contact the victim, if any, to notify the victim of the request for  
45 expunction prior to the date of the hearing. Upon request by the victim, the victim has a right to  
46 be present at any hearing on the petition for ~~expunction~~ expunction, and the victim's views and  
47 concerns shall be considered by the court at ~~such the~~ hearing.

48           The presiding judge ~~is authorized to may~~ call upon a probation officer for any additional  
49 investigation or verification of the petitioner's conduct since the conviction. The court shall  
50 review any other information the court deems relevant, including, but not limited to, affidavits

1 or other testimony provided by law enforcement officers, district attorneys, and victims of crimes  
2 committed by the petitioner.

3 (c2) The court, after hearing a petition for expunction of one or more nonviolent  
4 misdemeanors, shall order that the petitioner be restored, in the contemplation of the law, to the  
5 status the petitioner occupied before the ~~arrest or indictment~~ arrest, indictment, or information,  
6 except as provided in G.S. 15A-151.5, if the court finds all of the following:

7 ...

8 (3) The petitioner has no outstanding warrants or pending criminal cases, is not  
9 under indictment, and no finding of probable cause exists against the  
10 ~~defendant-petitioner~~ for a ~~felony, felony~~ in any federal court or state court in  
11 the United States.

12 (3a) The petitioner is not free on bond or personal recognizance pending trial,  
13 appeal, or sentencing in any federal court or state court in the United States  
14 for a crime ~~which~~ that would prohibit the person from having ~~his or her~~ the  
15 petition for expunction under this section granted.

16 ...

17 (6) The petitioner has no ~~convictions for a misdemeanor or felony~~ conviction that  
18 is listed as an exception to the terms "nonviolent misdemeanor" or "nonviolent  
19 felony" ~~as provided~~ in subsection (a) of this section.

20 ...

21 (c3) The court, after hearing a petition for expunction of one or up to three nonviolent  
22 felonies, may order that the petitioner be restored, in the contemplation of the law, to the status  
23 the petitioner occupied before the ~~arrest or indictment~~ arrest, indictment, or information, except  
24 as provided in G.S. 15A-151.5, if the court finds all of the following:

25 ...

26 (3) The petitioner has no outstanding warrants or pending criminal cases, is not  
27 under indictment, and no finding of probable cause exists against the  
28 ~~defendant-petitioner~~ for a ~~felony, felony~~ in any federal court or state court in  
29 the United States.

30 (3a) The petitioner is not free on bond or personal recognizance pending trial,  
31 appeal, or sentencing in any federal court or state court in the United States  
32 for a crime ~~which~~ that would prohibit the person from having his or her  
33 petition for expunction under this section granted.

34 ...

35 (4a) If the petition is for the expunction of two or three felonies, or if the petitioner  
36 has filed petitions in more than one county pursuant to subsection (c4) of this  
37 section, the petitioner has no misdemeanor ~~convictions~~ convictions, other than  
38 a traffic violation not listed in the ~~petition~~ petition, for expunction in the five  
39 years preceding the petition, and no other felony convictions during the  
40 applicable waiting period set forth in subsection (c) of this section.

41 ...

42 (5) The petitioner has no outstanding restitution orders or civil judgments  
43 representing amounts ordered for restitution entered against the petitioner.

44 (6) The petitioner has no ~~convictions for a misdemeanor~~ conviction that is listed  
45 as an exception to the term "nonviolent misdemeanor" ~~as provided~~ in  
46 subsection (a) of this section or any other felony offense.

47 ...

48 (c4) A person ~~petitioning who petitions~~ petitioning for expunction of multiple convictions pursuant to  
49 sub-subdivision b. of subdivision (1) of subsection (c) of this section or sub-subdivision b. of  
50 subdivision (2) of subsection (c) of this ~~section, where the~~ section and whose convictions were  
51 obtained in more than one ~~county, county~~ shall file a petition in each county of conviction. All

1 petitions shall be filed within a 120-day ~~period.~~ period, except that the court may grant a petition  
2 for expunction filed outside this period if good cause is shown for the failure to file the petition  
3 within this period. The granting of one petition shall not preclude the granting of any other  
4 petition filed within the same 120-day period. ~~Notwithstanding the provisions of this subsection,~~  
5 ~~upon good cause shown for the failure to file a petition within the 120-day period, the court may~~  
6 ~~grant a petition for expunction filed outside the 120-day period.~~

7 ...

8 (d) ~~No person as to whom an order has been entered pursuant to subsection (c) of this~~  
9 ~~section shall be held thereafter under any provision of any law to be guilty of perjury or otherwise~~  
10 ~~giving a false statement by reason of that person's failure to recite or acknowledge the arrest,~~  
11 ~~indictment, information, trial, or conviction. This subsection shall~~ The effect of an expunction  
12 under this section is governed by G.S. 15A-153, except that the protected nondisclosure under  
13 G.S. 15A-153(b) does not apply to a sentencing hearing when the person has been convicted of  
14 a subsequent criminal offense.

15 (d1) Persons pursuing certification under ~~the provisions of~~ Article 1 of Chapter 17C or  
16 Article 2 of Chapter 17E of the General Statutes, however, shall disclose any and all convictions  
17 to the certifying Commission, regardless of whether ~~or not~~ the convictions were expunged  
18 pursuant to ~~the provisions of~~ this section.

19 (d2) Persons requesting that a disclosure statement be prepared by the North Carolina  
20 Sheriffs' Education and Training Standards Commission pursuant to Article 3 of Chapter 17E of  
21 the General Statutes, however, shall disclose any and all felony convictions to the North Carolina  
22 Sheriffs' Education and Training Standards Commission regardless of whether ~~or not~~ the felony  
23 convictions were expunged pursuant to ~~the provisions of~~ this section.

24 (d3) Persons required by State law to obtain a criminal history record check on a  
25 prospective employee ~~shall~~ are not be deemed to have knowledge of any convictions expunged  
26 under this section.

27 (e) The court shall ~~also~~ order that the conviction ~~or convictions~~ be expunged from the  
28 records of the court and direct all law enforcement agencies bearing record of the same conviction  
29 to expunge their records of the conviction. The clerk shall notify State and local agencies of the  
30 court's order, as provided in G.S. 15A-150.

31 (f) Any other applicable State or local government agency shall expunge from its records  
32 entries made as a result of the conviction ~~or convictions~~ ordered expunged under this section  
33 upon receipt from the petitioner of an order entered pursuant to this section. ~~The~~ An agency shall  
34 also vacate any administrative actions taken against a person whose record is expunged under  
35 this section as a result of the charges or convictions expunged. A person whose administrative  
36 action has been vacated by an occupational licensing board pursuant to an expunction under this  
37 section may ~~then~~ reapply for licensure and must ~~shall~~ satisfy the board's ~~then~~ current education  
38 and preliminary licensing requirements at the time of reapplication in order to obtain licensure.  
39 This subsection ~~shall~~ does not apply to the Department of Justice for DNA records and samples  
40 stored in the State DNA Database and the State DNA Databank.

41 (g) A person who files a petition for expunction of a criminal record under this section  
42 ~~must~~ shall pay the clerk of superior court a fee of one hundred seventy-five dollars (\$175.00) at  
43 the time the petition is filed. Fees collected under this subsection shall be deposited in the General  
44 Fund. This subsection does not apply to petitions filed by an ~~indigent.~~ indigent person."

45 **SECTION 3.(b)** G.S. 15A-145 reads as rewritten:

46 **"§ 15A-145. Expunction of records for misdemeanors of first offenders under the age of 18**  
47 **at the time of conviction of misdemeanor; expunction of certain other**  
48 **misdemeanors and of underage persons possessing alcohol.**

49 (a) Whenever any person who has not previously been convicted of any felony, or  
50 misdemeanor other than a traffic violation, under the laws of the United States, the laws of this  
51 State or any other state, (i) pleads guilty to or is guilty of a misdemeanor other than a traffic

1 violation, and the offense was committed before the person attained the age of 18 years, or (ii)  
 2 pleads guilty to or is guilty of a misdemeanor possession of alcohol pursuant to  
 3 G.S. 18B-302(b)(1), and the offense was committed before the person attained the age of 21  
 4 years, he may file a petition in the court of the county where he was convicted for expunction of  
 5 the misdemeanor from his criminal record. The petition cannot be filed earlier than: (i) two years  
 6 after the date of the conviction, or (ii) the completion of any period of probation, whichever  
 7 occurs later, and the petition shall contain, but not be limited to, the following:

8 ...  
 9 (2) ~~Verified affidavits~~ Affidavits of two persons who are not related to the  
 10 petitioner or to each other by blood or marriage, that they know the character  
 11 and reputation of the petitioner in the community in which ~~he~~ the petitioner  
 12 lives and that ~~his~~ the petitioner's character and reputation are good.

13 ...  
 14 (b1) ~~No person as to whom such order has been entered shall be held thereafter under any~~  
 15 ~~provision of any laws to be guilty of perjury or otherwise giving a false statement by reason of~~  
 16 ~~his failure to recite or acknowledge such arrest, or indictment, information, or trial, or response~~  
 17 ~~to any inquiry made of him for any purpose. This subsection shall~~ The effect of an expunction  
 18 under this section is governed by G.S. 15A-153, except that the protected nondisclosure under  
 19 G.S. 15A-153(b) does not apply to a sentencing hearing when the person has been convicted of  
 20 a subsequent criminal offense.

21 ...."

22 **SECTION 3.(c)** G.S. 15A-145.1 reads as rewritten:

23 **"§ 15A-145.1. Expunction of records for first offenders under the age of 18 at the time of**  
 24 **conviction commission of certain gang offenses.**

25 (a) Whenever any person who has not previously been convicted of any felony or  
 26 misdemeanor other than a traffic violation under the laws of the United States or the laws of this  
 27 State or any other state pleads guilty to or is guilty of (i) a Class H felony under Article 13A of  
 28 Chapter 14 of the General Statutes or (ii) an enhanced offense under G.S. 14-50.22, or has been  
 29 discharged and had the proceedings against the person dismissed pursuant to G.S. 14-50.29, and  
 30 the offense was committed before the person attained the age of 18 years, the person may file a  
 31 petition in the court of the county where the person was convicted for expunction of the offense  
 32 from the person's criminal record. Except as provided in G.S. 14-50.29 upon discharge and  
 33 dismissal, the petition cannot be filed earlier than (i) two years after the date of the conviction or  
 34 (ii) the completion of any period of probation, whichever occurs later. The petition shall contain,  
 35 but not be limited to, the following:

36 ...  
 37 (2) ~~Verified affidavits~~ Affidavits of two persons who are not related to the  
 38 petitioner or to each other by blood or marriage, that they know the character  
 39 and reputation of the petitioner in the community in which the petitioner lives,  
 40 and that the petitioner's character and reputation are good.

41 ...  
 42 (b1) ~~No person as to whom such order has been entered shall be held thereafter under any~~  
 43 ~~provision of any laws to be guilty of perjury or otherwise giving a false statement by reason of~~  
 44 ~~the person's failure to recite or acknowledge such arrest, or indictment or information, or trial, or~~  
 45 ~~response to any inquiry made of the person for any purpose. This subsection shall~~ The effect of  
 46 an expunction under this section is governed by G.S. 15A-153, except that the protected  
 47 nondisclosure under G.S. 15A-153(b) does not apply to a sentencing hearing when the person  
 48 has been convicted of a subsequent criminal offense.

49 ...."

50 **SECTION 3.(d)** G.S. 15A-145.2 reads as rewritten:

1 **"§ 15A-145.2. Expunction of records for first offenders not over 21 years of age at the time**  
2 **of the offense of certain drug offenses.**

3 (a) Whenever a person is discharged, and the proceedings against the person dismissed,  
4 pursuant to G.S. 90-96(a) or (a1), and the person was not over 21 years of age at the time of the  
5 offense, the person may apply to the court of the county where charged for an order to expunge  
6 from all official records, other than the confidential files retained under G.S. 15A-151, all  
7 recordation relating to the person's arrest, indictment or information, trial, finding of guilty, and  
8 dismissal and discharge pursuant to this section. The applicant shall attach to the petition the  
9 following:

10 ...  
11 (2) ~~Verified affidavits~~ Affidavits by two persons who are not related to the  
12 petitioner or to each other by blood or marriage, that they know the character  
13 and reputation of the petitioner in the community in which he or she lives, and  
14 that the petitioner's character and reputation are good;

15 ...  
16 (a1) ~~No person as to whom such order was entered shall be held thereafter under any~~  
17 ~~provision of any law to be guilty of perjury or otherwise giving a false statement by reason of the~~  
18 ~~person's failures to recite or acknowledge such arrest, or indictment or information, or trial in~~  
19 ~~response to any inquiry made of him or her for any purpose. This subsection shall~~ The effect of  
20 an expunction under this section is governed by G.S. 15A-153, except that the protected  
21 nondisclosure under G.S. 15A-153(b) does not apply to a sentencing hearing when the person  
22 has been convicted of a subsequent criminal offense.

23 ...."

24 **SECTION 3.(e)** G.S. 15A-145.3 reads as rewritten:

25 **"§ 15A-145.3. Expunction of records for first offenders not over 21 years of age at the time**  
26 **of the offense of certain toxic vapors offenses.**

27 (a) Whenever a person is discharged and the proceedings against the person dismissed  
28 under G.S. 90-113.14(a) or (a1), such person, if he or she was not over 21 years of age at the time  
29 of the offense, may apply to the court of the county where charged for an order to expunge from  
30 all official records, other than the confidential files retained under G.S. 15A-151, all recordation  
31 relating to the person's arrest, indictment or information, trial, finding of guilty, and dismissal  
32 and discharge pursuant to this section. The applicant shall attach to the petition the following:

33 ...  
34 (2) ~~Verified affidavits~~ Affidavits by two persons who are not related to the  
35 petitioner or to each other by blood or marriage, that they know the character  
36 and reputation of the petitioner in the community in which the petitioner lives,  
37 and that his or her character and reputation are good;

38 ...  
39 (b1) ~~No person as to whom such order has been entered shall be held thereafter under any~~  
40 ~~provision of any law to be guilty of perjury or otherwise giving a false statement by reason of the~~  
41 ~~person's failures to recite or acknowledge such arrest, or indictment or information, or trial in~~  
42 ~~response to any inquiry made of him or her for any purpose. This subsection shall~~ The effect of  
43 an expunction under this section is governed by G.S. 15A-153, except that the protected  
44 nondisclosure under G.S. 15A-153(b) does not apply to a sentencing hearing when the person  
45 has been convicted of a subsequent criminal offense.

46 ...."

47 **SECTION 3.(f)** G.S. 15A-145.4 reads as rewritten:

48 **"§ 15A-145.4. Expunction of records for first offenders who are under 18 years of age at**  
49 **the time of the commission of a nonviolent felony.**

50 ...

(c) Whenever any person who had not yet attained the age of 18 years at the time of the commission of the offense and has not previously been convicted of any felony or misdemeanor other than a traffic violation under the laws of the United States or the laws of this State or any other state pleads guilty to or is guilty of a nonviolent felony, the person may file a petition in the court of the county where the person was convicted for expunction of the nonviolent felony from the person's criminal record. The petition shall not be filed earlier than four years after the date of the conviction or when any active sentence, period of probation, and post-release supervision has been served, whichever occurs later. The person shall also perform at least 100 hours of community service, preferably related to the conviction, before filing a petition for expunction under this section. The petition shall contain the following:

...

(2) ~~Verified affidavits~~ Affidavits of two persons who are not related to the petitioner or to each other by blood or marriage, that they know the character and reputation of the petitioner in the community in which the petitioner lives and that the petitioner's character and reputation are good.

...

~~(f) No person as to whom an order has been entered pursuant to subsection (e) of this section shall be held thereafter under any provision of any laws to be guilty of perjury or otherwise giving a false statement by reason of that person's failure to recite or acknowledge the arrest, indictment, information, trial, or conviction. This subsection shall~~ The effect of an expunction under this section is governed by G.S. 15A-153, except that the protected nondisclosure under G.S. 15A-153(b) does not apply to a sentencing hearing when the person has been convicted of a subsequent criminal offense.

...."

**SECTION 3.(g)** G.S. 15A-145.6 reads as rewritten:

**"§ 15A-145.6. Expunctions for certain defendants convicted of prostitution.**

...

(c) The petition shall contain all of the following:

...

(2) ~~Verified affidavits~~ Affidavits of two persons, who are not related to the petitioner or to each other by blood or marriage, that they know the character and reputation of the petitioner in the community in which the petitioner lives and that the petitioner's character and reputation are good.

...

~~(g) No person as to whom an order has been entered pursuant to subsection (f) of this section shall be held thereafter under any provision of any laws to be guilty of perjury or otherwise giving a false statement by reason of that person's failure to recite or acknowledge the arrest, indictment, information, trial, or conviction. This subsection shall~~ The effect of an expunction under this section is governed by G.S. 15A-153, except that the protected nondisclosure under G.S. 15A-153(b) does not apply to a sentencing hearing when the person has been convicted of a subsequent criminal offense.

...."

**SECTION 3.(h)** G.S. 15A-145.7 reads as rewritten:

**"§ 15A-145.7. Expunction of records for first offenders under 20 years of age at the time of the offense of certain offenses.**

(a) Whenever a person is discharged, and the proceedings against the person dismissed, pursuant to G.S. 14-277.8, and the person was under 20 years of age at the time of the offense, the person may apply to the court of the county where charged for an order to expunge from all official records, other than the confidential files retained under G.S. 15A-151, all recordation relating to the person's arrest, indictment or information, trial, finding of guilty, and dismissal and discharge pursuant to this section. The applicant shall attach to the petition the following:



1 ...  
2 (2) ~~Verified affidavits~~ Affidavits by two persons who are not related to the  
3 petitioner or to each other by blood or marriage, that they know the character  
4 and reputation of the petitioner in the community in which he or she lives, and  
5 that the petitioner's character and reputation are ~~good~~ good.

6 ...  
7 (b) ~~No person as to whom such order was entered shall be held thereafter under any~~  
8 ~~provision of any law to be guilty of perjury or otherwise giving a false statement by reason of the~~  
9 ~~person's failures to recite or acknowledge such arrest, or indictment or information, or trial in~~  
10 ~~response to any inquiry made of him or her for any purpose. This subsection shall~~ The effect of  
11 an expunction under this section is governed by G.S. 15A-153, except that the protected  
12 nondisclosure under G.S. 15A-153(b) does not apply to a sentencing hearing when the person  
13 has been convicted of a subsequent criminal offense.

14 ...."  
15 **SECTION 3.(i)** G.S. 15A-145.8 reads as rewritten:  
16 **"§ 15A-145.8. Expunction of records when charges are remanded to district court for**  
17 **juvenile adjudication.**

18 (a) Upon remand pursuant to G.S. 7B-2200(c) or G.S. 7B-2200.5(d) or removal pursuant  
19 to G.S. 15A-960, the court shall order expunction of all remanded or removed charges. ~~No person~~  
20 ~~as to whom such an order has been entered shall be held thereafter under any provision of any~~  
21 ~~law to be guilty of perjury, or to be guilty of otherwise giving a false statement or response to~~  
22 ~~any inquiry made for any purpose, by reason of his or her failure to recite or acknowledge any~~  
23 ~~expunged entries concerning apprehension or trial.~~ The effect of an expunction under this section  
24 is governed by G.S. 15A-153.

25 ...."  
26 **SECTION 3.(j)** G.S. 15A-145.8A reads as rewritten:  
27 **"§ 15A-145.8A. Expunction of records for offenders under the age of 18 at the time of**  
28 **commission of certain misdemeanors and felonies upon completion of the**  
29 **sentence.**

30 ...  
31 (f) ~~No person as to whom such order has been entered shall be held thereafter under any~~  
32 ~~provision of any laws to be guilty of perjury or otherwise giving a false statement by reason of~~  
33 ~~that person's failure to recite or acknowledge such arrest, or indictment, information, or trial, or~~  
34 ~~response to any inquiry made of the person for any purpose.~~ The effect of an expunction under  
35 this section is governed by G.S. 15A-153.

36 ...."  
37 **SECTION 3.(k)** G.S. 15A-145.9 reads as rewritten:  
38 **"§ 15A-145.9. Expunctions of certain offenses committed by human trafficking victims.**

39 ...  
40 (g) Effect. – ~~No person as to whom an order has been entered pursuant to subsection (f)~~  
41 ~~of this section shall be held thereafter under any provision of any laws to be guilty of perjury or~~  
42 ~~otherwise giving false statement by reason of that person's failure to recite or acknowledge the~~  
43 ~~arrest, indictment, information, trial, or conviction.~~ The effect of an expunction under this section  
44 is governed by G.S. 15A-153.

45 Persons required by State law to obtain a criminal history record check on a prospective  
46 employee shall not be deemed to have knowledge of any convictions expunged under this section.

47 ...."  
48 **SECTION 3.(l)** G.S. 15A-146 reads as rewritten:  
49 **"§ 15A-146. Expunction of records when charges are dismissed or there are findings of not**  
50 **guilty.**

51 ...

1 (a3) Effect of Expunction. – ~~Except as provided in G.S. 15A-151.5(b)(5), no person as to~~  
2 ~~whom an order has been entered by a court or by operation of law under this section shall be held~~  
3 ~~thereafter under any provision of any law to be guilty of perjury, or to be guilty of otherwise~~  
4 ~~giving a false statement or response to any inquiry made for any purpose, by reason of the~~  
5 ~~person's failure to recite or acknowledge any expunged entries concerning apprehension or~~  
6 ~~trial. The effect of an expunction under this section is governed by G.S. 15A-153.~~

7 ...."

8 **SECTION 3.(m)** G.S. 15A-147 reads as rewritten:

9 **"§ 15A-147. Expunction of records when charges are dismissed or there are findings of not**  
10 **guilty as a result of identity theft or mistaken identity.**

11 ...

12 (b) ~~No person as to whom such an order has been entered under this section shall be held~~  
13 ~~thereafter under any provision of any law to be guilty of perjury, or to be guilty of otherwise~~  
14 ~~giving a false statement or response to any inquiry made for any purpose, by reason of the~~  
15 ~~person's failure to recite or acknowledge any expunged entries concerning apprehension, charge,~~  
16 ~~or trial. The effect of an expunction under this section is governed by G.S. 15A-153.~~

17 ...."

18 **SECTION 3.(n)** G.S. 15A-149 reads as rewritten:

19 **"§ 15A-149. Expunction of records when pardon of innocence is granted.**

20 ...

21 (c) ~~No person as to whom such an order has been entered under this section shall be held~~  
22 ~~thereafter under any provision of any law to be guilty of perjury, or to be guilty of otherwise~~  
23 ~~giving a false statement or response to any inquiry made for any purpose, by reason of the~~  
24 ~~person's failure to recite or acknowledge any expunged entries concerning apprehension, charge,~~  
25 ~~or trial. The effect of an expunction under this section is governed by G.S. 15A-153."~~

26 **SECTION 3.(o)** G.S. 15A-153 reads as rewritten:

27 **"§ 15A-153. Effect of expunction; prohibited practices by employers, educational**  
28 **institutions, agencies of State and local governments.**

29 (a) Purpose. – The purpose of this section is to clear the public record of any entry of any  
30 arrest, criminal charge, or criminal conviction that has been expunged so that (i) the person who  
31 is entitled to and ~~obtains~~ receives the expunction may omit reference to the charges or convictions  
32 to potential employers and others and (ii) a records check for prior arrests and convictions will  
33 not disclose the expunged entries. Nothing in this section shall be construed to prohibit an  
34 employer from asking a job applicant about criminal charges or convictions that have not been  
35 expunged and are part of the public record.

36 (b) Nondisclosure Protected. – ~~No person as to whom an order of expunction has been~~  
37 ~~entered who receives an expunction pursuant to this Article shall be held thereafter under any~~  
38 ~~provision of any laws to be is~~ guilty of perjury or otherwise giving a false statement by reason of  
39 that person's failure following expunction to recite or acknowledge ~~any the~~ expunged arrest,  
40 apprehension, charge, indictment, information, trial, or conviction in response to any inquiry  
41 made of ~~him or her~~ the person for any purpose other than as provided in subsection (e) of this  
42 section.

43 ...."

44 **SECTION 4.** G.S. 48-3-309 reads as rewritten:

45 **"§ 48-3-309. Mandatory preplacement criminal checks of prospective adoptive parents**  
46 **seeking to adopt a minor who is in the custody or placement responsibility of a**  
47 **county department of social services and mandatory preplacement criminal**  
48 **checks of all individuals 18 years of age or older who reside in the prospective**  
49 **adoptive home, history checks.**

50 (a) The Department shall ensure that the criminal histories of all prospective adoptive  
51 parents seeking to adopt a minor who is in the custody or placement responsibility of a county

1 department of social services and the criminal histories of all individuals 18 years of age or older  
2 who reside in the prospective adoptive home are checked prior to placement and, based on the  
3 criminal history, a determination is made as to the prospective adoptive parent's fitness to have  
4 responsibility for the safety and well-being of children and whether other individuals required to  
5 be checked are fit for an adoptive child to reside with them in the home. The Department shall  
6 ensure that all individuals required to be checked are checked prior to placement for county, state,  
7 and federal criminal histories.

8 (b) A county department of social services shall issue an unfavorable preplacement  
9 assessment to a prospective adoptive parent if an individual required to submit to a criminal  
10 history check pursuant to subsection (a) of this section has a criminal history. A county  
11 department of social services shall issue an unfavorable preplacement assessment to a  
12 prospective adoptive parent if the county department of social services determines, pursuant to  
13 G.S. 48-3-303(e), that, based on other criminal convictions, whether felony or misdemeanor, the  
14 prospective adoptive parent is unfit to have responsibility for the safety and well-being of  
15 children or other individuals required to be checked are unfit for an adoptive child to reside with  
16 them in the home.

17 histories

18 (c) The State Bureau of Investigation shall provide to the Department of Health and  
19 Human Services the criminal history of any individual required to be checked under subsection  
20 (a) of this section as requested by the Department and obtained from the State and National  
21 Repositories of Criminal Histories. The Department shall provide to the State Bureau of  
22 Investigation, along with the request, the fingerprints of any individual to be checked, any  
23 additional information required by the State Bureau of Investigation, and a form consenting to  
24 the check of the criminal record and to the use of fingerprints and other identifying information  
25 required by the State or National Repositories signed by the individual to be checked. The  
26 fingerprints of any individual to be checked shall be used by the State Bureau of Investigation  
27 for a search of the State's criminal history record file, and the State Bureau of Investigation shall  
28 forward a set of fingerprints to the Federal Bureau of Investigation for a national criminal history  
29 record check.

30 (d) At the time of the request for a preplacement assessment or at a subsequent time prior  
31 to placement, any individual whose criminal history is to be checked shall be furnished with a  
32 statement substantially similar to the following:

33 "NOTICE

34  
35  
36 MANDATORY CRIMINAL HISTORY CHECK: NORTH CAROLINA LAW  
37 REQUIRES THAT A CRIMINAL HISTORY CHECK BE CONDUCTED PRIOR TO  
38 PLACEMENT ON PROSPECTIVE ADOPTIVE PARENTS SEEKING TO ADOPT A  
39 MINOR WHO IS IN THE CUSTODY OR PLACEMENT RESPONSIBILITY OF A  
40 COUNTY DEPARTMENT OF SOCIAL SERVICES AND ON ALL PERSONS 18  
41 YEARS OF AGE OR OLDER WHO RESIDE IN THE PROSPECTIVE ADOPTIVE  
42 HOME.

43 "Criminal history" means a county, State, or federal conviction of a felony by a court of  
44 competent jurisdiction or a pending felony indictment of a crime for child abuse or  
45 neglect, spousal abuse, a crime against a child, including child pornography, or for a crime  
46 involving violence, including rape, sexual assault, or homicide, other than physical  
47 assault or battery; a county, State, or federal conviction of a felony by a court of  
48 competent jurisdiction or a pending felony indictment for physical assault, battery, or a  
49 drug-related offense, if the offense was committed within the past five years; or similar  
50 crimes under federal law or under the laws of other states. Your fingerprints will be used

1 to check the criminal history records of the State Bureau of Investigation (SBI) and the  
2 Federal Bureau of Investigation (FBI).

3 If it is determined, based on your criminal history, that you are unfit to have responsibility  
4 for the safety and well-being of children or have an adoptive child reside with you, you  
5 shall have the opportunity to complete, or challenge the accuracy of, the information  
6 contained in the SBI or FBI identification records.

7 If the prospective adoptive parent is denied a favorable preplacement assessment by a  
8 county department of social services as a result of a criminal history check as required  
9 under G.S. 48-3-309(a), the prospective adoptive parent may request a review of the  
10 assessment pursuant to G.S. 48-3-308(a).

11 Any person who intentionally falsifies any information required to be furnished to  
12 conduct the criminal history is guilty of a Class 2 misdemeanor."

13  
14 Refusal to consent to a criminal history check by any individual required to be checked under  
15 ~~G.S. 48-3-309(a)~~ subsection (a) of this section is grounds for the issuance by a county department  
16 of social services of an unfavorable preplacement assessment. Any person who intentionally  
17 falsifies any information required to be furnished to conduct the criminal history is guilty of a  
18 Class 2 misdemeanor.

19 ...

20 (g) There is no liability for negligence on the part of a State or local agency, or the  
21 employees of a State or local agency, arising from any action taken or omission by any of them  
22 in carrying out the provisions of this section. The immunity established by this subsection ~~shall~~  
23 does not extend to gross negligence, wanton conduct, or intentional wrongdoing that would  
24 otherwise be actionable. The immunity established by this subsection ~~shall be~~ is deemed to have  
25 been waived to the extent of indemnification by insurance, indemnification under Article 31A of  
26 Chapter 143 of the General Statutes, and to the extent sovereign immunity is waived under the  
27 Tort Claims Act, as set forth in Article 31 of Chapter 143 of the General Statutes.

28 (h) ~~The State Bureau of Investigation shall perform the State and national criminal history~~  
29 ~~checks on prospective adoptive parents seeking to adopt a minor in the custody or placement~~  
30 ~~responsibility of a county department of social services and all individuals 18 years of age or~~  
31 ~~older who reside in the prospective adoptive home and shall charge the Department of Health~~  
32 ~~and Human Services a reasonable fee only for conducting the checks of the national criminal~~  
33 ~~history records authorized required by this section. The Division of Social Services, Services of~~  
34 ~~the Department of Health and Human Services, Services shall bear the costs of implementing~~  
35 ~~this section."~~

36 **SECTION 5.(a)** G.S. 58-36-43 reads as rewritten:

37 "**§ 58-36-43. Optional approved program enhancements authorized not altering coverage**  
38 **under not within Rate Bureau jurisdiction.**

39 (a) Member companies writing private passenger automobile, homeowners', dwelling, or  
40 residential private flood insurance under this Article may incorporate optional enhancements to  
41 ~~their automobile, homeowners', dwelling, and residential private flood~~ these programs as an  
42 ~~endorsement to an automobile, homeowners', dwelling, or residential private flood policy issued~~  
43 ~~under this Article a policy~~ if the insurer has filed the proposed enhancement enhancements with  
44 ~~the Commissioner and if the proposed enhancement is approved by the Commissioner. the~~  
45 Commissioner has approved them. Any approved optional enhancements ~~shall be considered~~ are  
46 outside the authority of the Rate Bureau. If ~~the a~~ proposed enhancement will include an additional  
47 premium charge, the proposed premium charge shall be included with the proposed program  
48 enhancements filed with the Commissioner. The Commissioner shall review the proposed  
49 premium charges and approve them if the Commissioner finds that they are based on sound  
50 actuarial principles. Amendments to ~~private passenger automobile, homeowners', dwelling, or~~

1 residential private flood program enhancements are subject to the same requirements as initial  
2 filings. ~~dwelling, residential private flood~~

3 A company shall not condition (i) the acceptance or renewal of a policy, (ii) any underwriting  
4 criteria, or (iii) any rating criteria upon the acceptance by the policyholder of any optional  
5 ~~automobile or homeowners'~~ enhancements authorized by this section. A rate amendment  
6 authorized by this section is not a rate deviation and is not subject to the requirements for rate  
7 deviations set forth in G.S. 58-36-30(a).

8 (b) Repealed by S.L. 2023-133, s. 16(c), as amended by S.L. 2024-29, s. 9(b), effective  
9 July 1, 2025."

10 **SECTION 5.(b)** This section becomes effective July 1, 2025.

11 **SECTION 6.(a)** Part 1 of Article 45 of Chapter 66 of the General Statutes reads as  
12 rewritten:

13 "Part 1. Pawnbrokers and ~~Cash~~ Currency Converters.

14 "**§ 66-385. Short title.**

15 This Part shall be known and may be cited as the Pawnbrokers and ~~Cash~~ Currency Converters  
16 Modernization Act.

17 "**§ 66-386. Purpose.**

18 The making of pawn loans and the acquisition and disposition of tangible personal property  
19 by and through pawnshops and ~~cash-currency~~ converters vitally affects the general economy of  
20 this State and the public interest and welfare of its citizens. In recognition of these facts, it is the  
21 policy of this State and the purpose of ~~the Pawnbrokers and Cash Converters Modernization Act~~  
22 this Part to do all of the following:

- 23 (1) Ensure a sound system of making loans and acquiring and disposing of  
24 tangible personal property by and through ~~pawnshops, pawnshops~~ and to  
25 prevent unlawful property transactions, particularly in stolen property,  
26 through licensing and regulating pawnbrokers.
- 27 (2) Ensure a sound system of acquiring and disposing of tangible personal  
28 property by and through ~~cash-currency~~ converters and ~~to~~ prevent unlawful  
29 property transactions, particularly in stolen property, by requiring record  
30 keeping by ~~cash-currency~~ converters.
- 31 (3) Provide for pawnbroker licensing fees and investigation fees of licensees.
- 32 (4) Ensure financial responsibility to the State and the general public.
- 33 (5) Ensure compliance with federal and State laws.
- 34 (6) Assist local governments in the exercise of their police authority.

35 ...."

36 **SECTION 6.(b)** G.S. 25-9-201 reads as rewritten:

37 "**§ 25-9-201. General effectiveness of security agreement.**

38 (a) General ~~effectiveness.~~ Effectiveness. — Except as otherwise provided in this  
39 Chapter, a security agreement is effective according to its terms between the parties, against  
40 purchasers of the collateral, and against creditors.

41 (b) Applicable ~~consumer laws and other law.~~ Consumer Laws and Other Law. — A  
42 transaction subject to this Article is subject to any applicable rule of law ~~which that~~ establishes a  
43 different rule for consumers, to any other ~~statute, rule, or regulation~~ statute or rule of this State  
44 that regulates the rates, charges, agreements, and practices for loans, credit sales, or other  
45 extensions of credit, and to any consumer-protection ~~statute, rule, or regulation~~ statute or rule of  
46 this State, including Chapter 24 of the General Statutes, the Retail Installment Sales Act (Chapter  
47 25A of the General Statutes), the North Carolina Consumer Finance Act (Article 15 of Chapter  
48 53 of the General Statutes), and the Pawnbrokers and ~~Cash~~ Currency Converters Modernization  
49 Act (Part 1 of Article 45 of Chapter 66 of the General Statutes).

50 (c) Other ~~applicable law controls.~~ Applicable Law Controls. — In case of conflict  
51 between this Article and a rule of ~~law, statute, or regulation~~ law described in subsection (b) of

1 this section, the rule of ~~law, statute, or regulation~~ law controls. Failure to comply with a ~~statute~~  
 2 ~~or regulation~~ law described in subsection (b) of this section has only the effect the ~~statute or~~  
 3 ~~regulation~~ law specifies.

4 (d) ~~Further deference to other applicable law.~~ Deference to Other Applicable Law. –  
 5 This Article does ~~not~~ neither of the following:

- 6 (1) Validate any rate, charge, agreement, or practice that violates a rule of ~~law,~~  
 7 ~~statute, or regulation~~ law described in subsection (b) of this ~~section; or section.~~
- 8 (2) Extend the application of ~~the rule of law, statute, or regulation~~ a rule of law to  
 9 a transaction not otherwise subject to it."

10 **SECTION 7.(a)** The subunits of G.S. 75D-3 are renumbered to conform to the  
 11 General Statutes numbering system, and the definitions in G.S. 75D-3 are reordered so that they  
 12 appear in alphabetical order.

13 **SECTION 7.(b)** G.S. 75D-3, as amended by subsection (a) of this section and  
 14 Section 1(b) of S.L. 2024-22, reads as rewritten:

15 **"§ 75D-3. Definitions.**

16 ~~As used in this Chapter, the term:~~ The following definitions apply in this Chapter:

- 17 (1) ~~"Attorney General" means the Attorney General.~~ – The Attorney General of  
 18 North Carolina or any employee of the Department of Justice designated by  
 19 him the Attorney General in writing. Any district attorney of this State, with  
 20 his the Attorney General's consent, may be designated in writing by the  
 21 Attorney General to enforce the provisions of this Chapter.
- 22 (2) ~~a. "Beneficial interest" means either Beneficial interest.~~ – Either of the  
 23 following:  
 24 ~~1.a.~~ 1.a. The interest of a person as a beneficiary under ~~any other~~ a trust  
 25 arrangement pursuant to which a trustee holds legal or record title to  
 26 real property for the benefit of ~~such person; or the person.~~
- 27 ~~2.b.~~ 2.b. The interest of a person under any other form of express fiduciary  
 28 arrangement pursuant to which ~~any other~~ another person holds legal or  
 29 record title to real property for the benefit of ~~such the~~ the person.
- 30 ~~b. "Beneficial interest" The term does not include the interest of a~~  
 31 ~~stockholder in a corporation or the interest of a partner in either a general~~  
 32 ~~partnership or limited partnership. A beneficial interest shall be is deemed to~~  
 33 ~~be located where the real property owned by the trustee is located.~~
- 34 (3) ~~"Civil proceeding" means any Civil proceeding.~~ – A civil proceeding  
 35 commenced by the Attorney General or an injured person under any provision  
 36 of this Chapter.
- 37 (4) ~~"Criminal proceeding" means any Criminal proceeding.~~ – A criminal action  
 38 commenced by the State for a violation of any provision of those criminal laws  
 39 ~~referred to in G.S. 75D-3(e).~~ set forth in subdivision (8) of this section.
- 40 (5) ~~"Documentary material" means any Documentary material.~~ – A book, paper,  
 41 document, writing, drawing, graph, chart, photograph, phonocord, magnetic  
 42 tape, computer printout, other data compilation from which information can  
 43 be obtained or from which information can be translated into useable form, or  
 44 other tangible item.
- 45 (6) ~~"Enterprise" means any Enterprise.~~ – A person, sole proprietorship,  
 46 partnership, corporation, business trust, union chartered under the laws of this  
 47 State, or other legal entity; or ~~any an~~ an unchartered union, association, or group  
 48 of individuals associated in fact although not a legal ~~entity; and it~~ entity. The  
 49 term includes illicit as well as licit enterprises and governmental as well as  
 50 other entities.

- 1           (7)    ~~"Pattern of racketeering activity" means engaging~~ Pattern of racketeering  
2            ~~activity. – Engaging~~ activity. – Engaging in at least two incidents of racketeering activity that have  
3            the same or similar purposes, results, accomplices, victims, or methods of  
4            commission or otherwise are interrelated by distinguishing characteristics and  
5            are not isolated and unrelated ~~incidents, provided incidents so long as~~ at least  
6            one of ~~such these~~ incidents occurred after October 1, 1986, and that at least  
7            one other of ~~such these~~ incidents occurred within a four-year period of time  
8            of the other, excluding any periods of imprisonment, after the commission of  
9            a prior incident of racketeering activity.
- 10          (8)    ~~a. "Racketeering activity" means to~~ Racketeering activity. – To commit, to  
11          ~~attempt to commit, or to solicit, coerce, or intimidate another person to commit~~  
12          ~~an act or acts which that~~ attempt to commit, or to solicit, coerce, or intimidate another person to commit  
13          ~~acts were was~~ an act or acts which that would be chargeable by indictment if ~~such the act or~~  
14          ~~acts were was~~ acts were was accompanied by the necessary mens rea or criminal intent under  
15          the following laws of this State:
- 16            ~~1.a.~~    1.a.    Article 5 of Chapter 90 of the General Statutes ~~of North Carolina~~  
17            relating to controlled substances and counterfeit controlled  
18            ~~substances;substances.~~ substances.
- 19            ~~2.b.~~    2.b.    Chapter 14 of the General Statutes ~~of North Carolina~~ except Articles  
20            9, 22A, ~~38, 40, 43, 46, 47, 59~~ thereof; ~~and further excepting G.S.~~  
21            ~~Sections 14-78.1, and 59 of that Chapter and G.S. 14-82, 14-86,~~  
22            ~~14-145, 14-146, 14-147, 14-177, 14-178, 14-179, 14-183, 14-184,~~  
23            ~~14-186, 14-190.9, 14-195, 14-197, 14-201, 14-202, 14-247, 14-248,~~  
24            ~~14-313 thereof and 14-313.~~ 14-78.1, and 59 of that Chapter and G.S. 14-82, 14-86,  
25            14-145, 14-146, 14-147, 14-177, 14-178, 14-179, 14-183, 14-184,  
26            14-186, 14-190.9, 14-195, 14-197, 14-201, 14-202, 14-247, 14-248,  
27            14-313 thereof and 14-313.
- 28            ~~3.~~    ~~Any conduct involved in a "money laundering" activity, including~~  
29            ~~activity covered by G.S. 14-118.8; and~~ Any conduct involved in a "money laundering" activity, including  
30            ~~activity covered by G.S. 14-118.8; and~~ activity covered by G.S. 14-118.8; and
- 31            ~~b. "Racketeering activity" The term also includes the description in Title 18,~~  
32            ~~United States Code, Section 1961(1). "racketeering activity," as defined in 18~~  
33            ~~U.S.C. § 1961(1), and any conduct involved in a money laundering activity,~~  
34            ~~including activity covered by G.S. 14-118.8.~~ b. "Racketeering activity" The term also includes the description in Title 18,  
35            United States Code, Section 1961(1). "racketeering activity," as defined in 18  
36            U.S.C. § 1961(1), and any conduct involved in a money laundering activity,  
37            including activity covered by G.S. 14-118.8.
- 38          (9)    ~~"Real property" means any~~ Real property. – Any real property situated in this  
39          State or ~~any an~~ any an interest in ~~such the~~ such the real property, including, but not limited to,  
40          ~~any a~~ any a lease of or mortgage upon ~~such the~~ such the real property.
- 41          (10)   ~~"RICO lien notice" means the~~ RICO lien notice. – The notice described in  
42          G.S. 75D-13.
- 43          (11)   ~~a. "Trustee" means either~~ Trustee. – Either of the following:
- 44            ~~1.a.~~    ~~Any A person who that~~ 1.a. Any A person who that holds legal or record title to real property ~~for~~  
45            ~~in which any other another~~ in which any other another person has a beneficial ~~interest; or interest.~~  
46            ~~2.b.~~    ~~Any A successor trustee or trustees to any of the foregoing persons to~~  
47            ~~a person described in sub-subdivision a. of this subdivision.~~ 2.b. Any A successor trustee or trustees to any of the foregoing persons to  
48            ~~a person described in sub-subdivision a. of this subdivision.~~ a person described in sub-subdivision a. of this subdivision.
- 49            ~~b.~~    ~~"Trustee" The term does not include the following: either~~  
50            ~~1.~~    ~~Any (i) a person appointed or acting as a personal~~ 1. Any (i) a person appointed or acting as a personal  
              ~~representative under Chapter 35A of the General Statutes~~ representative under Chapter 35A of the General Statutes  
              ~~relating to guardian and ward, or under Chapter 28A of the~~ relating to guardian and ward, or under Chapter 28A of the  
              ~~General Statutes relating to the administration of estates; or~~ General Statutes relating to the administration of estates; or  
              ~~estates or~~ estates or
- ~~2.~~    ~~Any (ii) a person appointed or acting as a trustee of any a~~ 2. Any (ii) a person appointed or acting as a trustee of any a  
              ~~testamentary trust or as trustee of any an indenture of trust~~ testamentary trust or as trustee of any an indenture of trust  
              ~~under which any bonds are to be issued."~~ under which any bonds are to be issued."

SECTION 7.(c) G.S. 75D-5 reads as rewritten:

"§ 75D-5. RICO civil forfeiture proceedings.

1 (a) All property of every kind used or intended for use in the course of, derived from, or  
2 realized through a racketeering activity or pattern of racketeering activity is subject to forfeiture  
3 to the State. Forfeiture shall be had by a civil procedure known as a RICO forfeiture proceeding.

4 (b) A RICO forfeiture proceeding ~~shall be~~ is governed by Chapter 1A of the General  
5 Statutes of North Carolina except to the extent that special rules of procedure are stated in this  
6 Chapter.

7 (c) A RICO forfeiture proceeding ~~shall be~~ is an in rem proceeding against the property.

8 (d) A RICO forfeiture proceeding shall be instituted by complaint and prosecuted only  
9 by the Attorney General of North Carolina or his designated representative. General. The  
10 proceeding may be commenced and a final judgment rendered ~~thereon~~ before or after seizure of  
11 the property and before or after ~~any a~~ a criminal conviction of ~~any person~~ for violation of ~~those~~  
12 laws any law set forth in ~~G.S. 75D-3(e); G.S. 75D-3(8).~~

13 (e) If the complaint is filed before seizure, it shall state what property is sought to be  
14 forfeited, that the property is within the jurisdiction of the court, the grounds for forfeiture, and  
15 the names of all persons known to have or claim an interest in the property. The court shall  
16 determine ex parte whether there is reasonable ground to believe that the property is subject to  
17 forfeiture and, if the State so alleges, whether notice to those persons having or claiming an  
18 interest in the property prior to seizure would cause the loss or destruction of the property. ~~If the~~  
19 ~~court finds:~~ The court shall take action as follows:

20 (1) ~~That~~ If the court finds that reasonable ground does not exist to believe that the  
21 property is subject to forfeiture, it shall dismiss the ~~complaint; or~~ complaint.

22 (2) ~~That~~ If the court finds that reasonable ground does exist to believe the property  
23 is subject to forfeiture but there is not reasonable ground to believe that prior  
24 notice would result in loss or destruction, it shall order service on all persons  
25 known to have or claim an interest in the property prior to a further hearing  
26 on whether a writ of seizure should ~~issue; or~~ issue.

27 (3) ~~That~~ If the court finds that there is reasonable ground to believe that the  
28 property is subject to forfeiture and ~~to believe~~ that prior notice would cause  
29 loss or destruction, it ~~shall~~ shall, without any further hearing or notice, issue a  
30 writ of seizure directing the sheriff of or any other law enforcement officer in  
31 the county where the property is found to seize it.

32 (f) Seizure may be effected by a law enforcement officer authorized to enforce the penal  
33 laws of this State prior to the filing of the complaint and without a writ of seizure if the seizure  
34 is incident to a lawful arrest, search, or inspection and the officer has probable cause to believe  
35 the property is subject to forfeiture and will be lost or destroyed if not seized. Within 24 hours of  
36 the time of seizure, the seizure shall be reported by the officer to the district attorney of the  
37 prosecutorial district as defined in G.S. 7A-60 in which the seizure is effected who shall  
38 immediately report ~~such the~~ seizure to the Attorney General. The Attorney General shall, within  
39 30 days after receiving notice of seizure, examine the evidence surrounding ~~such the~~ seizure, and  
40 if ~~he the~~ the Attorney General believes reasonable ground exists for forfeiture under this Chapter,  
41 the Attorney General shall file a complaint for forfeiture. The complaint shall state, in addition  
42 to the information required in subsection (e) of this section, the date and place of seizure.

43 (g) After the complaint is filed or the seizure effected, whichever is later, every person  
44 known to have or claim an interest in the property, or in the property or enterprise of which the  
45 subject property is a part or represents any interest, shall be served, if not previously served, with  
46 a copy of the complaint and a notice of seizure in the manner provided by Chapter 1A of the  
47 General Statutes of North Carolina. Statutes. Service by publication may be ordered upon any  
48 party whose whereabouts cannot be determined with reasonable diligence within 30 days of the  
49 filing of the complaint.

50 (h) (1) ~~Any~~ A person claiming an interest in the ~~property;~~ property may become a  
51 party to the action at any time prior to judgment whether named in the



1 complaint or not. ~~Any~~A party claiming a substantial interest in the property,  
2 upon ~~motion~~motion, may be allowed by the court to take possession of the  
3 property upon posting bond with good and sufficient security in double the  
4 amount of the property's value conditioned to pay the value of any interest in  
5 the property found to be subject to forfeiture or the value of any interest of  
6 another not subject to forfeiture.

7 (2) The court, upon ~~such~~any terms and conditions ~~as it may prescribe, that it~~  
8 prescribes, may order that the property be sold by an innocent party ~~who~~that  
9 holds a lien on or security interest in the property at ~~anytime~~any time during  
10 the proceedings. Any proceeds from ~~such~~the sale over and above the amount  
11 necessary to satisfy the lien or security interest shall be paid into court pending  
12 final judgment in the forfeiture proceeding. No ~~such~~ sale shall be ordered,  
13 however, unless the obligation upon which the lien or security interest is based  
14 is in default.

15 (3) Pending final judgment in the forfeiture proceeding, the court may make any  
16 other disposition of the property necessary to protect it or in the interest of  
17 substantial ~~justice~~justice and ~~which~~that adequately protects the interests of  
18 innocent parties.

19 (i) The interest of an innocent party in the property ~~shall not be~~is not subject to forfeiture.  
20 An innocent party is one ~~who~~that did not have actual or constructive knowledge that the property  
21 was subject to forfeiture. An attorney who is paid a fee for representing ~~any~~a person subject to  
22 this act, ~~shall be~~Chapter is rebuttably presumed to be an innocent party as to that fee transaction.

23 (j) Subject to the requirement of protecting the interest of all innocent parties, the court  
24 may, after judgment of forfeiture, make any of the following orders for disposition of the  
25 property:

26 (1) Destruction of the property or contraband, the possession of, or use of, which  
27 is ~~illegal~~illegal.

28 (2) Retention for official use by a law enforcement agency, the ~~State~~State, or any  
29 political subdivision thereof. When ~~such~~the agency or political subdivision  
30 no longer has use for ~~such~~the property, it shall be disposed of by judicial sale  
31 as provided in Article 29A of Chapter 1 of the General ~~Statutes of North~~  
32 Carolina, Statutes, and the proceeds shall be paid to the State  
33 ~~Treasurer~~Treasurer.

34 (3) Transfer to the Department of Natural and Cultural Resources of property  
35 useful for historical or instructional ~~purposes~~purposes.

36 (4) Retention of the property by ~~any~~an innocent party having an interest ~~therein~~  
37 in it, including the right to restrict sale of an interest to outsiders, such as a  
38 right of first refusal, upon payment or approval of a plan for payment into  
39 court of the value of any forfeited interest in the property. The plan may  
40 include, in the case of an innocent party ~~who~~that holds an interest in the  
41 property through ~~an estate~~a tenancy by the entirety, ~~or~~an undivided ~~interest~~  
42 in the property, interest, or a lien ~~on~~or security ~~interest in the property,~~  
43 interest, the sale of the property by the innocent party under ~~such~~any terms  
44 and conditions ~~as may be~~prescribed by the court and the payment into court  
45 of any proceeds from ~~such~~the sale over and above the amount necessary to  
46 satisfy ~~the divided ownership value of the innocent party's interest or the lien~~  
47 or security interest. interest. Proceeds paid into the court ~~must~~shall then be  
48 paid to the State ~~Treasurer~~Treasurer.

49 (5) Judicial sale of the property as provided in Article 29A of Chapter 1 of the  
50 General ~~Statutes of North Carolina, Statutes~~, with the proceeds being paid to  
51 the State ~~Treasurer~~Treasurer.

- 1 (6) Transfer of the property to ~~any an~~ innocent party having an interest ~~therein in~~  
 2 ~~it equal to or greater than the value of the property; or property.~~  
 3 (7) Any other disposition of the property ~~which that~~ is in the interest of substantial  
 4 justice and adequately protects innocent parties, with any proceeds being paid  
 5 to the State Treasurer.

6 (k) In addition to ~~the provisions of an in rem action under~~ subsections (c) through (g)  
 7 ~~relating to in rem actions, of this section,~~ the State may bring an in personam action for the  
 8 forfeiture of any property subject to forfeiture under subsection (a) of this section.

9 (l) Upon the entry of a final civil judgment of forfeiture in favor of the ~~State; State,~~ the  
 10 following provisions apply:

- 11 (1) The title of the State to the forfeited property ~~shall relate back as follows:~~  
 12 a. In the case of real property or a beneficial interest, ~~relate the title~~  
 13 relates back to the date of the filing of the RICO lien notice in the  
 14 official record of the county where the real property or beneficial  
 15 interest is ~~located and, if located.~~ If no RICO lien notice is filed, then  
 16 the title relates back to the date of the filing of any notice of lis pendens  
 17 in the official records of the county where the real property or  
 18 beneficial interest is ~~located and, if located.~~ If no RICO lien notice or  
 19 notice of lis pendens is so filed, then the title relates back to the date  
 20 of the recording of the final judgment of forfeiture in the official  
 21 records of the county where the real property or beneficial interest is  
 22 ~~located; and located.~~  
 23 b. In the case of personal property, ~~relate the title relates back~~ to the date  
 24 the personal property was seized pursuant to ~~the provisions of this~~  
 25 Chapter.  
 26 (2) If property subject to forfeiture is conveyed, alienated, disposed of, or  
 27 otherwise rendered unavailable for forfeiture after the filing of a RICO lien  
 28 notice or after the filing of a RICO civil ~~proceeding proceeding~~, whichever is  
 29 earlier, the Attorney General may, on behalf of the State, institute an action in  
 30 an appropriate court against the person named in the RICO lien notice or the  
 31 defendant in the civil proceeding and the court shall enter final judgment  
 32 against the person named in the RICO lien notice or the defendant in the civil  
 33 proceeding in an amount equal to the fair market value of the property,  
 34 together with investigative costs and ~~attorney's attorneys'~~ fees incurred by the  
 35 Attorney General in the action."

36 **SECTION 7.(d)** G.S. 75D-8 reads as rewritten:

37 "**§ 75D-8. Available RICO civil remedies.**

38 (a) As part of a final judgment of forfeiture, any judge of the superior court may, after  
 39 giving reasonable notice to potential innocent claimants, enjoin violations of G.S. 75D-4, by  
 40 issuing ~~appropriate one or more of the following~~ orders and judgments:

- 41 (1) Ordering ~~any a~~ defendant to divest ~~himself oneself~~ of ~~any an~~ interest in any  
 42 enterprise, real property, or personal property including property held by a  
 43 tenancy by the entirety. ~~Where~~ If property is held by a tenancy by the entirety  
 44 and one of the spouses is an innocent person as defined in G.S. 75D-5(i), upon  
 45 entry of a final judgment of forfeiture of entirety property, the judgment  
 46 ~~operates, operates~~ to convert the tenancy by the entirety to a tenancy in  
 47 common, and only the one-half undivided interest of the offending spouse  
 48 shall be forfeited according to ~~the provisions of this Chapter; this Chapter.~~  
 49 (2) Imposing reasonable restrictions upon the future activities or investments of  
 50 ~~any a~~ defendant in the same or similar type of endeavor as the enterprise in  
 51 which ~~he the~~ defendant was engaged in violation of ~~G.S. 75D-4; G.S. 75D-4.~~

- 1 (3) Ordering the dissolution or reorganization of ~~any enterprise;~~an enterprise.
- 2 (4) Ordering the suspension or revocation of ~~any a~~ license, permit, or prior  
3 approval granted to ~~any an~~ enterprise by ~~any agency of the State;~~a State  
4 agency.
- 5 (5) Ordering the forfeiture of the charter of a corporation organized under the laws  
6 of this State or the revocation of a certificate authorizing a foreign corporation  
7 to conduct business ~~within in~~ this State upon a finding that the board of  
8 directors or a managerial agent acting on behalf of the corporation, in  
9 conducting affairs of the corporation, has authorized or engaged in conduct in  
10 violation of ~~G.S. 75D-4, G.S. 75D-4~~ and that, for the prevention of future  
11 unlawful activity, the public interest requires that the charter of the  
12 corporation be dissolved or the certificate be ~~revoked;~~revoked.
- 13 (6) Appointment of a receiver pursuant to ~~the provisions of Article 38 of Chapter~~  
14 ~~1 of the General Statutes of North Carolina,~~ to collect, ~~conserve~~conserve, and  
15 dispose of all the proceeds, money, ~~profits~~profits, and property, both real and  
16 personal, ~~subject to the provisions of this Chapter~~ in accordance with ~~the~~  
17 ~~provisions hereof this Chapter,~~ as directed by the final judgment of the  
18 superior court having jurisdiction over the parties or subject matter of the  
19 ~~action;~~action.
- 20 (7) Any other equitable remedy appropriate to effect complete forfeiture of  
21 property subject to forfeiture, or to prevent future violations of this Chapter.
- 22 (b) The State through the Attorney General may institute a proceeding under G.S. 75D-5.  
23 In ~~such the~~ proceeding, relief shall be granted in conformity with the principles that govern the  
24 granting of injunctive relief from threatened loss or damage in other civil cases, ~~provided that no~~  
25 ~~showing of special or irreparable damage to the person shall have to be made and provided further~~  
26 ~~that the State shall not be cases. However, the State is not required to show special or irreparable~~  
27 ~~damage, nor is the State required to execute any bond before or after obtaining temporary~~  
28 ~~restraining orders or preliminary injunctions.~~
- 29 (c) ~~Any An~~ innocent person ~~who that~~ is injured or damaged in ~~his~~ business or property  
30 by reason of any violation of G.S. 75D-4 involving a pattern of racketeering activity ~~shall have~~  
31 ~~has~~ a cause of action for three times the actual damages sustained and reasonable ~~attorneys~~  
32 ~~attorneys'~~ fees. For purposes of this subsection, "pattern of racketeering activity" ~~shall require~~  
33 ~~requires~~ that at least one act of racketeering activity be an act of racketeering activity other than  
34 (i) an act indictable under 18 U.S.C. § 1341 or ~~U.S.C. § 1343,~~ 18 U.S.C. § 1343 or (ii) an act  
35 ~~which that~~ is an offense involving fraud in the sale of securities. ~~Any A~~ person filing a private  
36 action under this subsection ~~must shall~~ concurrently notify the Attorney General in writing of the  
37 commencement of the action. Thereafter, the Attorney General may file a motion for a protective  
38 order in the court where the private action is pending and shall be granted a stay of the private  
39 action for a reasonable time if the court finds ~~either;~~either of the following:
- 40 (1) The bringing of a private action is likely to materially interfere with or impair  
41 a public forfeiture ~~action;~~action.
- 42 (2) The public interest is so great as to require the Attorney General to investigate  
43 and bring a forfeiture action.
- 44 (d) ~~Any An~~ injured innocent person ~~shall have~~ has a right or claim to forfeited ~~property~~  
45 ~~property,~~ or to the proceeds derived ~~therefrom from it,~~ that is superior to any right or claim the  
46 State has in the same property or proceeds. To enforce ~~such a claim the claim,~~ the injured innocent  
47 person ~~must shall~~ intervene in the forfeiture proceeding prior to its final disposition.
- 48 (e) A final conviction in ~~any a~~ criminal proceeding ~~for a violation of those laws set forth~~  
49 ~~in G.S. 75D-3(e), shall estop~~ estops the defendant in any subsequent civil action or proceeding  
50 under this Chapter as to all matters proved in the criminal proceeding.

1 (f) A defendant in an action commenced by the State pursuant to this Chapter whose  
 2 ~~convictions of two or more criminal offenses of those criminal statutes as set forth in G.S.~~  
 3 ~~75D-3(c) have become final, which offenses have occurred within a four-year period of each~~  
 4 ~~other as set forth in G.S. 75D-3(b) shall be~~ who has two or more final convictions for violating  
 5 any law set forth in G.S. 75D-3(8) and whose violations occurred within a four-year period as  
 6 set forth in G.S. 75D-3(7) is deemed to ~~have,~~ have per se violated ~~the provisions of~~  
 7 G.S. 75D-4(a)(1) or (2) as of the date of the second conviction.

8 (g) Any party is entitled to a jury trial in any action brought under this Chapter."

9 **SECTION 7.(e)** This section is effective when it becomes law and applies to actions  
 10 or proceedings commenced on or after that date.

11 **SECTION 8.(a)** The definitions in G.S. 85B-1 are reordered so that they appear in  
 12 alphabetical order.

13 **SECTION 8.(b)** G.S. 85B-1, as amended by subsection (a) of this section, reads as  
 14 rewritten:

15 **"§ 85B-1. Definitions.**

16 For the purposes of this ~~Chapter~~ Chapter, the following definitions ~~shall~~ apply:

- 17 (1) ~~"Absolute Auction" means the Absolute auction. – The sale of real or personal~~  
 18 ~~property at auction in which the item offered for auction is sold to the highest~~  
 19 ~~bidder without reserve, without the requirement of any a minimum bid, and~~  
 20 ~~without competing bids of any type by the owner, or agent of the owner, of~~  
 21 ~~the property.~~  
 22 (2) ~~"Auction" means the Auction. – The sale of goods or real estate by means of~~  
 23 ~~exchanges between an auctioneer and members of an audience, the exchanges~~  
 24 ~~consisting of a series of invitations for offers made by the auctioneer, offers~~  
 25 ~~by members of the audience, and the acceptance by the auctioneer of the~~  
 26 ~~highest or most favorable offer.~~  
 27 (3) ~~"Auction Firm" means a Auction firm. – A sole proprietorship of which the~~  
 28 ~~owner is not a licensed auctioneer, or any a partnership, association, or~~  
 29 ~~corporation, not otherwise exempt from this Chapter, that does any of the~~  
 30 ~~following:~~  
 31 ~~a. sells~~ Sells, either directly or through agents, real or personal property  
 32 ~~at auction, or that auction.~~  
 33 ~~b. arranges, Arranges,~~ sponsors, manages, ~~conducts~~ conducts,  
 34 ~~advertises auctions, or that auctions.~~  
 35 ~~c. in~~ In the regular course of ~~business~~ business, uses or allows the use of  
 36 its facilities for auctions.  
 37 ~~This definition~~ This term applies whether or not an owner or officer of the  
 38 business acts as an auctioneer.  
 39 (4) ~~"Auctioneer" means any Auctioneer. – A person who conducts or offers to~~  
 40 ~~conduct auctions and auctions. This term includes apprentice auctioneers~~  
 41 ~~except as when stricter standards are specified by this Chapter for apprentice~~  
 42 ~~auctioneers.~~  
 43 (5) ~~"Auctioneering", "conduct of auction", or "conduct of business" means, in~~  
 44 ~~Auctioneering, conduct of auction, or conduct of business. – In addition to the~~  
 45 ~~actual calling of bids, any of the following:~~  
 46 a. Contracting for auction.  
 47 b. Accepting consignments of items for sale at auction.  
 48 c. Advertising an auction.  
 49 d. Offering items for sale at auction.  
 50 e. Accepting payment or disbursing monies for items sold at auction.

- 1 f. Otherwise soliciting, arranging, sponsoring, or managing an auction  
2 or holding oneself out as an auctioneer or auction firm.
- 3 (6) ~~"Consignment" means, unless Consignment. – Unless~~ otherwise modified by  
4 written agreement, the act of delivering or transferring goods or real estate in  
5 fact or constructively to an auctioneer or the auctioneer's agent in trust for the  
6 purpose of resale at auction ~~whereby by which~~ title does not pass to the buyer  
7 until there is an action indicating a sale. ~~For purposes of this section,~~  
8 ~~consignment may also mean~~ This term includes a bailment for sale.
- 9 (7) ~~"Designated person" means any~~ Designated person. – A person approved by  
10 the Board to have the authority to transact business for a licensed auction firm.
- 11 (8) ~~"Estate Sale" means the~~ Estate sale. – The liquidation by sale at auction of real  
12 or personal property of a specified person.
- 13 (9) ~~"Fund" means~~ Fund. – Auctioneer Recovery Fund.
- 14 (10) ~~"Owner" means the~~ Owner. – The bona fide owner of the property being  
15 offered for sale; sale. The following provisions apply:
- 16 a. ~~in~~ In the case of partnerships, ~~"owner" this term means~~ a general  
17 partner in a partnership that owns the property being offered for sale;  
18 ~~provided that sale so long as, in the case of a limited partnership it~~  
19 ~~partnership, the partnership has filed a certificate of limited~~  
20 ~~partnership as required by Chapter 59 of the General Statutes;~~ Statutes.
- 21 b. ~~in~~ In the case of corporations, ~~"owner" this term means~~ an ~~officer or~~  
22 ~~director or employee or someone acting on behalf of the employee of~~  
23 ~~officer, director, employee, or agent of~~ a corporation that owns the  
24 property being offered for sale ~~provided that so long as~~ the corporation  
25 is registered to do business in ~~the~~ this State."

26 **SECTION 9.** G.S. 128-26A is redesignated as G.S. 128-26.1.

27 **SECTION 10.(a)** G.S. 131A-3 reads as rewritten:

28 **"§ 131A-3. Definitions.**

29 As used or referred to in this Article, the following words and terms shall have the following  
30 meanings, unless the context clearly indicates otherwise:

- 31 (1) ~~"Bonds" or "notes" means the revenue bonds or bond anticipation notes,~~  
32 ~~respectively, authorized to be issued by the Commission under this Article;~~
- 33 (2) ~~"Commission" means the North Carolina Medical Care Commission, created~~  
34 ~~by Part 10 of Article 3 of Chapter 143B of the General Statutes, or, should~~  
35 ~~said Commission be abolished or otherwise divested of its functions under this~~  
36 ~~Article, the public body succeeding it in its principal functions, or upon which~~  
37 ~~are conferred by law the rights, powers and duties given by this Article to the~~  
38 ~~Commission;~~
- 39 (3) ~~"Cost" as applied to any health care facilities means the cost of construction~~  
40 ~~or acquisition; the cost of acquisition of property, including rights in land and~~  
41 ~~other property, both real and personal and improved and unimproved; the cost~~  
42 ~~of demolishing, removing or relocating any buildings or structures on land so~~  
43 ~~acquired, including the cost of acquiring any land to which such buildings or~~  
44 ~~structures may be moved or relocated; the cost of all machinery, fixed and~~  
45 ~~movable equipment and furnishings; financing charges, interest prior to and~~  
46 ~~during construction and, if deemed advisable by the Commission, for a period~~  
47 ~~not exceeding two years after the estimated date of completion of~~  
48 ~~construction, the cost of engineering and architectural surveys, plans and~~  
49 ~~specifications; the cost of consulting and legal services and other expenses~~  
50 ~~necessary or incident to determining the feasibility or practicability of~~  
51 ~~constructing or acquiring such health care facilities; the cost of administrative~~

1 and other expenses necessary or incident to the construction or acquisition of  
2 such health care facilities, and the financing of the construction or acquisition  
3 thereof, including reasonable provision for working capital and a reserve for  
4 debt service; the cost of reimbursing any public or nonprofit agency for any  
5 payments made for any cost described above or the refinancing of any cost  
6 described above, provided that no payment shall be reimbursed or any cost be  
7 refinanced if such payment was made or such cost was incurred earlier than  
8 two years prior to the effective date of this Article; provided further, that it is  
9 the intent that any costs described above shall be payable solely from the  
10 revenues of the health care facilities;

11 (4) ~~"Health care facilities" means any one or more buildings, structures, additions,  
12 extensions, improvements or other facilities, whether or not located on the  
13 same site or sites, machinery, equipment, furnishings or other real or personal  
14 property suitable for health care or medical care; and includes, without  
15 limitation: general hospitals, chronic diseases, maternity, mental, tuberculosis  
16 and other specialized hospitals; facilities for intensive care and self care;  
17 nursing homes, including skilled nursing facilities and intermediate care  
18 facilities; facilities for continuing care of the elderly and infirm; clinics and  
19 outpatient facilities; clinical, pathological and other laboratories; health care  
20 research facilities; laundries; training facilities for nurses, interns, physicians  
21 and other staff members; food preparation and food service facilities;  
22 administration buildings, central service and other administrative facilities;  
23 communication, computer; and other electronic facilities, fire fighting  
24 facilities, pharmaceutical facilities and recreational facilities; storage space,  
25 X ray, laser, radiotherapy and other apparatus and equipment; dispensaries;  
26 utilities; vehicular parking lots and garages; office facilities for health care  
27 facilities staff members and physicians; and such other health care facilities  
28 eustomarily under the jurisdiction of or provided by hospitals, or any  
29 combination of the foregoing, with all necessary, convenient or related  
30 interests in land, machinery, apparatus, appliances, equipment, furnishings,  
31 appurtenances, site preparation, landscaping and physical amenities;~~

32 (5) ~~"Non-profit agency" means any nonprofit corporation existing or hereafter  
33 created and empowered to acquire, by lease or otherwise, operate or maintain  
34 health care facilities;~~

35 (6) ~~"Public agency" means any county, city, town, hospital district or other  
36 political subdivision of the State existing or hereafter created pursuant to the  
37 laws of the State authorized to acquire, by lease or otherwise, operate or  
38 maintain health care facilities;~~

39 (7) ~~"State" means the State of North Carolina;~~

40 (8) ~~"Federally guaranteed security" means any security, investment or evidence  
41 of indebtedness issued pursuant to any provision of federal law for the purpose  
42 of financing or refinancing the cost of any health care facilities which is  
43 insured or guaranteed, directly or indirectly, in whole or in part as to the  
44 repayment of principal or interest by the United States of America or any  
45 instrumentality thereof;~~

46 (9) ~~"Federally insured mortgage note" means any loan secured by a mortgage or  
47 deed of trust on any health care facilities owned or leased by any public or  
48 nonprofit agency which is insured or guaranteed, directly or indirectly, in  
49 whole or in part as to the repayment of principal and interest by the United  
50 States of America or any instrumentality thereof, or any commitment by the~~

- 1 United States of America or any instrumentality thereof to so insure or  
2 guarantee such a loan secured by a mortgage or a deed of trust.
- 3 (10) ~~"Continuing care" means the furnishing, pursuant to a continuing care  
4 agreement, of shelter, food, and nursing care to an individual not related by  
5 consanguinity or affinity to the provider furnishing such care. Other personal  
6 services provided shall be designated in the continuing care agreement.  
7 Continuing care shall include only life care, care for life, or care for a term of  
8 years;~~
- 9 (11) ~~"Life care" or "care for life" means a life lease, life membership, life estate, or  
10 similar agreement between an individual and a provider by which the  
11 individual pays a fee for the right to occupy a space in the continuing care  
12 facility and to receive continuing care for life; and~~
- 13 (12) ~~"Care for a term of years" means an agreement between an individual and a  
14 provider whereby the individual pays a fee for the right to occupy space in a  
15 continuing care facility, and to receive continuing care, for at least one year,  
16 but for less than the life of the member.~~

17 The following definitions apply in this Article:

- 18 (1) Bonds or notes. – The revenue bonds or bond anticipation notes, respectively,  
19 authorized to be issued by the Commission under this Article.
- 20 (2) Care for a term of years. – An agreement between an individual and a provider  
21 by which the individual pays a fee for the right to occupy space in a continuing  
22 care facility and to receive continuing care for at least one year but for less  
23 than the life of the member.
- 24 (3) Commission. – The North Carolina Medical Care Commission, created by  
25 Part 10 of Article 3 of Chapter 143B of the General Statutes, or a successor  
26 body.
- 27 (4) Continuing care. – The furnishing, pursuant to a continuing care agreement,  
28 of shelter, food, and nursing care to an individual not related by consanguinity  
29 or affinity to the provider furnishing the care. Other personal services  
30 provided shall be designated in the continuing care agreement. This term  
31 includes only life care, care for life, or care for a term of years.
- 32 (5) Cost. – As applied to any health care facilities, any of the following:
- 33 a. The cost of construction or acquisition.
- 34 b. The cost of acquisition of property, including property rights, both real  
35 and personal and improved and unimproved.
- 36 c. The cost of demolishing, removing, or relocating any buildings or  
37 structures on land acquired, including the cost of acquiring any land to  
38 which the buildings or structures may be moved or relocated.
- 39 d. The cost of all machinery, fixed and movable equipment, and  
40 furnishings.
- 41 e. Financing charges, interest prior to and during construction, and, if  
42 deemed advisable by the Commission, for a period not exceeding two  
43 years after the estimated date of completion of construction, the cost  
44 of engineering and architectural surveys, plans, and specifications.
- 45 f. The cost of consulting and legal services and other expenses necessary  
46 or incident to determining the feasibility or practicability of  
47 constructing or acquiring the health care facilities.
- 48 g. The cost of administrative and other expenses necessary or incident to  
49 the construction or acquisition of the health care facilities and the  
50 financing of the construction or acquisition, including reasonable  
51 provision for working capital and a reserve for debt service.

- 1            h. The cost of reimbursing a public or nonprofit agency for any payments  
2            made for any cost described in this subdivision or the refinancing of  
3            any cost described in this subdivision. This term, however, does not  
4            include any reimbursement or refinancing costs that are not payable  
5            solely from the revenues of the health care facilities.
- 6            (6) Federally guaranteed security. – A security, investment, or evidence of  
7            indebtedness issued pursuant to federal law for the purpose of financing or  
8            refinancing the cost of a health care facility and that is insured or guaranteed,  
9            directly or indirectly, in whole or in part as to the repayment of principal or  
10           interest by the United States of America or any instrumentality thereof.
- 11           (7) Federally insured mortgage note. – A loan secured by a mortgage or deed of  
12           trust on a health care facility owned or leased by a public or nonprofit agency  
13           and that is insured or guaranteed, directly or indirectly, in whole or in part as  
14           to the repayment of principal and interest by the United States of America or  
15           any instrumentality thereof, or by a commitment of the United States of  
16           America or any instrumentality thereof.
- 17           (8) Health care facilities. – Any one or more buildings, structures, additions,  
18           extensions, improvements, or other facilities, whether or not located on the  
19           same site, machinery, equipment, furnishings, or other real or personal  
20           property suitable for health care or medical care. The term includes, without  
21           limitation, any of the following facilities related to health care:
- 22           a. General hospitals or specialized hospitals, such as hospitals for chronic  
23           diseases, maternity, or mental health.
- 24           b. Facilities for intensive care and self-care.
- 25           c. Nursing homes, including skilled nursing facilities and intermediate  
26           care facilities.
- 27           d. Facilities for the continuing care of the elderly and infirm.
- 28           e. Clinics and outpatient facilities.
- 29           f. Clinical, pathological, and other laboratories.
- 30           g. Health care research facilities.
- 31           h. Laundries.
- 32           i. Training facilities for nurses, interns, physicians, and other staff  
33           members.
- 34           j. Food preparation and food service facilities.
- 35           k. Administration buildings, central service facilities, and other  
36           administrative facilities.
- 37           l. Communication, computer, and other electronic facilities, firefighting  
38           facilities, pharmaceutical facilities, and recreational facilities.
- 39           m. Storage space.
- 40           n. X-ray, laser, radiotherapy, and other apparatus and equipment.
- 41           o. Dispensaries.
- 42           p. Utilities.
- 43           q. Vehicular parking lots and garages.
- 44           r. Office facilities for staff members and physicians of a health care  
45           facility.
- 46           s. Other facilities customarily under the jurisdiction of or provided by  
47           hospitals, or any combination of the facilities listed in this subdivision,  
48           with all related interests in land, machinery, apparatus, appliances,  
49           equipment, furnishings, appurtenances, site preparation, landscaping,  
50           and physical amenities.



- 1           (9)    Life care or care for life. – A life lease, life membership, life estate, or similar  
 2           agreement between an individual and a provider by which the individual pays  
 3           a fee for the right to occupy a space in the continuing care facility and to  
 4           receive continuing care for life.
- 5           (10)   Nonprofit agency. – A nonprofit corporation authorized to acquire, by lease  
 6           or otherwise, operate, or maintain health care facilities.
- 7           (11)   Public agency. – A county, city, town, hospital district, or other political  
 8           subdivision of the State authorized to acquire, by lease or otherwise, operate,  
 9           or maintain health care facilities.
- 10          (12)   State. – State of North Carolina."

11           **SECTION 10.(b)** G.S. 143B-181.16 reads as rewritten:

12           **"§ 143B-181.16. Long-Term Care Ombudsman Program/Office; definition. Definitions.**

13           Unless the content clearly requires otherwise, as used in this Article:

- 14           (1)    ~~"Long term care facility" means any skilled nursing facility and intermediate~~  
 15           ~~care facility as defined in G.S. 131A 3(4) or any adult care home as defined~~  
 16           ~~in G.S. 131D 20(2).~~
- 17           ~~(1a) Reserved for future codification purposes.~~
- 18           ~~(1b) "Programmatic supervision" means the monitoring of the performance of the~~  
 19           ~~duties of the Regional Ombudsman and ensuring that the Area Agency on~~  
 20           ~~Aging has personnel policies and procedures consistent with the laws and~~  
 21           ~~policies governing the Ombudsman Program as performed by the State~~  
 22           ~~Ombudsman.~~
- 23           ~~(1c) "Regional Ombudsman" means a person employed by an Area Agency on~~  
 24           ~~Aging who is certified and designated by the State Ombudsman to carry out~~  
 25           ~~the functions of the Regional Ombudsman Office established by this Article,~~  
 26           ~~42 U.S.C. § 3001, et seq. and regulations promulgated thereunder.~~
- 27           ~~(2) "Resident" means any person who is receiving treatment or care in any~~  
 28           ~~long term care facility.~~
- 29           ~~(3) "State Ombudsman" means the State Ombudsman as defined by the Older~~  
 30           ~~Americans Act of 1965, as amended, 42 U.S.C. § 3001 et seq., and regulations~~  
 31           ~~promulgated thereunder, who carries out the duties and functions established~~  
 32           ~~by this Article and 42 U.S.C. § 3001, et seq. and regulations promulgated~~  
 33           ~~thereunder.~~
- 34           ~~(4) "Willful interference" means actions or inactions taken by an individual in an~~  
 35           ~~attempt to intentionally prevent, interfere with, or attempt to impede the~~  
 36           ~~Ombudsman or a representative of the Office from performing any of the~~  
 37           ~~functions, responsibilities, or duties set forth in 42 U.S.C. § 3001 et seq., and~~  
 38           ~~regulations promulgated thereunder.~~

39           The following definitions apply in this Article:

- 40           (1)    Long-term care facility. – A skilled nursing facility, intermediate care facility,  
 41           or adult care home as defined in G.S. 131D-20.
- 42           (2)    Programmatic supervision. – The monitoring of the performance of the duties  
 43           of the Regional Ombudsman and ensuring that the Area Agency on Aging has  
 44           personnel policies and procedures consistent with the laws and policies  
 45           governing the Ombudsman Program as performed by the State Ombudsman.
- 46           (3)    Regional Ombudsman. – A person employed by an Area Agency on Aging  
 47           who is certified and designated by the State Ombudsman to carry out the  
 48           functions of the Regional Ombudsman Office established by this Article, the  
 49           Older Americans Act of 1965, 42 U.S.C. § 3001, et seq., and the regulations  
 50           promulgated under that act.

- 1           (4)   Resident. – A person who is receiving treatment or care in a long-term care
- 2                   facility.
- 3           (5)   State Ombudsman. – The State Ombudsman, as defined by the Older
- 4                   Americans Act of 1965, 42 U.S.C. § 3001, et seq., and the regulations
- 5                   promulgated under it, who carries out the duties and functions established by
- 6                   those laws and this Article.
- 7           (6)   Willful or unnecessary obstruction. – Actions or inactions taken by an
- 8                   individual in an attempt to intentionally prevent, interfere with, or attempt to
- 9                   impede the State Ombudsman or Regional Ombudsman from performing any
- 10                  of the functions, responsibilities, or duties set forth in the Older Americans
- 11                  Act of 1965, 42 U.S.C. § 3001, et seq., and the regulations promulgated under
- 12                  it."

13           **SECTION 11.1.(a)** G.S. 131E-176(5a) is recodified as G.S. 131E-176(5c).

14           **SECTION 11.1.(b)** G.S. 131E-176(10) is recodified as G.S. 131E-176(7e).

15           **SECTION 11.1.(c)** G.S. 131E-176(13) is recodified as G.S. 131E-176(13d). The  
 16 Revisor of Statutes shall substitute "G.S. 131E-176" for "G.S. 131E-176(13)" wherever it  
 17 appears in G.S. 90-414.4.

18           **SECTION 11.2.(a)** G.S. 131E-176, as amended by Section 11.1 of this act, reads as  
 19 rewritten:

20   "**§ 131E-176. Definitions.**

21       The following definitions apply in this Article:

- 22           (1)   Adult care home. – A facility with seven or more beds licensed under Part 1
- 23                   of Article 1 of Chapter 131D of the General Statutes or under this Chapter that
- 24                   provides residential care for aged individuals or individuals with disabilities
- 25                   whose principal need is a home ~~which~~that provides the supervision and
- 26                   personal care appropriate to their age and disability and for whom medical
- 27                   care is only occasional or incidental.
- 28           ...
- 29           (1b)   Ambulatory surgical facility. – A facility designed for the provision of a
- 30                   specialty ambulatory surgical program or a multispecialty ambulatory surgical
- 31                   program. An ambulatory surgical facility serves patients who require local,
- 32                   regional, or general anesthesia and a period of post-operative observation. An
- 33                   ambulatory surgical facility may only admit patients for a period of less than
- 34                   24 hours and ~~must~~shall provide at least one designated operating room or
- 35                   gastrointestinal endoscopy room and at least one designated recovery room,
- 36                   have available the necessary equipment and trained personnel to handle
- 37                   emergencies, provide adequate quality assurance and assessment by an
- 38                   evaluation and review committee, and maintain adequate medical records for
- 39                   each patient. An ambulatory surgical facility may be operated as a part of a
- 40                   ~~physician~~physician's or ~~dentist's office,~~provided office so long as the facility
- 41                   is licensed under Part 4 of Article 6 of this Chapter, but the performance of
- 42                   incidental, limited ambulatory surgical procedures ~~which~~that do not
- 43                   constitute an ambulatory surgical program and ~~which~~that are performed in a
- 44                   physician's or dentist's office does not make that office an ambulatory surgical
- 45                   facility.
- 46           (1c)   Ambulatory surgical program. – A formal program for providing on a
- 47                   same-day basis those surgical procedures ~~which~~that require local, regional,
- 48                   or general anesthesia and a period of post-operative observation to patients
- 49                   whose admission for more than 24 hours is determined, prior to surgery or
- 50                   gastrointestinal endoscopy, to be medically unnecessary.

- 1 (2) Bed capacity. – Space used exclusively for inpatient care, including space  
 2 designed or remodeled for licensed inpatient beds even though temporarily  
 3 not used for ~~such these~~ purposes. The number of beds to be counted in ~~any a~~  
 4 patient room shall be the maximum number for which adequate square footage  
 5 is provided as established by rules of the Department except that single beds  
 6 in single rooms are counted even if the room contains inadequate square  
 7 footage. ~~The term "bed capacity"~~ This term also refers to the number of  
 8 dialysis stations in kidney disease treatment centers, including freestanding  
 9 dialysis units.
- 10 ...
- 11 (2d) Capital expenditure. – An expenditure for a project, including but not limited  
 12 ~~to to~~, the cost of construction, engineering, and equipment ~~which that~~, under  
 13 generally accepted accounting ~~principles—principles~~, is not properly  
 14 chargeable as an expense of operation and maintenance. Capital expenditure  
 15 includes, in addition, the fair market value of an acquisition made by donation,  
 16 lease, or comparable arrangement by which a person obtains equipment, the  
 17 expenditure for which would have been considered a capital expenditure  
 18 under this Article if the person had acquired it by purchase.
- 19 ...
- 20 (3) Certificate of need. – A written order ~~which that~~ affords the person ~~so~~  
 21 designated as the legal proponent of the proposed project the opportunity to  
 22 proceed with the development of the project.
- 23 ...
- 24 (5) Change in bed capacity. – Any of the following:  
 25 a. ~~Any A~~ relocation of health service facility ~~beds, beds~~ or dialysis  
 26 stations from one licensed facility or campus to another.  
 27 b. ~~Any A~~ redistribution of health service facility bed capacity among the  
 28 categories of health service facility bed.  
 29 c. ~~Any An~~ increase in the number of health service facility ~~beds, beds~~ or  
 30 dialysis stations in kidney disease treatment centers, including  
 31 freestanding dialysis units.
- 32 ...
- 33 (5c) Chemical dependency treatment facility. – A public or private facility, or unit  
 34 in a facility, ~~which that~~ is engaged in providing ~~24-hour-a-day 24-hour-a-day~~  
 35 treatment for chemical dependency or a substance use disorder. This treatment  
 36 may include detoxification, administration of a therapeutic regimen for the  
 37 treatment of individuals with chemical dependence or substance use disorders,  
 38 and related services. The facility or unit may be any of the following:
- 39 ...
- 40 (7) Develop. – When used in connection with health services, means to undertake  
 41 those activities ~~which that~~ will result in the offering of institutional health  
 42 service or the incurring of a financial obligation in relation to the offering of  
 43 ~~such a the~~ service.
- 44 (7a) **(Effective until November 21, 2026 – see note)** Diagnostic center. – A  
 45 freestanding facility, program, or provider, including but not limited to,  
 46 physicians' offices, clinical laboratories, radiology centers, and mobile  
 47 diagnostic programs, in which the total cost of all the medical diagnostic  
 48 equipment utilized by the facility ~~which cost that costs~~ ten thousand dollars  
 49 (\$10,000) or more exceeds three million dollars (\$3,000,000). In determining  
 50 whether the medical diagnostic equipment in a diagnostic center costs more  
 51 than three million dollars (\$3,000,000), the costs of the equipment, studies,

- 1 surveys, designs, plans, working drawings, specifications, construction,  
 2 installation, and other activities essential to acquiring and making operational  
 3 the equipment shall be included. The capital expenditure for the equipment  
 4 ~~shall be~~ is deemed to be the fair market value of the equipment or the cost of  
 5 the equipment, whichever is greater. ~~Beginning September 30, 2022, and on~~  
 6 On September 30 of each year thereafter, year, the cost threshold amount in  
 7 this subdivision shall be adjusted using the Medical Care Index component of  
 8 the Consumer Price Index published by the U.S. Department of Labor for the  
 9 12-month period preceding the previous September 1.
- 10 ...
- 11 (7c) Gamma knife. – Equipment ~~which~~ that emits photon beams from a stationary  
 12 radioactive cobalt source to treat lesions deep within the brain and is one type  
 13 of stereotactic radiosurgery.
- 14 ...
- 15 (7e) Health maintenance organization (HMO). – A public or private organization  
 16 ~~which~~ that has received its certificate of authority under Article 67 of Chapter  
 17 58 of the General Statutes and ~~which~~ that either is a qualified health  
 18 maintenance organization under ~~Section 1310(d) of the Public Health Service~~  
 19 ~~Act~~ 42 U.S.C. § 300e-9, or satisfies all of the following:
- 20 ...
- 21 b. Is compensated, except for copayments, for the provision of the basic  
 22 health care services listed in sub-subdivision a. of this subdivision to  
 23 enrolled participants by a payment ~~which~~ that is paid on a periodic  
 24 basis without regard to the date the health care services are provided  
 25 and ~~which~~ that is fixed without regard to the frequency, extent, or kind  
 26 of health service actually provided.
- 27 c. Provides physicians' services primarily (i) directly through physicians  
 28 who are either employees or partners of ~~such organizations, these~~  
 29 organizations or (ii) through arrangements with individual physicians  
 30 or one or more groups of physicians organized on a group practice or  
 31 individual practice basis.
- 32 ...
- 33 (9a) Health service. – An organized, interrelated activity that is medical,  
 34 diagnostic, therapeutic, rehabilitative, or a combination ~~thereof of those~~ and  
 35 that is integral to the prevention of disease or the clinical management of an  
 36 individual who is sick or injured or who has a disability. ~~"Health service"~~ The  
 37 term does not include administrative and other activities that are not integral  
 38 to clinical management.
- 39 (9b) **(Effective until November 21, 2025 – see note)** Health service facility. – A  
 40 hospital; long-term care hospital; rehabilitation facility; nursing home facility;  
 41 adult care home; kidney disease treatment center, including freestanding  
 42 hemodialysis units; intermediate care facility for individuals with intellectual  
 43 disabilities; home health agency office; diagnostic center; hospice office,  
 44 hospice inpatient facility, or hospice residential care facility; ~~and~~ or  
 45 ambulatory surgical facility.
- 46 ...
- 47 (9c) Health service facility bed. – A bed licensed for use in a health service facility  
 48 in the categories of (i) acute care beds; ~~(iii)~~ (ii) rehabilitation beds; ~~(iv)~~ (iii)  
 49 nursing home beds; ~~(v)~~ (iv) intermediate care beds for individuals with  
 50 intellectual disabilities; ~~(vii)~~ (v) hospice inpatient facility beds; ~~(viii)~~ (vi)

- 1 hospice residential care facility beds; ~~(ix)~~(vii) adult care home beds; and ~~(x)~~  
 2 (viii) long-term care hospital beds.  
 3 ...  
 4 (12) Home health agency. – A private organization or public agency, whether  
 5 owned or operated by one or more persons or legal entities, ~~which~~that  
 6 furnishes or offers to furnish home health services.  
 7 (12a) Home health services. – Items and services furnished to an individual by a  
 8 home health agency, or by others under arrangements ~~with such others~~ made  
 9 by the agency, on a visiting basis, and except for sub-subdivision e. of this  
 10 subdivision, in a place of temporary or permanent residence used as the  
 11 individual's home as follows:  
 12 ...  
 13 d. Medical supplies, other than drugs and ~~biologicals~~biologicals, and the  
 14 use of medical appliances.  
 15 e. Any of the items and services listed in this subdivision ~~which~~that are  
 16 provided on an outpatient basis under arrangements made by the home  
 17 health agency at a ~~hospital or nursing home facility~~hospital, nursing  
 18 home facility, or rehabilitation center facility and the furnishing of  
 19 which involves the use of equipment ~~of such a nature~~ that the items  
 20 and services cannot readily be made available to the individual at  
 21 home, or ~~which~~that are furnished at the facility while the individual is  
 22 there to receive ~~any such~~the item or service, but not including  
 23 transportation of the individual in connection with ~~any such~~the item  
 24 or service.  
 25 ...  
 26 (13a) Hospice. – Any coordinated program of home care with provision for inpatient  
 27 care for terminally ill patients and their families. This care is provided by a  
 28 medically directed interdisciplinary team, directly or through an agreement  
 29 under the direction of an identifiable hospice administration. A hospice  
 30 program of care provides palliative and supportive medical and other health  
 31 services to meet the physical, psychological, social, spiritual, and special  
 32 needs of patients and their ~~families~~families that are experienced during  
 33 the final stages of terminal illness and during dying and bereavement.  
 34 (13b) Hospice inpatient facility. – A freestanding licensed hospice facility or a  
 35 designated inpatient unit in an existing health service facility ~~which~~that  
 36 provides palliative and supportive medical and other health services to meet  
 37 the physical, psychological, social, spiritual, and special needs of terminally  
 38 ill patients and their families in an inpatient setting. For purposes of this  
 39 Article only, a hospital ~~which~~that has a contractual agreement with a licensed  
 40 hospice to provide inpatient services to a hospice patient as defined in  
 41 ~~G.S. 131E-201(4)~~G.S. 131E-201 and provides those services in a licensed  
 42 acute care bed is not a hospice inpatient facility and ~~is not subject to the~~  
 43 ~~requirements in sub-subdivision (5)b. of this section for hospice inpatient~~  
 44 ~~beds~~the services provided in this manner are not a redistribution of health  
 45 service facility bed capacity among the categories of health service facility  
 46 bed.  
 47 (13c) Hospice residential care facility. – A freestanding licensed hospice facility  
 48 ~~which~~that provides palliative and supportive medical and other health  
 49 services to meet the physical, psychological, social, spiritual, and special  
 50 needs of terminally ill patients and their families in a group residential setting.

- 1 (13d) Hospital. – A public or private institution ~~which that~~ is primarily engaged in  
 2 providing to inpatients, by or under supervision of physicians, diagnostic  
 3 services and therapeutic services for medical diagnosis, treatment, and care of  
 4 injured, disabled, or sick persons, or rehabilitation services for the  
 5 rehabilitation of injured, disabled, or sick persons. The term includes all  
 6 facilities licensed pursuant to G.S. 131E-77, except long-term care hospitals.  
 7 ...  
 8 (14a) Intermediate care facility for individuals with intellectual disabilities. –  
 9 Facilities licensed pursuant to Article 2 of Chapter 122C of the General  
 10 Statutes for the purpose of providing health and habilitative services based on  
 11 the developmental model and principles of normalization for individuals with  
 12 intellectual disabilities, autism, cerebral palsy, ~~epilepsy~~epilepsy, or related  
 13 conditions.  
 14 ...  
 15 (14e) Kidney disease treatment center. – A facility that is certified as an end-stage  
 16 renal disease facility by the Centers for Medicare and Medicaid ~~Services,~~  
 17 Services of the United States Department of Health and Human Services,  
 18 Services pursuant to 42 C.F.R. § 405.  
 19 (14f) ~~"Legacy Medical Care Facility" means a Legacy Medical Care Facility.~~ – A  
 20 facility that meets all of the following requirements:  
 21 a. Is not presently operating.  
 22 b. Has not continuously operated for at least the past six months.  
 23 c. Within the last 24 months; months, both of the following:  
 24 1. Was operated by a person holding a license under  
 25 ~~G.S. 131E-77; and~~G.S. 131E-77.  
 26 ...  
 27 (14k) Long-term care hospital. – A hospital that has been classified and designated  
 28 as a long-term care hospital by the Centers for Medicare and Medicaid  
 29 ~~Services, Services of the United States Department of Health and Human~~  
 30 ~~Services, Services~~ pursuant to 42 C.F.R. § 412.  
 31 ...  
 32 (14n) Main campus. – ~~All~~Both of the following for the purposes of  
 33 G.S. 131E-184(f) and (g) only:  
 34 ...  
 35 (14o) **(Effective until November 21, 2026 – see note)** Major medical equipment. –  
 36 A single unit or single system of components with related functions ~~which that~~  
 37 is used to provide medical and other health services and ~~which that~~ costs more  
 38 than two million dollars (\$2,000,000). In determining whether the major  
 39 medical equipment costs more than two million dollars (\$2,000,000), the costs  
 40 of the equipment, studies, surveys, designs, plans, working drawings,  
 41 specifications, construction, installation, and other activities essential to  
 42 acquiring and making operational the major medical equipment ~~shall be is~~  
 43 included. The capital expenditure for the equipment ~~shall be is~~ deemed to be  
 44 the fair market value of the equipment or the cost of the equipment, whichever  
 45 is greater. ~~Major medical equipment~~ This term does not include replacement  
 46 ~~equipment as defined in this section. Beginning September 30, 2022, and on~~  
 47 equipment. On September 30 of each year thereafter, year, the cost threshold  
 48 amount in this subdivision shall be adjusted using the Medical Care Index  
 49 component of the Consumer Price Index published by the U.S. Department of  
 50 Labor for the 12-month period preceding the previous September 1.  
 51 ...

- 1 (15b) Neonatal intensive care services. – Those services provided by a health service
- 2 facility to high-risk newborn infants who require constant nursing care,
- 3 including but not limited ~~to~~to, continuous cardiopulmonary and other
- 4 supportive care.
- 5 (16) New institutional health services. – Any of the following:
- 6 ...
- 7 b. **(Effective until November 21, 2025 – see note)** Except as otherwise
- 8 provided in G.S. 131E-184(e), the obligation by ~~any~~a person of a
- 9 capital expenditure exceeding four million dollars (\$4,000,000) to
- 10 develop or expand a health service or a health service facility, or ~~which~~
- 11 that relates to the provision of a health service. The cost of any studies,
- 12 surveys, designs, plans, working drawings, specifications, and other
- 13 activities, including ~~staff effort and consulting and staff effort,~~
- 14 consulting, and other services, essential to the acquisition,
- 15 improvement, expansion, or replacement of ~~any~~a plant or equipment
- 16 with respect to which an expenditure is made ~~shall be~~is included in
- 17 determining if the expenditure exceeds four million dollars
- 18 (\$4,000,000). ~~Beginning September 30, 2022, and on~~On September
- 19 30 ~~of each year thereafter, year,~~ the amount in this sub-subdivision
- 20 shall be adjusted using the Medical Care Index component of the
- 21 Consumer Price Index published by the U.S. Department of Labor for
- 22 the 12-month period preceding the previous September 1.
- 23 ...
- 24 c. ~~Any~~A change in bed capacity.
- 25 ...
- 26 e. A change in a project that was subject to certificate of need review and
- 27 for which a certificate of need was issued, if the change is proposed
- 28 during the development of the project or within one year after the
- 29 project was completed. For purposes of this subdivision, a change in a
- 30 project is a change of more than fifteen percent (15%) of the approved
- 31 capital expenditure amount or the addition of a health service that is to
- 32 be located in the facility, or portion ~~thereof,~~of the facility, that was
- 33 constructed or developed in the project.
- 34 f. The development or offering of ~~a health service as listed in this~~
- 35 ~~subdivision~~any of the following health services by or on behalf of ~~any~~a
- 36 person:
- 37 ...
- 38 f1. The acquisition by purchase, donation, lease, transfer, or comparable
- 39 arrangement of any of the following equipment by or on behalf of ~~any~~a
- 40 person:
- 41 ...
- 42 l. The purchase, lease, or acquisition of ~~any~~a health service facility, or
- 43 portion ~~thereof,~~of a health service facility, or a controlling interest in
- 44 the health service facility or portion ~~thereof,~~of the health service
- 45 facility, if the health service facility was developed under a certificate
- 46 of need issued pursuant to G.S. 131E-180.
- 47 m. ~~Any~~A conversion of nonhealth service facility beds to health service
- 48 facility beds.
- 49 n. The construction, ~~development~~development, or other establishment of
- 50 a hospice, hospice inpatient facility, or hospice residential care
- 51 ~~facility;~~facility.

- 1           o.       The opening of an additional office by an existing home health agency
- 2                    or hospice within its service area as defined by rules adopted by the
- 3                    Department; or the opening of ~~any an~~ office by an existing home health
- 4                    agency or hospice outside its service area as defined by rules adopted
- 5                    by the Department.
- 6           p.       The acquisition by purchase, donation, lease, transfer, or comparable
- 7                    arrangement by ~~any a~~ person of major medical equipment.
- 8           ...
- 9           s.       The furnishing of mobile medical equipment to ~~any a~~ person to provide
- 10                   health services in North ~~Carolina, which~~ Carolina that was not in use
- 11                   in North Carolina prior to ~~the adoption of this provision, March 18,~~
- 12                   1993, if the equipment would otherwise be subject to review in
- 13                   accordance with sub-subdivision f1. of this subdivision or
- 14                   sub-subdivision p. of this subdivision if it had been acquired in North
- 15                   Carolina.
- 16           t.       Repealed by Session Laws 2001-242, s. 4, effective June 23, 2001.
- 17           u.       The construction, development, establishment, increase in ~~the~~ number,
- 18                   or relocation of an operating room or gastrointestinal endoscopy room
- 19                   in a licensed health service facility, other than the relocation of an
- 20                   operating room or gastrointestinal endoscopy room within the same
- 21                   building or on the same grounds or to grounds not separated by more
- 22                   than a public right-of-way adjacent to the grounds where the operating
- 23                   room or gastrointestinal endoscopy room is currently located.
- 24           ...
- 25       (17a) Nursing care. – Any of the following:
- 26           ...
- 27           c.       Health-related care and services provided on a regular basis to
- 28                   individuals ~~who who,~~ because of their mental or physical ~~condition~~
- 29                   condition, require care and services above the level of room and ~~board,~~
- 30                   ~~which~~ board that can be made available to them only through
- 31                   institutional facilities.
- 32                   These are services ~~which that~~ are not primarily for the care and treatment
- 33                   of mental diseases.
- 34           ...
- 35       (20) Project or capital expenditure project. – A proposal to undertake a capital
- 36                   expenditure that results in the offering of a new institutional health service. A
- 37                   project, or capital expenditure project, or proposed project may refer to the
- 38                   project from its earliest planning stages up through the point at which the
- 39                   specified new institutional health service may be offered. In the case of facility
- 40                   construction, the point at which the new institutional health service may be
- 41                   offered ~~must shall~~ take place after the facility is capable of being fully licensed
- 42                   and operated for its intended use, and at that time it shall be considered a health
- 43                   service facility.
- 44       (21) Psychiatric facility. – A public or private facility licensed pursuant to Article
- 45                   2 of Chapter 122C of the General Statutes and ~~which that~~ is primarily engaged
- 46                   in providing to inpatients, by or under the supervision of a physician,
- 47                   psychiatric services for the diagnosis and treatment of individuals with mental
- 48                   illnesses.
- 49           ...
- 50       (22) Rehabilitation facility. – A public or private inpatient facility ~~which that~~ is
- 51                   operated for the primary purpose of assisting in the rehabilitation of



1 individuals with disabilities through an integrated program of medical and  
 2 other services ~~which are~~ provided under competent, professional supervision.  
 3 (22a) Replacement equipment. – Equipment that costs less than three million dollars  
 4 (\$3,000,000) and is purchased for the sole purpose of replacing comparable  
 5 medical equipment currently in use ~~which that~~ will be sold or otherwise  
 6 disposed of when replaced. In determining whether the replacement  
 7 equipment costs less than three million dollars ~~(\$3,000,000) (\$3,000,000)~~, the  
 8 costs of equipment, studies, surveys, designs, plans, working drawings,  
 9 specifications, construction, installation, and other activities essential to  
 10 acquiring and making operational the replacement equipment ~~shall be~~ is  
 11 included. The capital expenditure for the equipment ~~shall be~~ is deemed to be  
 12 the fair market value of the equipment or the cost of the equipment, whichever  
 13 is greater. ~~Beginning September 30, 2023, and on~~ On September 30 of each  
 14 ~~year thereafter, year,~~ the cost threshold amount in this subdivision shall be  
 15 adjusted using the Medical Care Index component of the Consumer Price  
 16 Index published by the U.S. Department of Labor for the 12-month period  
 17 preceding the previous September 1.

18 ...  
 19 (24a) Service area. – The area of the State, as defined in the State Medical Facilities  
 20 Plan or in rules adopted by the Department, ~~which that~~ receives services from  
 21 a health service facility.

22 ...  
 23 (25) State Medical Facilities Plan. – The plan prepared in accordance with  
 24 G.S. 131E-176.2 by the Department of Health and Human Services and the  
 25 North Carolina State Health Coordinating ~~Council, Council~~ and approved by  
 26 the Governor. ~~In preparing the Plan, the Department and the State Health~~  
 27 ~~Coordinating Council shall maintain a mailing list of persons who have~~  
 28 ~~requested notice of public hearings regarding the Plan. Not less than 15 days~~  
 29 ~~prior to a scheduled public hearing, the Department shall notify persons on its~~  
 30 ~~mailing list of the date, time, and location of the hearing. The Department~~  
 31 ~~shall hold at least one public hearing prior to the adoption of the proposed Plan~~  
 32 ~~and at least six public hearings after the adoption of the proposed Plan by the~~  
 33 ~~State Health Coordinating Council. The Council shall accept oral and written~~  
 34 ~~comments from the public concerning the Plan.~~

35 ...."

36 **SECTION 11.2.(b)** Article 9 of Chapter 131E of the General Statutes is amended by  
 37 adding a new section to read:

38 **"§ 131E-176.2. State Medical Facilities Plan.**

39 The Department of Health and Human Services and the North Carolina State Health  
 40 Coordinating Council shall prepare and present to the Governor for approval the State Medical  
 41 Facilities Plan. In preparing the Plan, the Department and the State Health Coordinating Council  
 42 shall maintain a mailing list of persons that have requested notice of public hearings regarding  
 43 the Plan. Not less than 15 days prior to a scheduled public hearing, the Department shall notify  
 44 persons on its mailing list of the date, time, and location of the hearing. The Department shall  
 45 hold at least one public hearing prior to the adoption of the proposed Plan and at least six public  
 46 hearings after the adoption of the proposed Plan by the State Health Coordinating Council. The  
 47 Council shall accept oral and written comments from the public concerning the Plan."

48 **SECTION 11.2.(c)** G.S. 131E-177 reads as rewritten:

49 **"§ 131E-177. Department of Health and Human Services is designated State Health**  
 50 **Planning and Development Agency; powers and duties.**

1 The Department of Health and Human Services is designated as the State Health Planning  
2 and Development Agency for the State of North Carolina, ~~Carolina~~ and ~~is empowered to exercise~~  
3 has all of the following powers and duties:

- 4 (1) ~~To establish~~ Establish standards and criteria or plans required to carry out the  
5 provisions and purposes of this Article and to adopt rules pursuant to Chapter  
6 150B of the General Statutes, ~~Statutes~~ to carry out the purposes and provisions  
7 of this ~~Article;~~ Article.
- 8 (2) Adopt, amend, and repeal ~~such rules and regulations, consistent with the laws~~  
9 ~~of this State, rules,~~ as may be required by the federal government for  
10 grants-in-aid for health service facilities and health planning ~~which that~~ may  
11 be made available by the federal government. This section shall be liberally  
12 construed in order that the State and its citizens may benefit from ~~such~~  
13 ~~grants-in-aid;~~ these grants-in-aid.
- 14 (3) Define, by rule, procedures for submission of periodic reports by persons or  
15 health service facilities subject to agency review under this ~~Article;~~ Article.
- 16 (4) Develop policy, criteria, and standards for health service facilities ~~planning;~~  
17 ~~shall planning.~~ The Department shall conduct statewide registration and  
18 inventories of and make determinations of need for health service facilities,  
19 health services as specified in G.S. 131E-176(16)f., and equipment as  
20 specified in G.S. 131E-176(16)f1., which shall include including  
21 consideration of adequate geographic location of equipment and services; and  
22 develop a State Medical Facilities Plan; Plan.
- 23 (5) Implement, by rule, criteria for project ~~review;~~ review.
- 24 (6) ~~Have the power to grant, Grant, deny, or withdraw a certificate of need and to~~  
25 ~~impose such sanctions as are provided for by this Article;~~ Article.
- 26 (7) Solicit, accept, ~~hold hold,~~ and administer on behalf of the State any grants or  
27 devises of money, ~~securities securities,~~ or property to the Department for use  
28 by the Department in the administration of this ~~Article; and~~ Article.
- 29 (8) Repealed by Session Laws 1987, c. 511, s. 1.
- 30 (9) Collect fees for submitting applications for certificates of need.
- 31 (10) ~~The authority to review~~ Review all records in any recording medium of any  
32 person or health service facility subject to agency review under this Article  
33 ~~which that~~ pertain to construction and acquisition activities, ~~staffing staffing,~~  
34 or costs and charges for patient care, including but not limited to, construction  
35 contracts, architectural contracts, consultant contracts, purchase orders,  
36 cancelled checks, accounting and financial records, debt instruments, loan and  
37 security agreements, staffing records, utilization ~~statistics statistics,~~  
38 and any other records the Department deems ~~to be~~ reasonably necessary to determine  
39 compliance with this Article.

40 The Secretary of Health and Human Services ~~shall have~~ has final decision-making authority  
41 with regard to all functions described in this section."

42 **SECTION 11.3.(a)** G.S. 131E-176(7a), as amended by Section 11.2 of this act, reads  
43 as rewritten:

- 44 "(7a) **(Effective November 21, 2026 – see note)** Diagnostic center. – A  
45 freestanding facility, program, or provider, including but not limited to,  
46 physicians' offices, clinical laboratories, radiology centers, and mobile  
47 diagnostic programs, in which the total cost of all the medical diagnostic  
48 equipment utilized by the facility that costs ten thousand dollars (\$10,000) or  
49 more exceeds three million dollars (\$3,000,000). No facility, program, or  
50 provider, ~~including including~~ but not limited to, physicians' offices, clinical  
51 laboratories, radiology centers, or mobile diagnostic programs, shall be

1 deemed a diagnostic center solely by virtue of having a magnetic resonance  
 2 imaging scanner in a county with a population of greater than 125,000  
 3 according to the 2020 federal decennial census or any subsequent federal  
 4 decennial census. In determining whether the medical diagnostic equipment  
 5 in a diagnostic center costs more than three million dollars (\$3,000,000), the  
 6 costs of the equipment, studies, surveys, designs, plans, working drawings,  
 7 specifications, construction, installation, and other activities essential to  
 8 acquiring and making operational the equipment shall be included. The capital  
 9 expenditure for the equipment is deemed to be the fair market value of the  
 10 equipment or the cost of the equipment, whichever is greater. On September  
 11 30 of each year, the cost threshold amount in this subdivision shall be adjusted  
 12 using the Medical Care Index component of the Consumer Price Index  
 13 published by the U.S. Department of Labor for the 12-month period preceding  
 14 the previous September 1."

15 **SECTION 11.3.(b)** G.S. 131E-176(14o), as amended by Section 11.2 of this act,  
 16 reads as rewritten:

17 "(14o) **(Effective November 21, 2026 – see note)** Major medical equipment. – A  
 18 single unit or single system of components with related functions that is used  
 19 to provide medical and other health services and that costs more than two  
 20 million dollars (\$2,000,000). In determining whether the major medical  
 21 equipment costs more than two million dollars (\$2,000,000), the costs of the  
 22 equipment, studies, surveys, designs, plans, working drawings, specifications,  
 23 construction, installation, and other activities essential to acquiring and  
 24 making operational the major medical equipment is included. The capital  
 25 expenditure for the equipment is deemed to be the fair market value of the  
 26 equipment or the cost of the equipment, whichever is greater. This term does  
 27 not include replacement ~~equipment.~~ equipment or magnetic resonance  
 28 imaging scanners in counties with a population greater than 125,000 according  
 29 to the 2020 federal decennial census or any subsequent federal decennial  
 30 census. On September 30 of each year, the cost threshold amount in this  
 31 subdivision shall be adjusted using the Medical Care Index component of the  
 32 Consumer Price Index published by the U.S. Department of Labor for the  
 33 12-month period preceding the previous September 1."

34 **SECTION 11.3.(c)** G.S. 131E-176(16)f1.7., as amended by Section 11.2 of this act,  
 35 reads as rewritten:

36 "7. **(Effective November 21, 2026 – see note)** Magnetic  
 37 resonance imaging scanner. This sub-sub-subdivision applies  
 38 only to counties with a population of 125,000 or ~~less-fewer~~  
 39 according to the 2020 federal decennial census or any  
 40 subsequent federal decennial census."

41 **SECTION 11.3.(d)** This section becomes effective November 21, 2026.

42 **SECTION 11.4.(a)** G.S. 131E-176(9b), as amended by Section 11.2 of this act, reads  
 43 as rewritten:

44 "(9b) **(Effective November 21, 2025 – see note)** Health service facility. – A  
 45 hospital; long-term care hospital; rehabilitation facility; nursing home facility;  
 46 adult care home; kidney disease treatment center, including freestanding  
 47 hemodialysis units; intermediate care facility for individuals with intellectual  
 48 disabilities; home health agency office; diagnostic center; hospice office,  
 49 hospice inpatient facility, or hospice residential care facility; or ambulatory  
 50 surgical facility. ~~The term "health service facility"~~ This term does not include  
 51 a qualified urban ambulatory surgical facility."

1           **SECTION 11.4.(b)** This section becomes effective November 21, 2025.

2           **SECTION 12.** G.S. 150B-1 reads as rewritten:

3    "**§ 150B-1. Policy and scope.**

4           (a) Purpose. – This Chapter establishes a uniform system of administrative ~~rule-making~~  
5 ~~rulemaking~~ and adjudicatory procedures for agencies. The procedures ensure that the functions  
6 of ~~rule-making, rulemaking,~~ investigation, advocacy, and adjudication are not all performed by  
7 the same person in the administrative process.

8           (b) Rights. – This Chapter confers procedural rights.

9           (c) Full Exemptions. – This Chapter applies to every agency ~~except~~except the following:

10           ...

11           (d) Exemptions from ~~Rule Making.~~Rulemaking. – Article 2A of this Chapter does not  
12 apply to the following:

13           (1) The Commission.

14           (2) Repealed by Session Laws 2000-189, s. 14, effective July 1, 2000.

15           (3) Repealed by Session Laws 2001-474, s. 34, effective November 29, 2001.

16           (4) The Department of Revenue, with respect to the notice and hearing  
17 requirements contained in Part 2 of Article ~~2A.~~2A of this Chapter. With  
18 respect to the Secretary of Revenue's authority to redetermine the State net  
19 taxable income of a corporation under G.S. 105-130.5A, the Department is  
20 subject to the ~~rule-making-rulemaking~~ requirements of G.S. 105-262.1.

21           (5) The North Carolina Global TransPark Authority with respect to the  
22 acquisition, construction, operation, or use, including fees or charges, of any  
23 portion of a cargo airport complex.

24           (6) The Department of ~~Public Safety,~~Adult Correction, with respect to matters  
25 relating to executions under Article 19 of Chapter 15 of the General Statutes  
26 and matters relating solely to persons in its custody or under its supervision,  
27 including prisoners, probationers, and parolees.

28           ...

29           (26) The Board of Agriculture in the Department of Agriculture and Consumer  
30 Services with respect to the following:

31           a. Annual admission fees for the State Fair.

32           b. Operating hours, admission fees, or related activity fees at State  
33 forests.

34           The Board shall annually post the admission fee and operating hours schedule  
35 on its ~~Web site~~website and provide notice of the schedule, along with a  
36 citation to this section, to all persons named on the mailing list maintained  
37 pursuant to G.S. 150B-21.2(d).

38           c. Fee schedules for the preparation of forest management plans  
39 developed pursuant to G.S. 106-1004.

40           d. Fees for State phytosanitary certificates.

41           (27) The Department of Natural and Cultural Resources with respect to operating  
42 hours, admission fees, or related activity fees ~~at~~at the following:

43           a. The North Carolina Zoological Park pursuant to G.S. 143B-135.205.

44           b. State parks pursuant to G.S. 143B-135.16.

45           c. The North Carolina Aquariums pursuant to G.S. 143B-135.188.

46           d. The North Carolina Museum of Natural Sciences.

47           The exclusion from ~~rule-making-rulemaking~~ for the setting of operating hours  
48 set forth in this subdivision (i) ~~shall~~does not apply to a decision to eliminate  
49 all public operating hours for the sites and facilities listed and (ii) does not  
50 authorize any of the sites and facilities listed in this subdivision that do not

1 currently charge an admission fee to charge an admission fee until authorized  
2 by an act of the General Assembly.

3 ...

4 (e) Exemptions From Contested Case Provisions. – The contested case provisions of this  
5 Chapter apply to all agencies and all proceedings not expressly exempted from the Chapter. The  
6 contested case provisions of this Chapter do not apply to the following:

7 ...

8 (5) Hearings required pursuant to the Rehabilitation Act of 1973, (Public Law  
9 93-122), as amended and federal regulations promulgated thereunder, adopted  
10 under it. G.S. 150B-51(a) is considered a contested case hearing provision that  
11 does not apply to these hearings.

12 ...

13 (22) ~~The Department of Public Safety, with respect to matters relating to~~  
14 ~~executions under Article 19 of Chapter 15 of the General Statutes.~~

15 ...."

16 **SECTION 13.(a)** Section 4C.11(c) of S.L. 2024-53 reads as rewritten:

17 "**SECTION 4C.11.(c)** No later than November 15, 2024, the Department of Environmental  
18 Quality shall prepare and submit to the United States National Oceanic and Atmospheric  
19 Administration for approval by that agency the proposed change made to G.S. 113A-118, as  
20 enacted by subsection (b) of this section. ~~The Department of Environmental Quality shall report~~  
21 ~~to the Environmental Review Commission on the status of their activities pursuant to this section~~  
22 ~~quarterly, beginning January 1, 2025, until such time as the General Assembly repeals this~~  
23 ~~reporting requirement."~~

24 **SECTION 13.(b)** Section 4C.12(c) of S.L. 2024-53 reads as rewritten:

25 "**SECTION 4C.12.(c)** No later than November 15, 2024, the Department of Environmental  
26 Quality shall prepare and submit to the United States National Oceanic and Atmospheric  
27 Administration for approval by that agency the proposed change made to G.S. 113A-115.1, as  
28 enacted by subsection (b) of this section. ~~The Department of Environmental Quality shall report~~  
29 ~~to the Environmental Review Commission on the status of their activities pursuant to this section~~  
30 ~~quarterly, beginning January 1, 2025, until such time as the General Assembly repeals this~~  
31 ~~reporting requirement."~~

32 **SECTION 13.(c)** This section is retroactively effective October 25, 2024.

33 **SECTION 14.** Section 4 of Chapter 601 of the 1983 Session Laws reads as rewritten:

34 "Sec. 4. This act shall become effective July 1, 1983, and shall be reconsidered on or before  
35 July 1, 1989, and every six years thereafter, by the Joint Legislative Commission on  
36 Governmental Operations. 1983."

37 **SECTION 15.** Except as otherwise provided, this act is effective when it becomes  
38 law.