

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

**H.B. 1114**  
**Apr 29, 2026**  
**HOUSE PRINCIPAL CLERK**

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HOUSE BILL DRH10604-MUz-94

Short Title: GSC Technical Corrections 2026.

(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, INCLUDING REPEALING OBSOLETE LANGUAGE DESCRIBING  
4 PAST TRANSFERS OR REORGANIZATIONS OF STATE AGENCIES, AS  
5 RECOMMENDED BY THE GENERAL STATUTES COMMISSION.

6 The General Assembly of North Carolina enacts:  
7

8 **PART I. REPEAL CHAPTER 143A, THE OBSOLETE 1971 REORGANIZATION OF**  
9 **THE EXECUTIVE BRANCH**

10 **SECTION 1.** Chapter 143A of the General Statutes, as amended by Sections 2  
11 through 4 of this act, is repealed.

12 **SECTION 2.(a)** Chapter 147 of the General Statutes is amended by adding a new  
13 Article to read:

14 "Article 3E.

15 "The Lieutenant Governor."

16 **SECTION 2.(b)** G.S. 143A-13 is recodified as G.S. 147-33.131 in Article 3E of  
17 Chapter 147 of the General Statutes, established in subsection (a) of this section, and reads as  
18 rewritten:

19 **"§ 147-33.131. Office of the Lieutenant Governor created.**

20 ~~There is hereby created an~~ The office of the Lieutenant Governor. ~~Governor is created. The~~  
21 Lieutenant Governor shall serve as President of the Senate and perform any additional duties  
22 assigned by the Governor or the General Assembly. The Lieutenant Governor shall maintain an  
23 office in the Hawkins-Hartness House located at 310 North Blount Street in the City of Raleigh.  
24 The office shall be open during normal working hours throughout the year."

25 **SECTION 2.(c)** G.S. 147-33 is recodified as G.S. 147-33.132 in Article 3E of  
26 Chapter 147 of the General Statutes, established in subsection (a) of this section.

27 **SECTION 3.(a)** Chapter 143 of the General Statutes is amended by adding a new  
28 Article to read:

29 "Article 85.

30 "Council on the Holocaust."

31 **SECTION 3.(b)** G.S. 143A-48.1 is recodified as G.S. 143-815 in Article 85 of  
32 Chapter 143 of the General Statutes, established in subsection (a) of this section.

33 **SECTION 4.(a)** Chapter 106 of the General Statutes is amended by adding a new  
34 Article to read:

35 "Article 82A.

36 "Forestry Council."



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1           **SECTION 4.(b)** G.S. 143A-66.1, 143A-66.2, and 143A-66.3 are recodified as  
 2 G.S. 106-1005, 106-1006, and 106-1007, respectively, in Article 82A of Chapter 106 of the  
 3 General Statutes, established in subsection (a) of this section.

4           **SECTION 5.** Article 1 of Chapter 143C of the General Statutes is amended by adding  
 5 a new section to read:

6 **"§ 143C-1-6. Types of State agency transfers.**

7           (a) Type I. – A Type I transfer is a transfer of an existing State agency to a principal State  
 8 department. Under a Type I transfer, all of the following apply:

9           (1) The State agency's statutory authority, powers, duties, and functions,  
 10 including its management functions, are transferred to a principal State  
 11 department.

12           (2) The State agency's records, personnel, property, unexpended balances of  
 13 appropriations, allocations, and other funds are transferred to the principal  
 14 State department.

15           (3) The State agency's powers, duties, and functions, including rulemaking,  
 16 regulation, licensing, setting rates and standards, and rendering findings,  
 17 orders, and adjudications are transferred to the principal State department.

18           (b) Type II. – A Type II transfer is an intact transfer of a State agency to a principal State  
 19 department. Under a Type II transfer, the transferred State agency shall be administered under  
 20 the direction and supervision of the principal State department but shall exercise its statutory  
 21 powers and functions, other than its management functions, independently of the head of the  
 22 principal State department. The State agency's management functions shall be performed under  
 23 the direction and supervision of the head of the principal State department.

24           (c) Management Functions. – As used in this section, "management functions" means  
 25 planning, organizing, staffing, directing, coordinating, reporting, and budgeting."

26           **SECTION 6.** G.S. 147-3(c) reads as rewritten:

27           "(c) The general civil executive officers of this State are as follows:

28           (1) ~~A Governor;~~Governor.

29           (2) ~~A Lieutenant Governor;~~Governor.

30           ~~(3) Private secretary for the Governor;~~

31           (4) ~~A Secretary of State;~~State, who serves as the head of the Department of the  
 32 Secretary of State.

33           (5) ~~An Auditor;~~A State Auditor, who serves as the head of the Department of  
 34 State Auditor.

35           (6) ~~A Treasurer;~~State Treasurer, who serves as the head of the Department of  
 36 State Treasurer.

37           (7) ~~An Attorney General;~~General, who serves as the head of the Department of  
 38 Justice.

39           (8) ~~A Superintendent of Public Instruction;~~Instruction, who serves as the head of  
 40 the Department of Public Instruction.

41           (9) ~~The members of the Governor's Council;~~Cabinet.

42           (10) ~~A Commissioner of Agriculture;~~Agriculture, who serves as the head of the  
 43 Department of Agriculture and Consumer Affairs.

44           (11) ~~A Commissioner of Labor;~~Labor, who serves as the head of the Department  
 45 of Labor.

46           (12) ~~A Commissioner of Insurance;~~Insurance, who serves as the head of the  
 47 Department of Insurance."

48  
 49 **PART II. REPEAL PROVISIONS IN CHAPTER 143B CONCERNING THE OBSOLETE**  
 50 **1971 AND 1973 REORGANIZATIONS OF THE EXECUTIVE BRANCH**

51           **SECTION 7.** The title of Chapter 143B of the General Statutes reads as rewritten:

~~"Executive Organization Act of 1973-Branch."~~

SECTION 8. The following provisions in Chapter 143B of the General Statutes are repealed:

- (1) G.S. 143B-1.
- (2) G.S. 143B-2.
- (3) G.S. 143B-5.
- (4) G.S. 143B-7.
- (5) G.S. 143B-9(b).
- (6) G.S. 143B-13(e).
- (7) G.S. 143B-19.
- (8) G.S. 143B-21.
- (9) G.S. 143B-22.
- (10) G.S. 143B-23.
- (11) G.S. 143B-25.
- (12) G.S. 143B-26.
- (13) G.S. 143B-28.
- (14) G.S. 143B-51(b).
- (15) G.S. 143B-53.
- (16) G.S. 143B-138.1.
- (17) G.S. 143B-168.3.
- (18) G.S. 143B-168.10C.
- (19) G.S. 143B-181.1(b).
- (20) G.S. 143B-216.33(b).
- (21) G.S. 143B-219.
- (22) G.S. 143B-279.3.
- (23) Part 3 of Article 7 of Chapter 143B of the General Statutes.
- (24) G.S. 143B-348(b).
- (25) Part 8 of Article 8 of Chapter 143B of the General Statutes.
- (26) G.S. 143B-368.
- (27) G.S. 143B-431(a)(2) and (3).
- (28) G.S. 143B-432.
- (29) G.S. 143B-451.
- (30) G.S. 143B-801.
- (31) G.S. 143B-1203(a).
- (32) G.S. 143B-1490(b).

SECTION 9. G.S. 143B-3 reads as rewritten:

**"§ 143B-3. Definitions.**

As used in the Executive Organization Act of 1973, except where the context clearly requires otherwise, the words and expressions defined in this section shall be held to have the meanings here given to them. The following definitions apply in this Chapter:

- (1) ~~Agency: whenever the term "agency" is used it shall mean and include, as the context may require, an existing Agency. – A~~ department, institution, commission, committee, board, division, bureau, ~~officer-officer,~~ or official.
- (2) ~~Board: a Board. – A~~ collective body ~~which that~~ assists the head of a principal department or his or her designee in the development of major ~~programs~~ programs, including the tender of advice on departmental priorities.
- (3) ~~Commission: a Commission. – A~~ collective body ~~which that~~ adopts rules and regulations in a quasi-legislative manner and ~~which~~ acts in a quasi-judicial capacity in rendering findings or decisions involving differing interests.

- 1           (4) ~~Committee: a Committee.~~ – A collective body ~~which~~that either advises the
- 2           head of a principal department or his or her designee or advises a commission
- 3           in detailed technical areas.
- 4           (5) ~~Council: a Council.~~ – A collective body ~~which~~that advises the head of a
- 5           principal department or his or her designee as representative of citizen advice
- 6           in specific areas of interests.
- 7           (6) ~~Division: the Division.~~ – The principal subunit of a principal State department.
- 8           (7) ~~Head of department: department.~~ – The head of one of the principal State
- 9           departments.
- 10          (8) ~~Higher education: education.~~ – State senior institutions of higher learning.
- 11          (9) ~~Principal State department: one department.~~ – One of the departments created
- 12          by the General Assembly in compliance with Article III, Sec. 11, of the
- 13          Constitution of North Carolina."

14           **SECTION 10.** G.S. 143B-4 reads as rewritten:

15   "**§ 143B-4. ~~Policy making authority and administrative powers of Governor;~~**  
 16   **~~delegation.Governor's role.~~**

17           The Governor, in accordance with Article III of the Constitution of North Carolina, ~~shall be~~  
 18   is the Chief Executive Officer of the State. The Governor ~~shall be~~is responsible for formulating  
 19   and administering the policies of the executive branch of the State government. Where a conflict  
 20   arises in connection with the administration of the policies of the executive branch of the State  
 21   government with respect to the reorganization of State government, the conflict shall be resolved  
 22   by the Governor, and the decision of the Governor shall be final."

23           **SECTION 11.** G.S. 143B-6 reads as rewritten:

24   "**§ 143B-6. Principal State offices and departments.**

25           ~~In addition to the principal departments enumerated in the Executive Organization Act of~~  
 26   ~~1971, all executive and administrative powers, duties, and functions not including those of the~~  
 27   ~~General Assembly and its agencies, the General Court of Justice and the administrative agencies~~  
 28   ~~created pursuant to Article IV of the Constitution of North Carolina, and higher education~~  
 29   ~~previously vested by law in the several State agencies, are vested in the following principal~~  
 30   ~~departments:~~

- 31           (1) ~~Department of Natural and Cultural Resources.~~
- 32           (2) ~~Department of Health and Human Services.~~
- 33           (3) ~~Department of Revenue.~~
- 34           (4) ~~Department of Public Safety.~~
- 35           (5) ~~Repealed by Session Laws 2012-83, s. 48, effective June 26, 2012.~~
- 36           (6) ~~Department of Environmental Quality.~~
- 37           (7) ~~Department of Transportation.~~
- 38           (8) ~~Department of Administration.~~
- 39           (9) ~~Department of Commerce.~~
- 40           (10) ~~Community Colleges System Office.~~
- 41           (11) ~~Repealed by Session Laws 2012-83, s. 48, effective June 26, 2012.~~
- 42           (12) ~~Department of Information Technology.~~
- 43           (13) ~~Department of Military and Veterans Affairs.~~
- 44           (14) ~~Department of Adult Correction.~~
- 45           (15) ~~State Bureau of Investigation.~~
- 46           (16) ~~State Highway Patrol.~~

47   (a) Offices. – The principal State offices are as follows:

- 48           (1) The Office of the Governor.
- 49           (2) The Office of the Lieutenant Governor.

50   (b) Departments. – The principal State departments are as follows:

- 51           (1) Community Colleges System Office.

- 1           (2)    Department of Administration.  
 2           (3)    Department of Adult Correction.  
 3           (4)    Department of Agriculture and Consumer Services.  
 4           (5)    Department of Commerce.  
 5           (6)    Department of Environmental Quality.  
 6           (7)    Department of Health and Human Services.  
 7           (8)    Department of Information Technology.  
 8           (9)    Department of Insurance.  
 9           (10)   Department of Justice.  
 10          (11)   Department of Labor.  
 11          (12)   Department of Military and Veterans Affairs.  
 12          (13)   Department of Natural and Cultural Resources.  
 13          (14)   Department of Public Instruction.  
 14          (15)   Department of Public Safety.  
 15          (16)   Department of Revenue.  
 16          (17)   Department of State Auditor.  
 17          (18)   Department of State Treasurer.  
 18          (19)   Department of the Secretary of State.  
 19          (20)   Department of Transportation.  
 20          (21)   State Bureau of Investigation.  
 21          (22)   State Highway Patrol."

22           **SECTION 12.** G.S. 143B-9, as amended by Section 8 of this act, reads as rewritten:

23   "**§ 143B-9. ~~Appointment of officers and employees.~~Governor's appointment of department**  
 24   **head.**

25       (a)    Department Head. – Except as otherwise provided in this Chapter, the head of each  
 26   principal State department, except those departments headed by popularly elected officers, shall  
 27   be appointed by the Governor and serve at the Governor's pleasure. ~~The~~The Governor shall set  
 28   the salary of the appointed head of each of the principal State departments shall be set by the  
 29   Governor, and the salary of the chief deputy or chief assistant to the department head. The salary  
 30   of elected officials shall be as provided by law.

31       ...."

32           **SECTION 13.** G.S. 143B-13(a) reads as rewritten:

33       "(a)    Each member of a commission created by or under the authority of ~~the Executive~~  
 34   ~~Organization Act of 1973~~this Chapter shall be a resident of the State of North Carolina, unless  
 35   otherwise specifically authorized by law.

36       Unless more restrictive qualifications are provided in ~~the Executive Organization Act of~~  
 37   ~~1973, this Chapter,~~ the Governor shall appoint each member on the basis of interest in public  
 38   affairs, good judgment, knowledge, and ability in the field for which appointed, and with a view  
 39   to providing diversity of interest and points of view in the membership.

40       ~~The balance of unexpired terms of existing commission members shall be served in~~  
 41   ~~accordance with their most recent appointment.~~

42       A vacancy occurring during a term of office is filled in the same manner as the original  
 43   appointment is made and for the balance of the unexpired term, unless otherwise provided by law  
 44   or by the Constitution of North Carolina."

45           **SECTION 14.** G.S. 143B-16 reads as rewritten:

46   "**§ 143B-16. ~~Appointment and removal of members of boards, councils~~councils, and**  
 47   **committees.**

48       Unless more restrictive qualifications are provided in this Chapter, the Governor shall appoint  
 49   each member of a board, council, or committee on the basis of ~~his~~the member's interest in public  
 50   affairs, good judgment, ~~knowledge~~knowledge, and ability in the field for which appointed, and  
 51   with a view to providing diversity of interest and points of view in the membership. Unless other

1 conditions are provided in ~~the Executive Organization Act of 1973, this Chapter,~~ any member of  
 2 a board, council, or committee may be removed from office by the Governor for misfeasance,  
 3 malfeasance, or nonfeasance.

4 No member of a board, council, or committee may use ~~his~~ the member's position to influence  
 5 any election or the political activity of any person, and any ~~such~~ member who violates this  
 6 ~~paragraph section~~ may be removed from ~~such~~ office by the Governor, ~~if such member was~~  
 7 ~~appointed by the Governor, or by the appointing authority, if such member was not appointed by~~  
 8 ~~the Governor.~~ member's appointing authority. Nothing herein shall prohibit ~~such in this section~~  
 9 prohibits a member from publishing the fact of his or her membership in his or her own campaign  
 10 for public office."

11 **SECTION 15.** G.S. 143B-17 reads as rewritten:

12 **"§ 143B-17. Commission investigations and orders.**

13 Unless otherwise provided ~~for in the Executive Organization Act of 1973, any in this Chapter,~~  
 14 a commission created by the Executive Organization Act of 1973 this Chapter may order an  
 15 investigation into areas of concern over which it has rulemaking authority, and the head of the  
 16 department required to ~~give staff support to such~~ the commission shall render such ~~provide any~~  
 17 ~~reports and information as the commission may require.~~ information requested by the  
 18 commission. In default of the production of ~~information by the head of the principal department~~  
 19 ~~or any employee or agent thereof, requested information,~~ the commission may seek the aid of  
 20 petition the Wake County Superior Court to require the production of ~~information as hereinafter~~  
 21 provided. the information.

22 In proceedings before ~~any a~~ a commission or ~~any a~~ a hearing officer or member of the  
 23 commission so authorized by the commission, if ~~any a~~ a person refuses to respond to a subpoena,  
 24 or refuses to take the oath or affirmation as a witness or thereafter refuses to be examined or  
 25 refuses to obey ~~any lawful an~~ an order of a commission contained in its decision rendered after  
 26 hearing, the ~~chairman chair~~ chair of the commission may ~~apply to petition~~ petition the Superior Court of Wake  
 27 County or ~~to the superior court of the county where the proceedings are being held for an order~~  
 28 ~~directing that the person to take the requisite action. Should any~~ If a person willfully fail ~~fails~~  
 29 to comply with an order so issued, this order, the court shall punish ~~him as the person~~ the person for contempt."

30 **SECTION 16.** G.S. 143B-49 reads as rewritten:

31 **"§ 143B-49. Department of Natural and Cultural Resources – creation, ~~powers~~ powers,**  
 32 **and duties.**

33 ~~There is hereby created a department to be known as the "Department of Natural and Cultural~~  
 34 ~~Resources," with the organization, duties, functions, and powers defined in the Executive~~  
 35 ~~Organization Act of 1973.~~ The Department of Natural and Cultural Resources is created. The  
 36 Department has the powers and duties defined by law."

37 **SECTION 17.** G.S. 143B-50 reads as rewritten:

38 **"§ 143B-50. Duties of the Department.**

39 ~~It shall be the duty of the Department to do the following:~~ The Department of Natural and  
 40 Cultural Resources has the following duties:

- 41 (1) To provide the necessary management, development of ~~policy~~ policy, and  
 42 establishment and enforcement of standards for the furtherance of resources,  
 43 ~~services~~ services, and programs involving the arts and the historical and  
 44 cultural aspects of the lives of the citizens of North Carolina.
- 45 (2) To provide and keep a museum or collection of the natural history of the State  
 46 and to maintain the North Carolina Biological Survey.
- 47 (3) To develop and preserve libraries, historical records, historic sites and  
 48 property, and an appreciation of art and music."

49 **SECTION 18.** G.S. 143B-51(a) reads as rewritten:

50 "(a) The functions of the Department of Natural and Cultural Resources ~~shall comprise,~~  
 51 consist of, except as otherwise expressly provided by ~~the Executive Organization Act of 1973~~

1 ~~this Chapter or by the Constitution of North Carolina, all executive functions of the State in~~  
2 ~~relation to the development and preservation of libraries, historical records, sites and property,~~  
3 ~~and of an appreciation of art and music and further including those prescribed powers, duties,~~  
4 ~~and functions enumerated in Article 17 of Chapter 143A of the General Statutes of this~~  
5 ~~State. duties described in G.S. 143B-50."~~

6 **SECTION 19.** G.S. 143B-63 reads as rewritten:

7 **"§ 143B-63. Historical Commission – members; selection; quorum; compensation.**

8 The Historical Commission of the Department of Natural and Cultural Resources shall  
9 consist of 11 members appointed by the Governor.

10 ~~The members of the North Carolina Historical Commission shall include the members of the~~  
11 ~~existing North Carolina Historical Commission who shall serve for a period equal to the~~  
12 ~~remainder of their current terms on the Commission, plus four additional appointees of the~~  
13 ~~Governor, two of whose appointments shall expire March 31, 1979, and two of whose~~  
14 ~~appointments shall expire March 31, 1981. At the end of the respective terms of office of the~~  
15 ~~members, their successors shall be appointed for terms of six years and~~ The term of a member is  
16 six years. Members serve until their successors are appointed and qualify. Of the members, at  
17 least five shall have professional training or experience in the fields of archives, history, historic  
18 preservation, historic architecture, archaeology, or museum administration, including at least  
19 three currently involved in the teaching of history at the college or university level or in  
20 administering archives or historical collections or programs. ~~Any~~ An appointment to fill a  
21 vacancy on the Commission created by resignation, dismissal, death, or disability of a member  
22 shall be for the balance of the unexpired term.

23 The Governor ~~shall have the power to~~ may remove any member of the Commission from  
24 office for misfeasance, ~~malfeasance or nonfeasance according to the provisions of G.S. 143B-13~~  
25 ~~of the Executive Organization Act of 1973.~~ malfeasance, or nonfeasance, as provided in  
26 G.S. 143B-13.

27 The members of the Commission shall receive per diem and necessary travel and subsistence  
28 expenses in accordance with ~~the provisions of G.S. 138-5.~~

29 A majority of the Commission ~~shall constitute~~ constitutes a quorum for the transaction of  
30 business.

31 All clerical and other services required by the Commission shall be supplied by the Secretary  
32 of Natural and Cultural Resources."

33 **SECTION 20.** G.S. 143B-68 reads as rewritten:

34 **"§ 143B-68. Public Librarian Certification Commission – members; selection; quorum;**  
35 **compensation.**

36 The Public Librarian Certification Commission of the Department of Natural and Cultural  
37 Resources shall consist of five members as follows: (i) the ~~chairman~~ chair of the public libraries  
38 section of the North Carolina Library Association, (ii) two individuals named by the Governor  
39 upon the nomination of the North Carolina Library Association, (iii) the dean, department chair,  
40 program director, or equivalent of a State or regionally accredited graduate school of librarianship  
41 in North Carolina appointed by the Governor, and (iv) one member at large appointed by the  
42 Governor.

43 The members shall serve four-year terms or while holding the appropriate ~~chairmanship.~~ Any  
44 position. An appointment to fill a vacancy created by the resignation, dismissal, ~~death~~ death, or  
45 disability of a member shall be for the balance of the unexpired term.

46 The Governor ~~shall have the power to~~ may remove any member of the Commission from  
47 office for misfeasance, malfeasance, ~~and nonfeasance according to the provisions of~~  
48 ~~G.S. 143B-13 of the Executive Organization Act of 1973.~~ or nonfeasance, as provided in  
49 G.S. 143B-13.

50 The members of the Commission shall receive per ~~diem,~~ diem and necessary travel expenses  
51 in accordance with ~~the provisions of G.S. 138-5.~~

1 A majority of the Commission ~~shall constitute~~ constitutes a quorum for the transaction of  
2 business.

3 All clerical and other services required by the Commission shall be supplied by the Secretary  
4 of the Department through the regular staff of the Department."

5 **SECTION 21.** G.S. 143B-72 reads as rewritten:

6 "**§ 143B-72. Tryon Palace Commission – members; selection; quorum; compensation.**

7 The Tryon Palace Commission of the Department of Natural and Cultural Resources shall  
8 consist of the following members: 25 voting members appointed by the Governor, nonvoting  
9 members emeriti appointed by the Governor, and five voting ex officio members as provided in  
10 this section.

11 The Governor shall appoint 25 voting members. ~~The terms of the initial members shall be~~  
12 ~~staggered as follows: Nine of the members shall be appointed to serve four year terms, eight of~~  
13 ~~the members shall be appointed to serve three year terms, and eight of the members shall be~~  
14 ~~appointed to serve two year terms. At the end of the respective terms of office of the initial~~  
15 ~~appointed members of the Commission, the appointments of their successors, The terms of~~  
16 members, with the exception of ex officio members and members emeriti, shall be for ~~terms of~~  
17 four years and until their successors are appointed and qualify. ~~Any~~ An appointment to fill a  
18 vacancy on the Commission shall be for the balance of the unexpired term. The Governor shall  
19 designate the chair of the ~~Tryon Palace~~ Commission. The other officers of the ~~Tryon Palace~~  
20 Commission shall be elected by the members of the ~~Tryon Palace~~ Commission.

21 The Governor may also appoint ~~any~~ a person who has previously served on the ~~Tryon Palace~~  
22 Commission with distinction to the Commission as a member emeritus. A person appointed as a  
23 member emeritus ~~shall be~~ is deemed a lifetime member of the Commission and shall serve as a  
24 nonvoting member.

25 In addition to the members who are appointed by the Governor, the Attorney General, the  
26 Secretary of Natural and Cultural Resources or the Secretary's designee, the mayor of the City of  
27 New Bern, the Dean of the College of Arts and Sciences at East Carolina University, and the  
28 ~~chairman~~ chair of the Board of County Commissioners of Craven County shall serve as voting  
29 ex officio members of ~~said~~ the Commission. The provisions of ~~the Executive Organization Act~~  
30 ~~of 1973~~ G.S. 143B-13 pertaining to the residence of members of commissions ~~shall do not~~ apply  
31 to the ~~Tryon Palace~~ Commission.

32 A majority of the voting members of the Commission ~~shall constitute~~ constitutes a quorum  
33 for the transaction of business.

34 The members of the Commission shall serve without pay and without expense allowance."

35 **SECTION 22.** G.S. 143B-73(1) reads as rewritten:

36 "(1) The U.S.S. North Carolina Battleship Commission ~~is authorized and~~  
37 ~~empowered to adopt such rules not inconsistent with the management~~  
38 ~~responsibilities of the Secretary of the Department provided by Chapter 143A~~  
39 ~~of the General Statutes and laws of this State and this Chapter that may be~~  
40 ~~necessary and desirable for the operation and maintenance of~~ may adopt rules,  
41 not inconsistent with the duties of the Secretary of Natural and Cultural  
42 Resources, to operate and maintain the U.S.S. North Carolina as a permanent  
43 memorial and exhibit commemorating the heroic participation of the men and  
44 women of North Carolina in the prosecution and victory of the Second World  
45 War and for the faithful performance and fulfillment of its duties and  
46 obligations."

47 **SECTION 23.** G.S. 143B-74 reads as rewritten:

48 "**§ 143B-74. U.S.S. North Carolina Battleship Commission – members; selection; quorum;**  
49 **compensation.**

50 The U.S.S. North Carolina Battleship Commission of the Department of Natural and Cultural  
51 Resources shall consist of 18 members including the Secretary of Natural and Cultural Resources

1 and the Secretary of Commerce who shall serve as voting ex officio members. ~~The members of~~  
 2 ~~the Commission appointed for terms to end in 1991 shall serve for an additional two year period.~~  
 3 ~~At the end of the respective terms of office of the members of the Commission serving in 1991,~~  
 4 ~~their successors~~ Members shall be appointed for terms of four years and until their successors are  
 5 appointed and qualify. ~~Any~~ An appointment to fill a vacancy on the Commission created by the  
 6 resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired  
 7 term. The provisions of ~~the Executive Organization Act of 1973~~ G.S. 143B-13 pertaining to the  
 8 residence of members of commissions shall do not apply to the U.S.S. North Carolina Battleship  
 9 Commission.

10 The Governor ~~shall have the power to~~ may remove any member of the Commission from  
 11 office for misfeasance, malfeasance, or ~~nonfeasance in accordance with the provisions of G.S.~~  
 12 ~~143B-13 of the Executive Organization Act of 1973~~ nonfeasance, as provided in G.S. 143B-13.

13 The members of the Commission shall receive per diem and necessary travel and subsistence  
 14 expenses in accordance with ~~the provisions of G.S.~~ 138-5.

15 A majority of the Commission ~~shall constitute~~ constitutes a quorum for the transaction of  
 16 business. The Governor shall designate from among the members of the Commission a ~~chairman,~~  
 17 ~~vice-chairman~~ chair, vice-chair, and treasurer. The Secretary of Natural and Cultural Resources  
 18 or ~~his~~ the Secretary's designee shall serve as Secretary of the Commission. The Commission shall  
 19 meet at least twice annually upon the call of the ~~chairman,~~ chair, the Secretary of Natural and  
 20 Cultural Resources, or any seven members of the Commission."

21 **SECTION 24.** G.S. 143B-79 reads as rewritten:

22 **"§ 143B-79. Executive Mansion Fine Arts Committee – creation, ~~powers~~ powers, and**  
 23 **duties.**

24 (a) ~~There is hereby created the Executive Mansion Fine Arts Committee. The Executive~~  
 25 ~~Mansion Fine Arts Committee shall have~~ The Executive Fine Arts Committee of the Department  
 26 of Natural and Cultural Resources is created. The Committee has the following functions and  
 27 duties:

- 28 (1) To advise the Secretary of Natural and Cultural Resources on the preservation  
 29 and maintenance of the Executive Mansion located at 200 North Blount Street,  
 30 Raleigh, North ~~Carolina;~~ Carolina.
- 31 (2) To encourage gifts and objects of art, ~~furniture~~ furniture, and articles of  
 32 historical value for furnishing the Executive ~~Mansion;~~ Mansion and to advise  
 33 the Secretary ~~of Natural and Cultural Resources~~ on major changes in the  
 34 furnishings of the ~~Mansion;~~ Mansion.
- 35 (3) To make recommendations to the Secretary ~~of Natural and Cultural Resources~~  
 36 concerning major renovations necessary to preserve and maintain the  
 37 ~~structure;~~ structure.
- 38 (4) To aid the Secretary ~~of Natural and Cultural Resources~~ in keeping a complete  
 39 list of all gifts and articles received together with their history and ~~value;~~ value.  
 40 No
- 41 (5) ~~No~~ gifts or articles shall be accepted for the Executive Mansion without the  
 42 approval of the ~~Committee;~~ and Committee.
- 43 (6) ~~The Committee shall~~ To advise the Secretary ~~of Natural and Cultural~~  
 44 ~~Resources~~ upon any matter the Secretary ~~may refer~~ refers to it.

45 (7)(b) Notwithstanding Article 3 of Chapter 143 of the General Statutes, G.S. 143-49(4), or  
 46 any other law pertaining to surplus State property, the Committee may dispose of property held  
 47 in the Executive Mansion after consultation with a review committee comprised of one person  
 48 from the Executive Mansion Fine Arts Committee, appointed by its ~~chairman;~~ chair; one person  
 49 from the Department of Administration appointed by the Secretary of Administration; and two  
 50 qualified professionals from the ~~Department of Natural and Cultural Resources,~~ Division of  
 51 Archives and ~~History,~~ History of the Department of Natural and Cultural Resources, appointed

1 by the Secretary of ~~Natural and Cultural Resources~~, ~~that Department~~. Upon request of the  
 2 Executive Mansion Fine Arts Committee, the review committee shall view proposed items for  
 3 disposition and shall make a recommendation to the North Carolina Historical Commission who  
 4 shall make a final decision. The Historical Commission shall consider whether the disposition is  
 5 in the best interest of the State of North Carolina. If any property is sold or leased, the net  
 6 proceeds of each sale or lease and any interest earned ~~thereon~~ on the proceeds shall be deposited  
 7 ~~in the State Treasury with the State Treasurer~~ to the credit of the Executive ~~Mansion~~, Mansion  
 8 ~~Special Fund~~, Fund and shall be used only for the purchase, conservation, restoration, or repair  
 9 of other property for use in the Executive Mansion."

10 **SECTION 25.** G.S. 143B-80 reads as rewritten:

11 **"§ 143B-80. Executive Mansion Fine Arts Committee – members; selection; quorum;**  
 12 **compensation.**

13 The Executive Mansion Fine Arts Committee shall consist of 16 members appointed by the  
 14 Governor. ~~The initial members of the Committee shall be the appointed members of the present~~  
 15 ~~Executive Mansion Fine Arts Commission who shall serve for a period equal to the remainder of~~  
 16 ~~their current terms on the Executive Mansion Fine Arts Commission, four of whose appointments~~  
 17 ~~expire June 30, 1973, four of whose appointments expire June 30, 1974, four of whose~~  
 18 ~~appointments expire June 30, 1975, and four of whose appointments expire June 30, 1976. At the~~  
 19 ~~end of the respective terms of office of the initial members, the appointments of their successors~~  
 20 The terms of the members shall be for terms of four years and until their successors are appointed  
 21 and qualify. ~~Any~~ An appointment to fill a vacancy on the Committee created by the resignation,  
 22 dismissal, death, or disability of a member shall be for the balance of the unexpired term.

23 The Governor ~~shall have the power to~~ may remove any member of the Committee from office  
 24 in accordance with ~~the provisions of G.S. 143B-16 of the Executive Organization Act of~~  
 25 ~~1973~~. G.S. 143B-16.

26 The Governor shall designate a member of the Committee to serve as ~~chairman~~ chair at ~~his~~  
 27 the Governor's pleasure.

28 Members of the Committee shall receive per diem and necessary travel and subsistence  
 29 expenses in accordance with ~~the provisions of~~ G.S. 138-5.

30 A majority of the Committee ~~shall constitute~~ constitutes a quorum for the transaction of  
 31 business.

32 All clerical and other services required by the Committee shall be supplied by the Secretary  
 33 of Natural and Cultural Resources."

34 **SECTION 26.** G.S. 143B-83 reads as rewritten:

35 **"§ 143B-83. North Carolina Awards Committee – creation, ~~powers~~ powers, and duties.**

36 ~~There is hereby created the~~ The North Carolina Awards Committee ~~with the duty to~~ of the  
 37 Department of Natural and Cultural Resources is created. The Committee shall advise the  
 38 Secretary of ~~Natural and Cultural Resources~~ the Department on the formulation and  
 39 administration of the program governing North Carolina awards and on the selection of a  
 40 committee in each award area to choose the recipients.

41 The Committee shall advise the Secretary of the Department upon any matter the Secretary  
 42 ~~may refer~~ refers to it."

43 **SECTION 27.** G.S. 143B-87 reads as rewritten:

44 **"§ 143B-87. North Carolina Arts Council – creation, ~~powers~~ powers, and duties.**

45 ~~There is hereby created the~~ The North Carolina Arts Council ~~with~~ The North Carolina Arts  
 46 Council of the Department of Natural and Cultural Resources is created. The Council has the  
 47 following duties and functions:

- 48 (1) To advise the Secretary of Natural and Cultural Resources on the study,  
 49 collection, ~~maintenance~~ maintenance, and dissemination of factual data and  
 50 pertinent information relative to the ~~arts~~; arts.

- 1 (2) To advise the Secretary concerning assistance to local organizations and the  
2 community at large in the area of the ~~arts;arts.~~
- 3 (3) To advise the Secretary on the exchange of information, promotion of  
4 ~~programs~~ programs, and stimulation of joint endeavor between public and  
5 nonpublic ~~organizations;organizations.~~
- 6 (4) To identify research needs in the arts area and to encourage ~~such research;~~this  
7 research.
- 8 (5) To advise the Secretary in regard to bringing the highest obtainable quality in  
9 the arts to the State and promoting the maximum opportunity for the people  
10 to experience and enjoy those ~~arts;arts.~~
- 11 (6) To advise the Secretary of the Department upon any matter the Secretary ~~may~~  
12 ~~refer to it; and~~refers to it.
- 13 (7) To advise the Secretary concerning the promotion of theater arts in the State."  
14

15 **SECTION 28.** G.S. 143B-88 reads as rewritten:

16 **"§ 143B-88. North Carolina Arts Council – members; selection; quorum; compensation.**

17 The North Carolina Arts Council shall consist of 24 members appointed by the Governor.  
18 ~~The initial members of the Council shall be the appointed members of the present Arts Council~~  
19 ~~who shall serve for a period equal to the remainder of their current terms on the Arts Council,~~  
20 ~~eight of whose terms expire June 30, 1973, eight of whose terms expire June 30, 1974, and eight~~  
21 ~~of whose terms expire June 30, 1975. At the end of the respective terms of office of the initial~~  
22 ~~members, the appointments of their successors. The terms of members shall be for terms of three~~  
23 years and until their successors are appointed and qualify. ~~Any~~ An appointment to fill a vacancy  
24 on the Council created by the resignation, dismissal, death, or disability of a member shall be for  
25 the balance of the unexpired term.

26 The Governor ~~shall have the power to~~ may remove any member of the Council from office  
27 in accordance with ~~the provisions of G.S. 143B-16 of the Executive Organization Act of~~  
28 ~~1973.~~ G.S. 143B-16.

29 The Governor shall designate a member of the Council as ~~chairman~~ chair to serve at ~~his~~ the  
30 Governor's pleasure.

31 Members of the Council shall receive per diem and necessary travel and subsistence expenses  
32 in accordance with ~~the provisions of~~ G.S. 138-5.

33 A majority of the Council ~~shall constitute~~ constitutes a quorum for the transaction of business.

34 All clerical and other services required by the Council shall be supplied by the Secretary of  
35 Natural and Cultural Resources."

36 **SECTION 29.** G.S. 143B-93 reads as rewritten:

37 **"§ 143B-93. Roanoke Island Historical Association – status.**

38 The Roanoke Island Historical Association is ~~hereby declared not to be a State agency within~~  
39 ~~the meaning of the Executive Organization Act of 1973 and shall be not an agency, as defined~~  
40 ~~by G.S. 143B-3, and is exempt from all provisions of the Executive Organization Act of 1973~~  
41 ~~except G.S. 143B-92 and G.S. 143B-93.~~ this Chapter except this Part."

42 **SECTION 30.** G.S. 143B-96 reads as rewritten:

43 **"§ 143B-96. Edenton Historical Commission – status.**

44 The Edenton Historical Commission is ~~hereby declared not to be a State agency within the~~  
45 ~~meaning of the Executive Organization Act of 1973 and shall be not an agency, as defined by~~  
46 ~~G.S. 143B-3, and is exempt from all provisions of the Executive Organization Act of 1973 except~~  
47 ~~G.S. 143B-95 through G.S. 143B-98.~~ this Chapter except this Part."

48 **SECTION 31.** G.S. 143B-100 reads as rewritten:

49 **"§ 143B-100. Historic Bath Commission – status.**

50 The Historic Bath Commission is ~~hereby declared not to be a State agency within the meaning~~  
~~of the Executive Organization Act of 1973 and shall be not an agency, as defined by G.S. 143B-3,~~

1 ~~and is exempt from all provisions of the Executive Organization Act of 1973 except~~  
2 ~~G.S. 143B-99 through G.S. 143B-102.~~this Chapter except this Part."

3 **SECTION 32.** G.S. 143B-104 reads as rewritten:

4 **"§ 143B-104. Historic Hillsborough Commission – status.**

5 The Historic Hillsborough Commission is ~~hereby declared not to be a State agency within~~  
6 ~~the meaning of the Executive Organization Act of 1973 and shall be not an agency, as defined~~  
7 ~~by G.S. 143B-3, and is exempt from all provisions of the Executive Organization Act of 1973~~  
8 ~~except G.S. 143B-103 through G.S. 143B-106.~~this Chapter except this Part."

9 **SECTION 33.** G.S. 143B-108 reads as rewritten:

10 **"§ 143B-108. Historic Murfreesboro Commission – status.**

11 The Historic Murfreesboro Commission is ~~hereby declared not to be a State agency within~~  
12 ~~the meaning of the Executive Organization Act of 1973 and shall be not an agency, as defined in~~  
13 ~~G.S. 143B-3, and is exempt from all provisions of the Executive Organization Act of 1973 except~~  
14 ~~G.S. 143B-107 through G.S. 143B-110.~~this Chapter except this Part."

15 **SECTION 34.** G.S. 143B-135.132 reads as rewritten:

16 **"§ 143B-135.132. North Carolina Trails Committee – members; selection; removal;**  
17 **compensation.**

18 The North Carolina Trails Committee shall consist of seven members appointed by the  
19 Secretary of Natural and Cultural Resources. Two members shall be from the mountain section,  
20 two from the Piedmont section, two from the coastal plain, and one at large. They shall as much  
21 as possible represent various trail users.

22 Committee members shall serve staggered terms of four years and until their successors are  
23 appointed and qualify. ~~Any~~An appointment to fill a vacancy on the Committee created by the  
24 resignation, dismissal, ~~death~~death, or disability of a member shall be for the balance of the  
25 unexpired term.

26 The Governor ~~shall have the power to~~may remove any member of the Committee from office  
27 in accordance with ~~the provisions of G.S. 143B-16 of the Executive Organization Act of~~  
28 ~~1973.~~G.S. 143B-16.

29 The Secretary of Natural and Cultural Resources shall designate a member of the Committee  
30 to serve as ~~chairman~~chair at the pleasure of the Governor.

31 Members of the Committee shall receive per diem and necessary travel and subsistence  
32 expenses in accordance with ~~the provisions of G.S. 138-5 and G.S. 143B-15 of the Executive~~  
33 ~~Organization Act of 1973.~~G.S. 138-5."

34 **SECTION 35.** G.S. 143B-135.207 reads as rewritten:

35 **"§ 143B-135.207. North Carolina Zoological Park Council – members; selection; removal;**  
36 **chairman; chair; compensation; quorum; services.**

37 The North Carolina Zoological Park Council of the Department of Natural and Cultural  
38 Resources shall consist of 15 members appointed by the Governor, one of whom shall be the  
39 ~~Chairman~~Chair of the Board of Directors of the North Carolina Zoological Society.

40 ~~At the end of the respective terms of office of the initial members of the Council, the~~  
41 ~~Governor, to achieve staggered terms, shall appoint five members for terms of two years, five~~  
42 ~~members for terms of four years and five members for terms of six years. Thereafter, the~~  
43 ~~appointment of their successors.~~The terms of members shall be for terms of six years and until  
44 their successors are appointed and qualify. AnyAn appointment to fill a vacancy on the Council  
45 created by the resignation, dismissal, ~~death~~death, or disability of a member shall be for the  
46 balance of the unexpired term.

47 The Governor ~~shall have the power to~~may remove any member of the Council from office  
48 in accordance with ~~the provisions of G.S. 143B-16 of the Executive Organization Act of~~  
49 ~~1973.~~G.S. 143B-16.

50 The Governor shall designate a member of the Council to serve as ~~chairman~~chair at ~~his~~the  
51 Governor's pleasure.

1 Members of the Council shall receive per diem and necessary travel and subsistence expenses  
2 in accordance with ~~the provisions of~~ G.S. 138-5.

3 A majority of the Council ~~shall constitute~~ constitutes a quorum for the transaction of business.  
4 All clerical and other services required by the Council shall be supplied by the Secretary of  
5 Natural and Cultural Resources."

6 **SECTION 36.** G.S. 143B-147(b) reads as rewritten:

7 "(b) All rules ~~hereby~~ adopted shall be consistent with the laws of this State and not  
8 inconsistent with the management responsibilities of the Secretary of the Department of Health  
9 and Human Services provided by this ~~Chapter and the Executive Organization Act of~~  
10 ~~1973-Chapter.~~"

11 **SECTION 37.** G.S. 143B-154 reads as rewritten:

12 "**§ 143B-154. Social Services Commission – members; selection; quorum; compensation.**

13 The Social Services Commission of the Department of Health and Human Services shall  
14 consist of one member from each congressional district in the State, all of whom shall be  
15 appointed by the Governor for four-year terms.

16 ~~The initial members of the Commission shall be the appointed members of the current Social~~  
17 ~~Services Commission who shall serve for the remainder of their current terms and four additional~~  
18 ~~members appointed by the Governor for terms expiring April 1, 1981. Any An~~ An appointment to  
19 fill a vacancy on the Commission created by the resignation, dismissal, death, ~~removal~~ removal,  
20 or disability of a member shall be for the balance of the unexpired term.

21 ~~In the event that more than 11~~ If another congressional ~~districts are~~ district is established in  
22 the State, the Governor ~~shall~~ shall, on July 1 following the establishment of ~~such~~ the additional  
23 congressional ~~districts~~ district, appoint a member of the Commission from that congressional  
24 district.

25 The Governor ~~shall have the power to~~ may remove any member of the Commission from  
26 office for misfeasance, malfeasance, or nonfeasance in accordance with ~~the provisions of G.S.~~  
27 ~~143B-13 of the Executive Organization Act of 1973.~~ G.S. 143B-13.

28 The members of the Commission shall receive per diem and necessary travel and subsistence  
29 expenses in accordance with ~~the provisions of~~ G.S. 138-5.

30 A majority of the Commission ~~shall constitute~~ constitutes a quorum for the transaction of  
31 business.

32 All clerical and other services required by the Commission shall be supplied by the Secretary  
33 of Health and Human Services."

34 **SECTION 38.** G.S. 143B-158(g) reads as rewritten:

35 "(g) A member of the Commission shall not vote on any issue before the Commission that  
36 would have a significant and predictable effect on the member's financial interest. The Governor  
37 ~~shall have the power to~~ may remove any member of the Commission from office for misfeasance,  
38 malfeasance, or nonfeasance in accordance with ~~the provisions of G.S. 143B-13 of the Executive~~  
39 ~~Organization Act of 1973.~~ G.S. 143B-13."

40 **SECTION 39.** G.S. 143B-166 reads as rewritten:

41 "**§ 143B-166. North Carolina Medical Care Commission – members; selection; quorum;**  
42 **compensation.**

43 The North Carolina Medical Care Commission of the Department of Health and Human  
44 Services shall consist of 17 members appointed by the Governor. Three of the members  
45 ~~appointed by the Governor~~ shall be nominated by the North Carolina Medical Society, one  
46 member shall be nominated by the North Carolina Nurses Association, one member shall be  
47 nominated by the North Carolina ~~Pharmaceutical Association,~~ Association of Pharmacists, one  
48 member shall be nominated by the Duke ~~Foundation~~ Endowment, and one member shall be  
49 nominated by the North Carolina ~~Hospital~~ Healthcare Association. The remaining 10 members  
50 of the North Carolina Medical Care Commission shall be appointed by the Governor and selected  
51 so as to fairly represent agriculture, industry, labor, and other interest groups in North Carolina.

1 One ~~such~~ member appointed by the Governor shall be a dentist licensed to practice in North  
2 ~~Carolina~~ Carolina, and one ~~such~~ member appointed by the Governor shall be an individual  
3 affiliated with a nonprofit ~~Continuing Care Retirement Community~~ continuing care retirement  
4 community licensed pursuant to Article 64 of Chapter 58 of the General Statutes. ~~The initial~~  
5 ~~members of the Commission shall be 18 members of the North Carolina Medical Care~~  
6 ~~Commission who shall serve for a period equal to the remainder of their current terms on the~~  
7 ~~North Carolina Medical Care Commission, six of whose appointments expire June 30, 1973, four~~  
8 ~~of whose appointments expire June 30, 1974, four of whose appointments expire June 30, 1975,~~  
9 ~~and four of whose appointments expire June 30, 1976. To achieve the required 17 members the~~  
10 ~~Governor shall appoint three members to the Commission upon the expiration of four members'~~  
11 ~~initial terms on June 30, 1973. At the end of the respective terms of office of the initial members~~  
12 ~~of the Commission, their successors~~ The terms of the members shall be appointed for terms of  
13 four years and until their successors are appointed and qualify. Any ~~An~~ appointment to fill a  
14 vacancy on the Commission created by the resignation, dismissal, death, or disability of a  
15 member shall be for the balance of the unexpired term.

16 The Governor ~~shall have the power to~~ may remove any member of the Commission from  
17 office for misfeasance, ~~malfesance~~ malfesance, or nonfeasance in accordance with ~~the~~  
18 ~~provisions of G.S. 143B-13 of the Executive Organization Act of 1973.~~ G.S. 143B-13.

19 Vacancies on ~~said~~ the Commission among the membership nominated by a society,  
20 association, or foundation ~~as hereinabove provided~~ shall be filled by the ~~Executive Committee~~  
21 executive committee or other authorized agent of ~~said~~ the society, ~~association~~ association, or  
22 foundation until the next meeting of the society, ~~association~~ association, or foundation at which  
23 time the society, ~~association~~ association, or foundation shall nominate a member to fill the  
24 vacancy for the unexpired term.

25 The members of the Commission shall receive per diem and necessary travel and subsistence  
26 expenses in accordance with ~~the provisions of~~ G.S. 138-5.

27 A majority of the Commission ~~shall constitute~~ constitutes a quorum for the transaction of  
28 business.

29 All clerical and other services required by the Commission shall be supplied by the Secretary  
30 of Health and Human Services."

31 **SECTION 40.** G.S. 143B-168.4 is recodified as G.S. 110-87.1 and reads as  
32 rewritten:

33 "**§ 110-87.1. Child Care ~~Commission—members; selection; quorum.~~ Commission.**

34 (a) The Child Care Commission of the Department of Health and Human Services is  
35 created. The Commission shall consist of 17 members. Nine of the members shall be appointed  
36 by the Governor and eight by the General Assembly, four upon the recommendation of the  
37 President Pro Tempore of the Senate, and four upon the recommendation of the Speaker of the  
38 House of Representatives. Four of the members appointed by the Governor, two by the General  
39 Assembly on the recommendation of the President Pro Tempore of the Senate, and two by the  
40 General Assembly on the recommendation of the Speaker of the House of ~~Representatives,~~  
41 Representatives shall be members of the public who are not employed in, or providing, child care  
42 and who have no financial interest in a child care facility. Two of the ~~foregoing~~ public members  
43 appointed by the Governor, one of the ~~foregoing~~ public members recommended by the President  
44 Pro Tempore of the Senate, and one of the ~~foregoing~~ public members recommended by the  
45 Speaker of the House of Representatives shall be parents of children receiving child care services.  
46 Of the remaining two public members appointed by the Governor, one shall be a pediatrician  
47 currently licensed to practice in North Carolina. Three of the members appointed by the Governor  
48 shall be child care providers, one of whom shall be affiliated with a for-profit child care center,  
49 one of whom shall be affiliated with a for-profit family child care home, and one of whom shall  
50 be affiliated with a nonprofit facility. Two of the members appointed by the Governor shall be  
51 early childhood education specialists. Two of the members appointed by the General Assembly

1 on the recommendation of the President Pro Tempore of the ~~Senate~~, Senate and two of the  
 2 members appointed by the General Assembly on recommendation of the Speaker of the House  
 3 of ~~Representatives~~, Representatives shall be child care providers, one affiliated with a for-profit  
 4 child care facility, and one affiliated with a nonprofit child care facility. None of the members  
 5 ~~may shall~~ be employees of the State.

6 (b) ~~Members shall be appointed as follows:~~

7 (1) ~~Of the Governor's initial appointees, five shall be appointed for terms expiring~~  
 8 ~~June 30, 2020, and four shall be appointed for terms expiring June 30, 2021.~~

9 (2) ~~Of the General Assembly's initial appointees appointed upon recommendation~~  
 10 ~~of the President Pro Tempore of the Senate, two shall be appointed for terms~~  
 11 ~~expiring June 30, 2020, and two shall be appointed for terms expiring June~~  
 12 ~~30, 2021.~~

13 (3) ~~Of the General Assembly's initial appointees appointed upon recommendation~~  
 14 ~~of the Speaker of the House of Representatives, two shall be appointed for~~  
 15 ~~terms expiring June 30, 2020, and two shall be appointed for terms expiring~~  
 16 ~~June 30, 2021.~~

17 Appointments by the General Assembly shall be made in accordance with G.S. 120-121.  
 18 ~~After the initial appointees' terms have expired, all~~ All members shall be appointed to serve  
 19 two-year terms. ~~Any~~ An appointment to fill a vacancy on the Commission created by the  
 20 resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired  
 21 term.

22 (c) A vacancy occurring during a term of office is ~~filled~~; filled as follows:

23 (1) By the Governor, if the Governor made the initial ~~appointment~~; appointment.

24 (2) By the General Assembly, if the General Assembly made the initial  
 25 appointment in accordance with G.S. 120-122.

26 ~~At its first meeting the Commission members shall elect a Chair to serve a term expiring June~~  
 27 ~~30, 2020. A successor Chair shall be elected for a two-year term thereafter. term on June 30 of~~  
 28 ~~every even-numbered year.~~ The same member may serve as Chair for two consecutive terms.

29 Commission members may be removed pursuant to G.S. 143B-13(d).

30 Commission members may be reappointed and may succeed themselves for a maximum of  
 31 four consecutive terms.

32 The Commission shall meet quarterly, and at other times at the call of the Chair or upon  
 33 written request of at least six members.

34 The members of the Commission shall receive per diem and necessary travel and subsistence  
 35 expenses in accordance with ~~the provisions of~~ G.S. 138-5. A majority of the Commission ~~shall~~  
 36 ~~constitute~~ constitutes a quorum for the transaction of business.

37 All clerical and other services required by the Commission shall be supplied by the Secretary  
 38 of Health and Human Services."

39 **SECTION 41.** G.S. 143B-181 reads as rewritten:

40 **"§ 143B-181. Governor's Advisory Council on Aging – members; selection; quorum;**  
 41 **compensation.**

42 The Governor's Advisory Council on Aging of the Department of Health and Human Services  
 43 shall consist of 33 members, 29 members to be appointed by the Governor, two members to be  
 44 appointed by the President Pro Tempore of the Senate, and two members to be appointed by the  
 45 Speaker of the House of Representatives. The composition of the Council shall be as follows:  
 46 one representative of the Department of Administration; one representative of the Department of  
 47 Natural and Cultural Resources; one representative of the Division of Employment Security; one  
 48 representative of the Teachers' and State Employees' Retirement System; one representative of  
 49 the Commissioner of Labor; one representative of the Department of Public Instruction; one  
 50 representative of the Department of Environmental Quality; one representative of the Department  
 51 of Insurance; one representative of the Department of Public Safety; one representative of the

1 ~~Department of Community Colleges; Community Colleges System Office,~~ one representative of  
2 the School of Public Health of The University of North Carolina; one representative of the School  
3 of Social Work of The University of North Carolina; one representative of the Agricultural  
4 Extension Service of North Carolina State University; one representative of the collective body  
5 of the Medical Society of North Carolina; and 19 members at large. The at large members shall  
6 be citizens who are knowledgeable about services supported through the Older Americans Act  
7 of 1965, as amended, and shall include persons with greatest economic or social need, minority  
8 older persons, and participants in programs under the Older Americans Act of 1965, as amended.  
9 The Governor shall appoint 15 members at large who meet these qualifications and are 60 years  
10 of age or older. The four remaining members at large, two of whom shall be appointed by the  
11 President Pro Tempore of the Senate and two of whom shall be appointed by the Speaker of the  
12 House of Representatives, shall be broadly representative of the major private agencies and  
13 organizations in the State who are experienced in or have demonstrated particular interest in the  
14 special concerns of older persons. At least one of each of the at-large appointments of the  
15 President Pro Tempore of the Senate and the Speaker of the House of Representatives shall be  
16 persons 60 years of age or older. The Council shall meet at least quarterly.

17 Members at large shall be appointed for four-year terms and until their successors are  
18 appointed and qualify. Ad interim appointments shall be for the balance of the unexpired term.

19 The Governor ~~shall have the power to~~ may remove any member of the Council from office  
20 in accordance with ~~the provisions of G.S. 143B-16 of the Executive Organization Act of~~  
21 ~~1973.~~ G.S. 143B-16.

22 The Governor shall designate one member of the Council as chair to serve ~~in such capacity~~  
23 ~~at his the Governor's~~ pleasure.

24 Members of the Council shall receive per diem and necessary travel and subsistence expenses  
25 in accordance with ~~the provisions of~~ G.S. 138-5.

26 A majority of the Council ~~shall constitute~~ constitutes a quorum for the transaction of business.

27 All clerical and other services required by the Council shall be supplied by the Secretary of  
28 Health and Human Services."

29 **SECTION 42.** G.S. 143B-217 reads as rewritten:

30 **"§ 143B-217. Department of Revenue – creation.**

31 ~~There is hereby recreated and reestablished a department to be known as the "Department of~~  
32 ~~Revenue" with the organization, duties, functions, and powers defined in the Executive~~  
33 ~~Organization Act of 1973.~~ The Department of Revenue is created. The Department has the powers  
34 and duties defined by law."

35 **SECTION 43.** G.S. 143B-293.2(c1) reads as rewritten:

36 "(c1) Removal. – The Governor ~~shall have the power to~~ may remove any member of the  
37 Commission from office for misfeasance, malfeasance, or ~~nonfeasance in accordance with the~~  
38 ~~provisions of G.S. 143B-13 of the Executive Organization Act of 1973,~~ nonfeasance, as provided  
39 in G.S. 143B-13, or for good cause."

40 **SECTION 44.** G.S. 143B-324.2(c) and (d) read as rewritten:

41 "(c) Removal. – The Governor ~~shall have the power to~~ may remove any member of the  
42 Council from office in accordance with ~~the provisions of G.S. 143B-16 of the Executive~~  
43 ~~Organization Act of 1973.~~ G.S. 143B-16.

44 (d) Compensation. – Members of the Council shall receive per diem and necessary travel  
45 and subsistence expenses in accordance with ~~the provisions of G.S. 138-5 and G.S. 143B-15 of~~  
46 ~~the Executive Organization Act of 1973.~~ G.S. 138-5."

47 **SECTION 45.** G.S. 143B-345 reads as rewritten:

48 **"§ 143B-345. Department of Transportation – creation.**

49 ~~There is hereby created and established a department to be known as the "Department of~~  
50 ~~Transportation" with the organization, powers, and duties defined in Article 1 of Chapter 143B,~~

1 ~~except as modified in this Article. The Department of Transportation is created. The Department~~  
 2 ~~has the powers and duties defined by law."~~

3 **SECTION 46.** G.S. 143B-348, as amended by Section 8 of this act, reads as  
 4 rewritten:

5 "**§ 143B-348. Department of Transportation – head; rules, regulations, etc., of Board of**  
 6 **Transportation-head.**

7 (a) The Secretary of Transportation ~~shall be~~ is the head of the Department of  
 8 Transportation. ~~He shall carry out~~ The Secretary is responsible for the day-to-day operations of  
 9 the Department and ~~shall be responsible for~~ carrying out the policies, programs, priorities, and  
 10 projects approved by the Board of Transportation. ~~He shall be~~ The Secretary is responsible for  
 11 all other transportation matters assigned to the ~~Department of Transportation, Department,~~  
 12 those reserved to the Board of Transportation by statute. Except as otherwise provided for by  
 13 statute, the Secretary ~~shall have all~~ has the powers and duties ~~as provided for~~ in Article 1 of  
 14 ~~Chapter 143B this Chapter,~~ including the responsibility for all management functions for the  
 15 ~~Department of Transportation. Department.~~ The Secretary ~~shall be vested with authority to~~ may  
 16 adopt design criteria, construction specifications, and standards as required for the Department  
 17 ~~of Transportation~~ to construct and maintain highways, bridges, and ferries. The Secretary or the  
 18 Secretary's designee ~~shall be vested with authority to promulgate~~ may adopt rules and regulations  
 19 concerning all transportation functions assigned to the Department.  
 20 ...."

21 **SECTION 47.** G.S. 143B-366 reads as rewritten:

22 "**§ 143B-366. Department of Administration – creation.**

23 ~~There is hereby recreated and reestablished a department to be known as the "Department of~~  
 24 ~~Administration," with the organization, powers, and duties defined in the Executive Organization~~  
 25 ~~Act of 1973. The Department of Administration is created. The Department has the powers and~~  
 26 ~~duties defined by law."~~

27 **SECTION 48.** G.S. 143B-394 reads as rewritten:

28 "**§ 143B-394. North Carolina Council for Women – members; selection; quorum;**  
 29 **compensation.**

30 The North Carolina Council for Women of the Department of Administration shall consist of  
 31 20 members appointed by the Governor. ~~The initial members of the Council shall be the~~  
 32 ~~appointed members of the North Carolina Council for Women, three of whose appointments~~  
 33 ~~expire June 30, 1977, and four of whose appointments expire June 30, 1978. Thirteen additional~~  
 34 ~~members shall be appointed in 1977, six of whom shall serve terms expiring June 30, 1978, and~~  
 35 ~~seven of whom shall serve terms expiring June 30, 1979. At the ends of the respective terms of~~  
 36 ~~office of the initial members of the Council and of the 13 members added in 1977, the~~  
 37 ~~appointment of their successors~~ The terms of the members shall be for terms of two years and  
 38 until their successors are appointed and qualify. ~~Any~~ An appointment to fill a vacancy on the  
 39 Council created by the resignation, dismissal, death, or disability of a member shall be for the  
 40 balance of the unexpired term. Members of the Council shall be representative of age, sex, ~~ethnic~~  
 41 ethnicity, and geographic backgrounds.

42 The Governor ~~shall have the power to~~ may remove any member of the Council from office  
 43 in accordance with ~~the provisions of G.S. 143B-16 of the Executive Organization Act of~~  
 44 ~~1973.~~ G.S. 143B-16.

45 The Governor shall designate a member of the Council to serve as ~~chairman~~ chair at the  
 46 pleasure of the Governor.

47 Members of the Council shall receive per diem and necessary travel and subsistence expenses  
 48 in accordance with ~~the provisions of~~ G.S. 138-5.

49 A majority of the Council ~~shall constitute~~ constitutes a quorum for the transaction of business.

50 All clerical and other services required by the Council shall be supplied by the Secretary of  
 51 Administration."

1           **SECTION 49.** G.S. 143B-394.26 reads as rewritten:

2   "**§ 143B-394.26. State Youth Advisory Council – members; selection; quorum;**  
3   **compensation.**

4       The State Youth Advisory Council of the Department of Administration shall consist of 20  
5 members. The composition and appointment of the Council shall be as follows:

6       Ten youths to be elected by the procedure adopted by the Youth Advisory Council, which  
7 shall include a requirement that four of the members represent youth organizations; and 10 adults  
8 to be appointed by the Governor at least four of whom shall be individuals working on youth  
9 programs through youth organizations. ~~Provided that no~~ No person shall serve on the Board for  
10 more than two complete consecutive terms.

11       ~~The initial members of the Council shall be the appointed members of the Youth Advisory~~  
12 ~~Board who shall serve for a period equal to the remainder of their current terms on the Youth~~  
13 ~~Advisory Board. The current terms of the youth members expire July 1, 1976, the current terms~~  
14 ~~of four of the adult members expire April 7, 1976, and the remaining four adult members' terms~~  
15 ~~expire May 1, 1978. At the end of the respective terms of office of the initial members of the~~  
16 ~~Council, the appointment of their successors shall be as follows:~~

17       (1)   ~~Eight youth members to serve for terms beginning on July 1, 1976, and~~  
18       ~~expiring on June 30, 1977, and two additional youth members to serve for~~  
19       ~~terms beginning on July 1, 1977, and expiring on June 30, 1978. At the end of~~  
20       ~~the terms of office of these youth members of the Council, the appointment of~~  
21       ~~their successors shall be for terms of two years and until their successors are~~  
22       ~~appointed and qualify.~~

23       (2)   ~~Four adult members to serve for terms beginning on April 8, 1976, and~~  
24       ~~expiring on June 30, 1979; four adult members to serve for terms beginning~~  
25       ~~on May 1, 1978, and expiring on June 30, 1980; one additional adult member~~  
26       ~~to serve for a term beginning July 1, 1977, and expiring June 30, 1978; and~~  
27       ~~one additional adult member to serve for a term beginning July 1, 1977, and~~  
28       ~~expiring June 30, 1979. At the end of the respective terms of office of these~~  
29       ~~adult members of the Council, the appointment of their successors~~ The terms  
30       ~~of members shall be for terms of two years and until their successors are~~  
31       ~~appointed and qualify. At least one adult member shall be an advisor of a local~~  
32       ~~youth council at appointment and for the duration of the term. The total~~  
33       ~~membership shall reasonably reflect the socioeconomic, ethnic, ~~sexual~~ sexual,~~  
34       ~~and sectional composition of the State.~~

35       ~~Any~~ An appointment to fill a vacancy on the Council created by the resignation, dismissal,  
36 death, or disability of a member shall be for the balance of the unexpired term.

37       ~~The Governor shall have the power to~~ may remove any member of the Council from office  
38 in accordance with ~~the provisions of G.S. 143B-16 of the Executive Organization Act of~~  
39 ~~1973-G.S. 143B-16.~~

40       The Governor shall designate an adult member of the Council to serve as ~~chairman~~ chair at  
41 the pleasure of the Governor. The Council shall elect a youth member to serve as ~~vice-chairman~~  
42 vice-chair for a one-year term.

43       A majority of the Council ~~shall constitute~~ constitutes a quorum for the transaction of business.

44       Members of the Council who are not officers or employees of the State shall receive per diem  
45 and necessary travel and subsistence expenses in accordance with ~~provisions of~~ G.S. 138-5.

46       All clerical and other services required by the Council shall be supplied by the Secretary of  
47 Administration."

48           **SECTION 50.** G.S. 143B-404 reads as rewritten:

49   "**§ 143B-404. North Carolina State Commission of Indian Affairs – creation; name.**

50       ~~There is hereby created and established the~~ The North Carolina State Commission of Indian  
51 ~~Affairs. The Commission shall be administered under the direction and supervision of~~ Affairs is

1 administratively located in the Department of Administration pursuant to G.S. 143A-6(b) and  
2 (e)-but shall exercise its powers independently of the Secretary of Administration."

3 **SECTION 51.** G.S. 143B-431.01(b) reads as rewritten:

4 "(b) ~~Contract. – The Department of Commerce is authorized to~~ may contract with a North  
5 Carolina nonprofit corporation to perform one or more of the Department's functions, powers,  
6 duties, and ~~obligations set forth in G.S. 143B-431, obligations,~~ except as provided in this  
7 subsection. The contract entered into pursuant to this section between the Department and the  
8 Economic Development Partnership of North Carolina is exempt from Articles 3 and 3C of  
9 Chapter 143 of the General Statutes and G.S. 143C-6-23. If the Department contracts with a  
10 North Carolina nonprofit corporation to promote and grow the travel and tourism industries, then  
11 all funds appropriated to the Department for tourism marketing purposes shall be used for a  
12 research-based, comprehensive marketing program directed toward consumers in key markets  
13 most likely to travel to North Carolina and not for ancillary activities, such as statewide branding  
14 and business development marketing. The Department ~~may~~ shall not contract with a North  
15 Carolina nonprofit corporation regarding any of the following:

- 16 (1) The obligation or commitment of funds under this Article, such as the One  
17 North Carolina Fund, the Job Development Investment Grant Program, the  
18 Industrial Development Fund, or the Job Maintenance and Capital  
19 Development Fund.
- 20 (2) The Division of Employment Security, including the administration of  
21 unemployment insurance.
- 22 (3) ~~The functions set forth in G.S. 143B-431(a)(2)-of an agency, board, or~~  
23 commission that exercises its powers independently of the Secretary of  
24 Commerce under G.S. 143C-1-6(b).
- 25 (4) The administration of funds or grants received from the federal government  
26 or its agencies, except for the following:
  - 27 a. The State Trade and Export Promotion Program.
  - 28 b. The Manufacturing Extension Program.
- 29 (5) The administration of a site certification program. Nothing in this subdivision  
30 prohibits the contracting of responsibility for creating or maintaining a  
31 website with data on unutilized or underutilized properties in the State with  
32 potential commercial or industrial reuses."

33 **SECTION 52.** G.S. 143B-439(b) reads as rewritten:

34 "(b) ~~The relationship between the Secretary of Commerce and the Credit Union~~  
35 ~~Commission shall be as defined for a Type II transfer under this Chapter.~~ The Commission is  
36 administratively located in the Department of Commerce but shall exercise its powers  
37 independently of the Secretary of Commerce under G.S. 143C-1-6(b)."

38 **SECTION 53.** The title of G.S. 143B-1203 reads as rewritten:

39 "**§ 143B-1203. ~~Transfer; definitions.~~Definitions."**

40 **SECTION 54.** G.S. 143B-1454(a) reads as rewritten:

41 "(a) The functions of the Division of Prisons ~~shall~~ include all functions of the executive  
42 branch of the State in relation to corrections and the detention and rehabilitation of adult  
43 ~~offenders, including detention and further including those prescribed offenders and the powers,~~  
44 duties, and functions enumerated in the laws of this State. ~~All such functions, powers, duties, and~~  
45 ~~obligations heretofore vested in the State Department of Correction and Commission of~~  
46 ~~Correction are hereby transferred to and vested in the Division of Prisons of the Department of~~  
47 ~~Adult Correction except as otherwise provided by the Executive Organization Act of 1973."~~

48 **SECTION 55.** G.S. 143B-1490(a) and (c) read as rewritten:

49 "(a) ~~There is hereby created a~~ The Post-Release Supervision and Parole Commission of  
50 the Division of Community Supervision and Reentry of the Department of Adult Correction with  
51 the authority to ~~is created.~~ The Commission has the following powers:

- 1           (1) To grant paroles, including both regular and temporary paroles, to persons  
 2           held by virtue of any final order or judgment of any court of this State as  
 3           provided in Chapter 148 of the General Statutes and other laws of the State of  
 4           ~~North Carolina, State,~~ except that persons sentenced under Article 81B of  
 5           Chapter 15A of the General Statutes are not eligible for parole but may be  
 6           conditionally released into the custody and control of United States  
 7           Immigration and Customs Enforcement pursuant to G.S. 148-64.1. ~~The~~  
 8           ~~Commission shall also have authority to~~
- 9           (2) To revoke, terminate, and suspend paroles of such persons (including persons  
 10           ~~placed on parole on or before the effective date of the Executive Organization~~  
 11           ~~Act of 1973) and to granted.~~
- 12           (3) To assist the Governor in exercising his the Governor's authority in granting  
 13           reprieves, commutations, and ~~pardons, pardons and shall perform such to~~  
 14           perform other services as may be required by the Governor may require in  
 15           exercising his the powers of executive clemency. ~~The Commission shall also~~  
 16           ~~have authority to~~
- 17           (4) To revoke and terminate persons on post-release supervision, as provided in  
 18           Article 84A of Chapter 15A of the General Statutes. ~~The Commission shall~~  
 19           ~~also have the authority to~~
- 20           (5) To punish for criminal contempt for the willful refusal to accept post-release  
 21           supervision or ~~to~~ comply with the terms of post-release supervision by a  
 22           prisoner whose offense requiring post-release supervision is a reportable  
 23           conviction subject to the registration requirement of Article 27A of Chapter  
 24           14 of the General Statutes. Any A ~~contempt proceeding conducted by the~~  
 25           Commission shall be in accordance with G.S. 5A-15 as if the Commission  
 26           were a judicial official.

27           ...

28           (c) ~~The Commission is authorized and empowered to may adopt rules not inconsistent~~  
 29           ~~with the laws of this State, in accordance with by~~ which prisoners eligible for parole consideration  
 30           may have their cases reviewed and investigated and by which such parole proceedings may be  
 31           initiated and considered. ~~All rules and regulations heretofore adopted by the Board of Paroles~~  
 32           ~~shall remain in full force and effect unless and until repealed or superseded by action of the~~  
 33           ~~Commission.~~ All rules adopted by the Commission shall be enforced by the Division of  
 34           Community Supervision and Reentry of the Department of Adult Correction."

35           **SECTION 56.** G.S. 143B-1491 reads as rewritten:

36           **"§ 143B-1491. Post-Release Supervision and Parole Commission – members; selection;**  
 37           **removal; chair; compensation; quorum; services.**

38           (a) ~~Effective August 1, 2005, the The~~ Post-Release Supervision and Parole Commission  
 39           shall consist of one four full-time member and two half-time members. The three members shall  
 40           ~~be appointed by the Governor from persons whose recognized ability, training, experience, and~~  
 41           ~~character qualify them for service on the Commission. The terms of office of any members~~  
 42           ~~-serving on the Commission on June 30, 2005, shall expire on that date. members appointed by~~  
 43           the Governor. The terms of office of persons appointed by the Governor as members of the  
 44           Commission shall be for four years or until their successors are appointed and qualify. Any An  
 45           appointment to fill a vacancy on the Commission created by the resignation, removal, death,  
 46           death, or disability of a member shall be for the balance of the unexpired term only.

47           (a1) ~~Effective August 1, 2012, both half-time commissioners shall begin serving as~~  
 48           ~~full-time members of the Commission, and the Post-Release Supervision and Parole Commission~~  
 49           ~~shall consist of three full-time members.~~

1 (a2) ~~Effective February 1, 2013, an additional member shall be appointed by the Governor~~  
2 ~~to the Commission, and the Post-Release Supervision and Parole Commission shall consist of~~  
3 ~~four full-time members.~~

4 (b) All members of the ~~Post-Release Supervision and Parole Commission~~ appointed by  
5 the Governor shall possess the recognized ability, training, experience, and character to qualify  
6 each person to serve ably on the Commission.

7 (c) The Governor ~~shall have the authority to~~ may remove any member of the Commission  
8 from office for misfeasance, ~~malfeasance~~ malfeasance, or nonfeasance, pursuant to ~~the~~  
9 ~~provisions of~~ G.S. 143B-13. The Governor shall designate a member of the Commission to serve  
10 as chair of the Commission at the pleasure of the Governor.

11 (d) The granting, denying, revoking, or rescinding of parole, the authorization of  
12 work-release privileges to a prisoner, or any other matters of business coming before the  
13 Commission for consideration and action shall be decided by majority vote of the full  
14 Commission, except that a three-member panel of the Commission may set the terms and  
15 conditions for a post-release supervisee under G.S. 15A-1368.4 and may decide questions of  
16 violations ~~thereunder, of these terms and conditions,~~ including the issuance of warrants. In the  
17 event of a tie in a vote by the full Commission, the chair shall break the tie with an additional  
18 vote.

19 (e) The members of the Commission shall receive the salary fixed by the General  
20 Assembly in the Current Operations Appropriations Act and shall receive necessary travel and  
21 subsistence expenses in accordance with ~~the provisions of~~ G.S. 138-6. ~~The half-time members of~~  
22 ~~the Commission shall not be subject to the provisions of~~ G.S. 135-3(a)(8)e.

23 (f) All clerical and other services required by the Commission shall be supplied by the  
24 Secretary of the Department of Adult Correction."  
25

### 26 **PART III. REPEAL OTHER PROVISIONS CONCERNING THE OBSOLETE 1971 AND** 27 **1973 REORGANIZATIONS OF THE EXECUTIVE BRANCH AND MAKE** 28 **CONFORMING CHANGES**

29 **SECTION 57.** G.S. 18B-500(a) reads as rewritten:

30 "(a) Appointment. – The Secretary of Public Safety shall appoint and supervise the  
31 Director of the Division of Alcohol Law Enforcement of the Department of Public Safety. The  
32 Director of the Division of Alcohol Law Enforcement of the Department of Public Safety may  
33 appoint and supervise a sufficient number of assistants who shall be competent and qualified to  
34 do the work of the Division. The Director is responsible for making all hiring and personnel  
35 decisions of the Division. Notwithstanding the provisions of this ~~Chapter or Chapter 143A of the~~  
36 ~~General Statutes, Chapter~~, the Director may hire or fire personnel and transfer personnel within  
37 the Division. The Director may also appoint a regular employee of the Commission as an ALE  
38 agent, ~~provided so long as~~ the employee was employed by the ABC Commission and serving as  
39 an ALE agent on January 1, 2019. Alcohol law-enforcement agents shall be designated as  
40 "alcohol law-enforcement agents." Persons serving as reserve alcohol law-enforcement agents  
41 are considered employees of the Division for workers' compensation purposes while performing  
42 duties assigned or approved by the Director of the Division or the Director's designee."  
43

44 **SECTION 58.** G.S. 53C-2-1(a) reads as rewritten:

45 "(a) The State Banking Commission is created. The Commission is administratively  
46 located in the Department of Commerce but shall exercise its powers independently of the  
47 Secretary of Commerce under G.S. 143C-1-6(b). The Commission consists of 15 members,  
48 including the State Treasurer, who shall serve as an ex officio member; 12 members appointed  
49 by the Governor; and two members appointed by the General Assembly under G.S. 120-121, one  
50 of whom shall be appointed upon the recommendation of the President Pro Tempore of the Senate  
51 and one of whom shall be appointed upon the recommendation of the Speaker of the House of  
Representatives. The Governor shall appoint to the Commission three practical bankers, one

1 consumer finance licensee, one member who is, or is employed by a person that is, licensed under  
2 Article 19B of Chapter 53 of the General Statutes, and seven public members. The member  
3 appointed upon the recommendation of the President Pro Tempore of the Senate shall be a  
4 practical banker, and the member appointed upon the recommendation of the Speaker of the  
5 House shall be a practical banker. Members shall serve terms of four years. No individual shall  
6 serve more than two complete consecutive terms on the Commission. Any vacancy occurring in  
7 the membership of the Commission shall be filled by the appropriate appointing officer for the  
8 unexpired term, except that vacancies among members appointed by the General Assembly shall  
9 be filled in accordance with G.S. 120-122. The appointed members of the Commission shall  
10 receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1. This compensation  
11 shall be paid from the revenues of the OCOB."

12 **SECTION 59.** G.S. 53C-2-3(a) reads as rewritten:

13 "(a) The Commissioner shall be assisted in the performance of the duties of office by (i)  
14 one or more deputy commissioners and (ii) examiners, investigators, counsel, and other  
15 employees under the supervision of the Commissioner, all of whom, together with the  
16 Commissioner, shall comprise the "Office of the Commissioner of Banks." The OCOB is  
17 administratively located in the Department of Commerce but shall exercise its powers  
18 independently of the Secretary of Commerce under G.S. 143C-1-6(b). In addition, the work of  
19 the OCOB may be conducted by employees of other agencies of government and by agents and  
20 independent contractors of the OCOB. The Commissioner may appoint or remove at his or her  
21 discretion any deputy commissioner."

22 **SECTION 60.** Article 1 of Chapter 54B of the General Statutes is amended by adding  
23 a new section to read:

24 **"§ 54B-4.1. Savings Institution Division.**

25 The Savings Institution Division is created. The Division is administratively located in the  
26 Department of Commerce but shall exercise its powers independently of the Secretary of  
27 Commerce under G.S. 143C-1-6(b)."

28 **SECTION 61.** G.S. 62-10(a) reads as rewritten:

29 "(a) The North Carolina Utilities Commission is created. The Commission is  
30 administratively located in the Department of Commerce but shall exercise its powers  
31 independently of the Secretary of Commerce under G.S. 143C-1-6(b). The Commission shall  
32 consist of five commissioners who shall be appointed as follows: two by the Governor, one by  
33 the State Treasurer, one by the General Assembly, upon the recommendation of the Speaker of  
34 the House of Representatives in accordance with G.S. 120-121, and one by the General  
35 Assembly, upon the recommendation of the President Pro Tempore of the Senate in accordance  
36 with G.S. 120-121. Each commissioner shall serve for a term of six years commencing on July 1  
37 of the year in which the predecessor term expired and ending on June 30 of the sixth year  
38 thereafter. Commissioners appointed by the Governor and Treasurer are subject to confirmation  
39 by the General Assembly by joint resolution. The names of commissioners to be appointed by  
40 the Governor and Treasurer shall be submitted by the Governor and Treasurer to the General  
41 Assembly for confirmation by the General Assembly on or before May 1, of the year in which  
42 the terms for which the appointments are to be made are to expire. Upon failure of the Governor  
43 or Treasurer to submit names as ~~herein provided, provided in this subsection,~~ the President Pro  
44 Tempore of the Senate and Speaker of the House of Representatives jointly shall submit the  
45 names of a like number of commissioners to the General Assembly on or before May 15 of the  
46 same year for confirmation by the General Assembly. Regardless of the way in which names of  
47 commissioners are submitted, confirmation of commissioners must be accomplished prior to  
48 adjournment of the then current session of the General Assembly."

49 **SECTION 62.** G.S. 76A-1 reads as rewritten:

50 **"§ 76A-1. Commission established; powers generally.**

1 In consideration of the requirement for the safe and expeditious movement of waterborne  
 2 commerce on the navigable waters of the State, it is deemed necessary to establish the Cape Fear  
 3 Navigation and Pilotage ~~Commission, hereinafter referred to as the~~ Commission. The  
 4 Commission is administratively located in the Department of Commerce but shall exercise its  
 5 powers independently of the Secretary of Commerce under G.S. 143C-1-6(b). The Commission  
 6 ~~shall have~~ has the exclusive power to license and regulate a group of river pilots familiar with  
 7 the waters of the Cape Fear River and Bar to best guide vessels within those waters and to  
 8 exercise authority over navigation in the Cape Fear and Bar and to and from the sea buoy of the  
 9 port. The Commission shall report its activities to the Governor through the Secretary of  
 10 Commerce."

11 **SECTION 63.** G.S. 76A-31 reads as rewritten:

12 **"§ 76A-31. Morehead City Navigation and Pilotage Commission.**

13 In consideration of the requirement for the safe and expeditious movement of waterborne  
 14 commerce on the navigable waters of the State, it is deemed necessary to establish the Morehead  
 15 City Navigation and Pilotage ~~Commission, herein called~~ Commission. The Commission is  
 16 administratively located in the Department of Commerce but shall exercise its powers  
 17 independently of the Secretary of Commerce under G.S. 143C-1-6(b). The Commission ~~shall~~  
 18 ~~have~~ has the exclusive power to license and regulate pilots familiar with the waters of Morehead  
 19 City Harbor and Beaufort Bar and the water route from Morehead City to Aurora, North Carolina  
 20 ~~(to include~~ Carolina, including from Morehead City through the Inland or Intracoastal Waterway  
 21 North, through Adams Creek, the Neuse River, the Bay River, the Hobuken Canal, the Pamlico  
 22 River, and South Creek to Aurora or from the Neuse River around Brant Island Shoal through  
 23 the Pamlico River and South Creek to ~~Aurora), Aurora,~~ Aurora, referred to ~~herein in this~~ Subchapter as  
 24 the regulated area, to best guide vessels within those waters and to exercise authority over  
 25 navigation in Morehead City Harbor and Beaufort Bar and to and from the sea buoy of the port.  
 26 The Commission shall report its activities to the Governor through the Secretary of Commerce."

27 **SECTION 64.** G.S. 97-77 reads as rewritten:

28 **"§ 97-77. North Carolina Industrial Commission created; members appointed by**  
 29 **Governor; terms of office; chairman.**

30 ...

31 (b) One member, to be designated by the Governor, shall act as ~~chairman~~ chair.

32 The ~~chairman~~ chair shall be the chief judicial officer and the chief executive officer of the  
 33 Industrial Commission; ~~such this~~ authority shall be exercised pursuant to ~~the provisions of~~  
 34 Chapter 126 of the General Statutes and the rules and policies of the State Human Resources  
 35 Commission. Notwithstanding the provisions of this Chapter, the ~~chairman shall have such~~ chair  
 36 has authority as is necessary to direct and oversee the Commission. The ~~chairman~~ chair may  
 37 delegate any duties and responsibilities as may be necessary to ensure the proper management of  
 38 the Industrial Commission. Notwithstanding the provisions of this Chapter, ~~Chapter 143A,~~  
 39 Chapter and Chapter 143B of the General Statutes, the ~~chairman~~ chair may hire or fire personnel  
 40 and transfer personnel within the Industrial Commission.

41 The Governor may designate one ~~vice chairman~~ vice-chair from the remaining  
 42 commissioners."

43 **SECTION 65.** G.S. 113-128(10) reads as rewritten:

44 "(10) Wildlife Resources Commission. – The North Carolina Wildlife Resources  
 45 Commission as established by Article 24 of Chapter 143 of the General  
 46 Statutes ~~and Part 3 of Article 7 of Chapter 143B of the General~~  
 47 ~~Statutes.~~ Statutes."

48 **SECTION 66.** G.S. 117-1 reads as rewritten:

49 **"§ 117-1. Rural Electrification Authority created; appointments; terms of members.**

50 ~~An agency to be known as the~~ The North Carolina Rural Electrification Authority is hereby  
 51 ~~created as an agency of the State of North Carolina, such agency to~~ created. The Authority is

1 administratively located in the Department of Commerce but shall exercise its powers  
 2 independently of the Secretary of Commerce under G.S. 143C-1-6(b). It shall consist of five  
 3 members to be appointed by the Governor of North Carolina. Current members of the North  
 4 Carolina Rural Electrification Authority shall complete their respective terms of office. On or  
 5 after June 5, 1975, the Governor shall appoint two members to replace those members whose  
 6 terms expire on said date. Governor. All appointments made by the Governor shall be made for  
 7 terms of four years."

8 **SECTION 67.** G.S. 126-3(a) reads as rewritten:

9 "(a) ~~There is hereby established the~~ The Office of State Human Resources (~~hereinafter~~  
 10 ~~referred to as "the Office") which shall be placed~~ is created. The Office is located for  
 11 organizational purposes within the Office of the Governor. Notwithstanding the provisions of  
 12 North Carolina State government reorganization as of January 1, 1975, and specifically  
 13 notwithstanding the provisions of Chapter 864 of the 1971 North Carolina Session Laws, Chapter  
 14 143A of the General Statutes, the The Office of State Human Resources ~~shall exercise all of its~~  
 15 ~~statutory powers in this Chapter, which shall be~~ is under the administration and supervision of a  
 16 Director of the Office of State Human Resources (~~hereinafter referred to as "the Director")~~  
 17 appointed by the Governor and subject to the supervision of the Commission for purposes of this  
 18 Chapter. The salary of the Director shall be ~~fixed~~ set by the Governor. The Director shall serve  
 19 at the pleasure of the Governor."

20 **SECTION 68.** G.S. 126-19 reads as rewritten:

21 "**§ 126-19. Equal employment opportunity plans; reports; maintenance of services by**  
 22 **Director of the Office of State Human Resources.**

23 (a) ~~Each member of the Council of State under G.S. 143A-11, each of the principal~~  
 24 ~~departments~~ principal State office or principal State department enumerated in G.S. 143B-6, The  
 25 University of North Carolina, the judicial branch, and the legislative ~~branch,~~ branch shall develop  
 26 and submit on an annual basis an Equal Employment Opportunity plan ~~which that~~ shall include  
 27 goals and programs that provide positive measures to assure equitable and fair representation of  
 28 North Carolina's citizens. The plans developed by the judicial branch and by the Legislative  
 29 Services Office on behalf of the legislative branch shall be submitted to the General Assembly  
 30 on or before June 1 of each year. All other ~~such~~ plans shall be submitted to the Director of the  
 31 Office of State Human Resources for review and approval on or before March ~~1,~~ 1 of each year.

32 (b) Repealed by Session Laws 2013-382, s. 7.3, effective August 21, 2013.

33 (c) The Director of the Office of State Human Resources ~~will~~ shall provide services of  
 34 Equal Employment Opportunity technical assistance, training, oversight, monitoring, evaluation,  
 35 support programs, and reporting to assure that the State government's work force is diverse at all  
 36 occupational levels. These services shall be provided by qualified personnel."

37 **SECTION 69.** G.S. 136-18 is amended by adding a new subdivision to read:

38 "(12c) To contract with the United States government to obtain the benefits available  
 39 to the State under the Federal Highway Safety Act of 1966 and, with the  
 40 Governor's approval, to coordinate the activities of all departments and  
 41 agencies of the State and its subdivisions to obtain these benefits."

42 **SECTION 70.** G.S. 140-5.13(e) reads as rewritten:

43 "(e) Any member of the Board of Trustees may be removed from office by the authority  
 44 that appointed or elected that member for misfeasance, malfeasance, or nonfeasance in office. ~~In~~  
 45 ~~the case of an appointment made by the Governor, removal shall be made in accordance with the~~  
 46 ~~provisions of G.S. 143B-13 of the Executive Organization Act of 1973."~~

47 **SECTION 71.** The following statutes in Chapter 143 of the General Statutes are  
 48 repealed:

- 49 (1) G.S. 143-34.11. The provisions repealed by this statute are not reenacted.  
 50 (2) G.S. 143-50.  
 51 (3) G.S. 143-247.

- 1 (4) G.S. 143-248.  
 2 (5) G.S. 143-249.  
 3 (6) G.S. 143-326.  
 4 (7) G.S. 143-344.  
 5 (8) G.S. 143-345.

6 **SECTION 72.** G.S. 143-240(a) reads as rewritten:

7 "(a) ~~There is hereby created the~~ The Wildlife Resources Commission of the Department  
 8 of Environmental Quality ~~which is created.~~ The Commission is administratively located in the  
 9 Department of Environmental Quality but shall exercise its powers independently of the  
 10 Secretary of Environmental Quality. The Commission is subject to the direction and supervision  
 11 of the Secretary only with respect to the management functions of coordinating and reporting.

12 The Commission shall consist of 19 citizens of North Carolina who shall be appointed as is  
 13 provided in G.S. 143-241. ~~Each~~

14 Each member of the Commission shall be an experienced hunter, fisherman, farmer, or  
 15 biologist, who shall be generally informed on wildlife conservation and restoration problems.

16 Members of the Commission shall receive per diem and necessary travel and subsistence  
 17 expenses in accordance with ~~the provisions of~~ G.S. 138-5 or G.S. 138-6 as the case may be, which  
 18 shall be paid from fees collected by the ~~Wildlife Resources Commission.~~"

19 **SECTION 73.(a)** Subdivision (1) of G.S. 143-745(a) is recodified as subdivision (3)  
 20 of that subsection.

21 **SECTION 73.(b)** G.S. 143-745(a), as amended by subsection (a) of this section,  
 22 reads as rewritten:

23 "(a) ~~For the purposes of this section:~~ The following definitions apply in this Article:

24 (1) Recodified.

25 (2) ~~"State agency" means each department created pursuant to Chapter 143A or~~  
 26 ~~143B of the General Statutes, and State agency. – A principal State office or~~  
 27 principal State department listed in G.S. 143B-6. The term includes all  
 28 institutions, boards, commissions, or authorities, by whatever name, that is a  
 29 unit are units of the executive branch of State government, including The  
 30 University of North ~~Carolina, Carolina~~ and the Community Colleges System  
 31 Office. The term does not include a unit of local government.

32 (3) ~~"Agency head" means the State agency head. – The Governor, a Council of~~  
 33 ~~State member, a cabinet secretary, the President of The University of North~~  
 34 ~~Carolina, the President of the Community College System, the State~~  
 35 ~~Controller, and other independent appointed officers with authority over a~~  
 36 ~~State agency."~~

37 **SECTION 73.(c)** G.S. 143-746 reads as rewritten:

38 "§ 143-746. **Internal auditing required.**

39 (a) Requirements. – A State agency shall establish a program of internal auditing ~~that~~ that  
 40 does all of the following:

41 (1) Promotes an effective system of internal controls that safeguards public funds  
 42 and assets and minimizes incidences of fraud, waste, and abuse.

43 (2) Determines if programs and business operations are administered in  
 44 compliance with federal and ~~state laws, regulations,~~ State laws and other  
 45 requirements.

46 (3) Reviews the effectiveness and efficiency of agency and program operations  
 47 and service delivery.

48 (4) Periodically audits the agency's major systems and controls,  
 49 ~~including:~~ including the following:

50 a. Accounting systems and controls.

51 b. Administrative systems and controls.

1 c. Information technology systems and controls.

2 (a1) Key Performance Indicators and Criteria. – In addition to the requirements of  
3 subsection (a) of this section, each State agency head ~~shall be~~ is responsible for ensuring that the  
4 State agency's internal audit unit meets the required key indicators and criteria established by the  
5 Council under G.S. 143-747(c)(3a).

6 (b) Internal Audit Standards. – Internal audits shall comply with current Standards for the  
7 Professional Practice of Internal Auditing issued by the Institute for Internal Auditors or, if  
8 appropriate, Government Auditing Standards issued by the Comptroller General of the United  
9 States. Each State agency head shall annually certify to the Council that the audit plan was  
10 developed and the audit reports were conducted and reported in accordance with required  
11 standards.

12 (c) Appointment and Qualifications of Internal Auditors. – ~~Any~~ A State employee who  
13 performs the internal audit function shall meet the minimum qualifications for internal auditors  
14 established by the Office of State Human Resources, in consultation with the Council of Internal  
15 Auditing.

16 (d) Director of Internal Auditing. – ~~The~~ A State agency head shall appoint a Director of  
17 Internal Auditing who shall report to, as designated by the State agency head, (i) the State agency  
18 head, (ii) the chief deputy or chief of staff, or (iii) the agency governing board, or subcommittee  
19 thereof, if ~~such a~~ this governing board exists. The Director of Internal Auditing shall be  
20 organizationally situated to avoid impairments to independence as defined in the auditing  
21 standards referenced in subsection (b) of this section.

22 (e) Insufficient Personnel. – If a State agency has insufficient personnel to comply with  
23 this section, the Office of State Budget and Management shall provide technical assistance.

24 (f) Reporting Fraudulent Activity. – If an internal audit conducted pursuant to this section  
25 results in a finding that a private person or entity has received public funds as a result of fraud,  
26 misrepresentation, or other deceptive acts or practices while doing business with the State  
27 agency, the internal auditor shall submit a detailed written report of the finding, and any  
28 additional necessary supporting documentation, to the State Purchasing Officer. A report  
29 submitted under this subsection may include a recommendation that the private person or entity  
30 be debarred from doing business with the State or a political subdivision thereof."

31 **SECTION 74.** G.S. 147-12(a)(10) is repealed.

32 **SECTION 75.** G.S. 147-13.1 is repealed.

33 **SECTION 76.** G.S. 147-34 is repealed.

34 **SECTION 77.** G.S. 150B-2(8a) reads as rewritten:

35 "(8a) Rule. – Any agency regulation, standard, or statement of general applicability  
36 that implements or interprets an enactment of the General Assembly or  
37 Congress or a regulation adopted by a federal agency or that describes the  
38 procedure or practice requirements of an agency. The term includes the  
39 establishment of a fee and the amendment or repeal of a prior rule. The term  
40 does not include the following:

41 a. Statements concerning only the internal management of an agency or  
42 group of agencies within the same principal office or department  
43 enumerated in ~~G.S. 143A-11 or 143B-6,~~ G.S. 143B-6, including  
44 policies and procedures manuals, if the statement does not directly or  
45 substantially affect the procedural or substantive rights or duties of a  
46 person not employed by the agency or group of agencies.

47 b. Budgets and budget policies and procedures issued by the Director of  
48 the Budget, by the head of a department, as defined by ~~G.S. 143A-2 or~~  
49 G.S. 143B-3, or by an occupational licensing board, as defined by  
50 G.S. 93B-1.

- 1 c. Nonbinding interpretative statements within the delegated authority of
- 2 an agency that merely define, interpret, or explain the meaning of a
- 3 statute or rule.
- 4 d. A form, the contents or substantive requirements of which are
- 5 prescribed by rule or statute.
- 6 e. Statements of agency policy made in the context of another
- 7 proceeding, ~~including~~including the following:
- 8 1. Declaratory rulings under G.S. 150B-4.
- 9 2. Orders establishing or fixing rates or tariffs.
- 10 ...
- 11 k. The State Medical Facilities Plan, if the Plan has been prepared with
- 12 public notice and hearing as provided in ~~G.S. 131E-176(25)~~,
- 13 G.S. 131E-176.2, reviewed by the Commission for compliance with
- 14 ~~G.S. 131E-176(25)~~, G.S. 131E-176.2, and approved by the Governor.
- 15 l. Standards adopted by the State Chief Information Officer and applied
- 16 to information technology as defined in G.S. 143B-1320.
- 17 m. Determinations by the Department of Environmental Quality of high
- 18 hazards pursuant to G.S. 130A-330."

19 **SECTION 78.** G.S. 159D-38(e) reads as rewritten:

20 "(e) The North Carolina Capital Facilities Finance Agency ~~shall be contained within is~~

21 administratively located in the Department of State Treasurer as if it had been transferred to that

22 department by a Type II transfer as defined in G.S. 143A-6(b); but shall exercise its powers

23 independently of the State Treasurer."

24

25 **PART IV. OTHER TECHNICAL CORRECTIONS**

26 **SECTION 79.** The Revisor of Statutes shall renumber definitions in G.S. 20-4.01 so

27 that they appear in alphabetical order.

28 **SECTION 80.** G.S. 20-16(a)(8) is repealed.

29 **SECTION 81.** G.S. 30-48 reads as rewritten:

30 **"§ 30-48. Right of surviving community-property spouse.**

31 (a) The surviving community-property spouse of a decedent may assert a claim for relief

32 with respect to a right under this Article in accordance with the following:

- 33 ...
- 34 (3) The incapacity of the surviving community-property spouse does not toll the
- 35 time for commencing an action or filing a petition as provided in this section.

36 ...."

37 **SECTION 82.** G.S. 58-19-26 reads as rewritten:

38 **"§ 58-19-26. Group capital calculation.**

39 (a) Reporting Requirement. – The ultimate controlling person of every insurer subject to

40 registration pursuant to G.S. 58-19-25 shall concurrently file with the registration an annual

41 group capital calculation report. The report shall be filed with the lead state commissioner.

42 (b) Exemptions. – The ultimate controlling person of any of the following is exempt from

43 the filing requirement of subsection (a) of this section:

- 44 (1) An insurance holding company system that ~~(i) has only one insurer within its~~
- 45 ~~holding company structure, (ii) only writes insurance business, (iii) is only~~
- 46 ~~licensed in its state of domicile, and (iv) assumes no business from any other~~
- 47 ~~insurer.~~ structure and whose sole insurer meets all of the following
- 48 requirements:

- 49 a. Is licensed only in its state of domicile.
- 50 b. Writes only insurance business and only in its state of domicile.
- 51 c. Assumes no business from any other insurer.

1 ...  
 2 (c) Recognition of Group Capital Calculation. – For purposes of subdivision (b)(4) of  
 3 this section, a non-United States jurisdiction recognizes the group capital calculation if it satisfies  
 4 any of the following criteria:

5 (1) A competent regulatory authority in the jurisdiction affirms that insurers and  
 6 insurance groups whose lead state is accredited by the NAIC under the NAIC  
 7 accreditation program ~~shall be~~ are subject only to worldwide prudential  
 8 insurance group supervision, including worldwide group governance,  
 9 solvency and capital, and reporting, as applicable, by that jurisdiction's lead  
 10 state commissioner and ~~will not be~~ are not subject to group supervision,  
 11 including worldwide group governance, solvency and capital, and reporting,  
 12 at the level of the worldwide parent undertaking of the insurance or  
 13 reinsurance group by the non-United States jurisdiction.

14 (2) A competent regulatory authority in the jurisdiction affirms that information  
 15 regarding insurers and their parent, subsidiary, or affiliated entities, if  
 16 applicable, shall be provided to the lead state commissioner in accordance  
 17 with an information sharing agreement in the form of a memorandum of  
 18 understanding or similar document. Acceptable information sharing  
 19 agreements include the International Association of Insurance Supervisors  
 20 Multilateral Memorandum of Understanding or other multilateral memoranda  
 21 of understanding coordinated by the NAIC. The jurisdiction does not satisfy  
 22 ~~this~~ these criteria if the lead state commissioner determines, in consultation  
 23 with the NAIC, that the requirements of the information sharing agreements  
 24 are no longer in force.

25 ...."

26 **SECTION 83.(a)** G.S. 58-33-46 reads as rewritten:

27 **"§ 58-33-46. Suspension, probation, revocation, or nonrenewal of licenses.**

28 (a) The Commissioner may place on probation, suspend, revoke, or refuse to renew any  
 29 license issued under this Article, in accordance with ~~the provisions of G.S. 93B-8.1 and~~ Article  
 30 3A of Chapter 150B of the General Statutes, for any one or more of the following causes:

31 (1) Providing materially incorrect, misleading, incomplete, or materially untrue  
 32 information in the license application.

33 (2) Violating any insurance law of this or any other state, violating any  
 34 ~~administrative~~-rule, subpoena, or order of the Commissioner or of another  
 35 state's insurance regulator, or violating any rule of the FINRA.

36 ...

37 (6) Having been convicted of ~~a~~ any felony or of a misdemeanor involving  
 38 ~~dishonesty, a breach of trust, or moral turpitude.~~ dishonesty or a breach of trust.

39 (7) Having admitted or been found to have committed any insurance unfair trade  
 40 practice or fraud.

41 (8) Using fraudulent, coercive, or dishonest practices, or demonstrating  
 42 incompetence, untrustworthiness, or financial ~~irresponsibility~~ irresponsibility,  
 43 in the conduct of business in this State or elsewhere.

44 ...

45 (12a) Soliciting, negotiating, or selling insurance in this State for an unauthorized  
 46 insurer, regardless of whether the licensee or applicant knew that the insurer  
 47 was unauthorized. ~~As used in this section, the terms "soliciting",~~  
 48 ~~"negotiating", and "selling" shall have the meaning of "solicit", "negotiate",~~  
 49 ~~and "sell", respectively, set forth in G.S. 58-33-10.~~

50 ...

(15) Cheating on an examination for an insurance license or for a ~~prelicensing or~~ continuing education course, including improperly using notes or any other reference material to complete an examination for an insurance license or for a ~~prelicensing or~~ continuing education course.

...  
(b) G.S. 58-2-50 applies to ~~any an~~ investigation under this section. G.S. 58-2-70 applies to ~~any a~~ person subject to licensure under this Article.

(c) ~~Any A~~ person licensed under this Article shall notify the Commissioner of the commencement of any bankruptcy, insolvency, or receivership proceeding affecting the person licensed, or upon making an assignment for the benefit of creditors of the person licensed. Each owner, manager, or officer of a business entity that is a licensed person ~~shall be~~ is responsible for providing this notification. ~~Any A~~ person responsible for notifying the Commissioner shall provide the notice within three business days after the commencement of the proceeding or the making of the assignment.

...  
(e) No person shall be issued a license or appointment to enter the employment of any other person, ~~which if the~~ other person is at that time found by the Commissioner to be in violation of any of the insurance laws of this State, or ~~which if the~~ other person has been in any manner disqualified under any state or federal law to engage in the insurance business.

(f) The Commissioner ~~shall retain~~ retains the authority to enforce the provisions of, and impose any penalty or remedy authorized by, this Chapter against any person ~~who that~~ is under investigation for or charged with a violation of this Chapter even if the person's license or registration has been surrendered or has lapsed by operation of law."

**SECTION 83.(b)** G.S. 58-33-125 reads as rewritten:

**"§ 58-33-125. Fees.**

(a) The following table indicates the annual fees that are required for the respective licenses issued, renewed, or cancelled under this Article and Article 21 of this Chapter:

Adjuster .....	\$75.00
Adjuster, crop hail only .....	20.00
Insurance producer cancellation (paid by insurer) .....	10.00
Insurance producer appointment, individual .....	11.00
Insurance producer appointment, Medicare supplement and long-term care, individual .....	10.00
Agent, overseas military .....	20.00
Business entity .....	100.00
Limited representative .....	20.00
Limited representative cancellation (paid by insurer) .....	10.00
Motor vehicle damage appraiser .....	75.00
Surplus lines licensee, corporate .....	100.00
Surplus lines licensee, individual .....	50.00

(b) Whenever a temporary license is issued under this Article, the fee shall be at the same rate as provided in subsection (a) of this ~~section; and any amounts so paid for a temporary license may be credited against the fee required for an appointment by the sponsoring company.~~ section.

(c) ~~Any A~~ person ~~who that~~ is not licensed and ~~who that~~ is required by law ~~or administrative rule~~ to secure a license shall, upon application for licensing, pay to the Commissioner a fee of fifty dollars (\$50.00). If additional licensing for other lines of authority is requested, a fee of fifty dollars (\$50.00) shall be paid to the Commissioner upon application for licensing for each additional kind of insurance.

In addition to the fees prescribed by this subsection, ~~any a~~ person applying for a supplemental license to sell Medicare supplement and long-term care insurance policies shall pay an additional fee of fifty dollars (\$50.00) upon application for licensing for that line of authority.

1 (d) The requirement for an examination, ~~prelicensing education~~, continuing education, or  
 2 a registration fee does not apply to agents for domestic farmers' mutual assessment fire insurance  
 3 companies or associations ~~who~~ that solicit and sell only those kinds of insurance specified in  
 4 G.S. 58-7-75(5)d. for those companies or associations.

5 ...

6 (h) Fees paid by an insurer on behalf of a person ~~who~~ that is licensed or appointed to  
 7 represent the insurer are payable to the Commissioner when billed. Billing of insurers for renewal  
 8 fees must be on an annual basis. The frequency for billing insurers for other licensing and  
 9 appointment fees is determined by the Commissioner and may be daily, monthly, or quarterly.  
 10 An electronic payment made through the NAIC or an affiliate of NAIC is considered a payment  
 11 to the Commissioner."

12 **SECTION 83.(c)** G.S. 58-33-132 reads as rewritten:

13 **"§ 58-33-132. Qualifications of instructors.**

14 (a) The Commissioner may adopt rules to establish requisite qualifications for and  
 15 issuance, renewal, summary suspension, and termination of provider, presenter, and instructor  
 16 authority for ~~prelicensing and~~ continuing insurance education courses. During any suspension,  
 17 the instructor shall not engage in any instruction of ~~prelicensing or~~ continuing insurance  
 18 education courses prior to an administrative review. No person shall provide, present, or instruct  
 19 any course unless that person has been qualified by and possesses a license from the  
 20 Commissioner or administrator.

21 (b) The Commissioner or administrator may summarily suspend or terminate the  
 22 authority of an instructor, course provider, or presenter if either of the following applies to the  
 23 course presentation:

24 (1) ~~Is~~ It is determined to be ~~inaaccurate; or~~ inaccurate.

25 (2) ~~Receives~~ It receives an evaluation of poor from any Department monitor and  
 26 a majority of attendees responding to Department questionnaires about the  
 27 presentation."

28 **SECTION 84.** G.S. 95-174 reads as rewritten:

29 **"§ 95-174. Definitions.**

30 The following definitions apply in this Article:

31 ~~(a)(1)~~ "Chemical manufacturer" means a Chemical manufacturer. – A  
 32 manufacturing facility classified in North American Industry Classification  
 33 System (NAICS) Codes 31 through 33 where chemicals are produced for use  
 34 or distribution in North Carolina.

35 ~~(b)(2)~~ "Chemical name" means the Chemical name. – The scientific designation of  
 36 a chemical in accordance with the nomenclature system developed by the  
 37 International Union of Pure and Applied Chemistry (~~IUPAC~~), (IUPAC) or the  
 38 Chemical Abstracts Service (CAS) rules of ~~nomenclature~~ nomenclature, or a  
 39 name ~~which will~~ that clearly ~~identify~~ identifies the chemical for the purpose  
 40 of conducting a hazard evaluation.

41 ~~(c)(3)~~ "Common name" means any Common name. – A designation or ~~identification~~  
 42 identification, such as a code name, code number, trade name, brand ~~name~~  
 43 name, or generic ~~name~~ name, used to identify a chemical other than by its  
 44 chemical name.

45 ~~(d)(4)~~ "Distributor" means any Distributor. – A business, other than a chemical  
 46 manufacturer or importer, ~~which~~ that supplies hazardous chemicals to other  
 47 distributors or to purchasers.

48 ~~(e)(5)~~ "Employee" means any Employee. – A person who is employed by an  
 49 employer under normal operating conditions.

50 ~~(f)(6)~~ "Employer" means a Employer. – A person engaged in business ~~who~~ that has  
 51 employees, including the State and its political subdivisions but excluding an

- 1 individual whose only employees are domestic workers or casual laborers who  
2 are hired to work at the individual's residence.
- 3 ~~(g)(7)~~ "Facility" means one Facility. – One or more establishments, factories, or  
4 buildings located at one contiguous site in North Carolina.
- 5 ~~(h)(8)~~ "Fire Chief" means Fire Fire Chief. – Fire Chief or Fire Marshall, or Marshal,  
6 or, in the absence of a Fire Chief or Fire Marshal, the Emergency Response  
7 Coordinator in the absence of a Fire Chief or Fire Marshall for the appropriate  
8 local fire department of the Fire Department.
- 9 ~~(i)~~ Repealed by Session Laws 1987, c. 489, s. 1.
- 10 ~~(j)(9)~~ "Fire Department" means the Fire Department. – The fire department having  
11 jurisdiction over the facility.
- 12 ~~(k)(10)~~ "Hazardous chemical" means any Hazardous chemical. – An element,  
13 chemical compound compound, or mixture of elements and/or compounds  
14 which elements, chemical compounds, or both that is a physical hazard or  
15 health hazard as defined in subsection (c) of the OSHNC Standard or a  
16 hazardous substance as defined in standards rules adopted by the Occupational  
17 Safety and Health Division of the North Carolina Department of Labor in Title  
18 13, Chapter 7 Chapter 7 of Title 13 of the North Carolina Administrative Code  
19 (13 NCAC 7).
- 20 ~~(l)(11)~~ "Hazardous Substance List" means the Hazardous Substance List. – The list  
21 required by G.S. 95-191.
- 22 ~~(m)(12)~~ "Hazardous substance trade secret" means any Hazardous substance trade  
23 secret. – A formula, plan, pattern, device, process, production information,  
24 or compilation of information, which is information that satisfies either of  
25 the following requirements:
- 26 a. It meets all of the following criteria:
- 27 1. Is not patented, which is patented.
- 28 2. Is known only to the employer, the employer's licensees, the  
29 employer's employees, and certain other individuals, and  
30 which is individuals.
- 31 3. Is used or developed for use in the employer's business, and  
32 which gives business.
- 33 4. Gives the employer possessing it the opportunity to obtain a  
34 competitive advantage over businesses who that do not possess  
35 it, or the secrecy of which it.
- 36 b. Its secrecy is certified by an appropriate official of the federal  
37 government as necessary for national defense purposes. The  
38 This term includes the chemical name and Chemical Abstracts Service  
39 number of a substance shall be considered a trade secret only if the employer  
40 can establish that the identity or composition of the substance cannot be  
41 readily ascertained without undue expense by analytical techniques,  
42 laboratory procedures, or other lawful means available to a competitor.
- 43 ~~(n)(13)~~ "Label" means any written, Label. – Written, printed, or graphic material  
44 displayed on or affixed to containers of hazardous chemicals.
- 45 ~~(o)(14)~~ "Manufacturing facility" means a Manufacturing facility. – A facility  
46 classified in NAICS Code Codes 31 through 33 which that manufactures or  
47 uses a hazardous chemical or chemicals in North Carolina.
- 48 ~~(p)~~ Recodified as subsection (t) at the direction of the Revisor of Statutes.
- 49 ~~(q)(15)~~ "Nonmanufacturing facility" means any Nonmanufacturing facility. – A  
50 facility in North Carolina Carolina, other than a facility classified in NAICS  
51 Code Codes 31 through 33, the State of North Carolina (and and its local

1 political subdivisions) subdivisions, and volunteer emergency service  
 2 organizations whose members ~~may~~ might be exposed to chemical hazards  
 3 during emergency situations.

4 (†)(16) "~~OSHNC Standard~~" means the OSHNC Standard. – The current Hazard  
 5 Communication Standard adopted by the Occupational Safety and Health  
 6 Division of ~~the~~ North Carolina Department of Labor in ~~Title 13, Chapter 7~~  
 7 Chapter 7 of Title 13 of the North Carolina Administrative Code (13 NCAC  
 8 7).

9 (s)(17) "~~Storage and Container~~" has the "Storage" and "container." – Have their  
 10 ordinary meaning ~~however it does~~ but do not include pipes used in the transfer  
 11 of substances or the fuel tanks of self-propelled internal combustion vehicles.

12 (†)(18) "~~Safety Data Sheets~~" or "~~SDS~~" means chemical Safety data sheets (SDS). –  
 13 Chemical information sheets adopted by the Occupational Safety and Health  
 14 Division of the North Carolina Department of Labor in ~~Title 13, Chapter 7~~  
 15 Chapter 7 of Title 13 of the North Carolina Administrative Code (13 NCAC  
 16 7)."

17 **SECTION 85.(a)** G.S. 100-5 reads as rewritten:

18 **"§ 100-5. Duties as to buildings erected or remodeled by State.**

19 Upon request of the Governor and the ~~Board of Public Buildings and Grounds, Department~~  
 20 of Administration, the North Carolina Historical Commission shall act in an advisory capacity  
 21 relative to the artistic character of any building constructed, erected, or remodeled by the State.  
 22 The term "building" as used in this section ~~shall include~~ includes structures intended for human  
 23 ~~occupation, occupation~~ and also bridges, arches, gates, walls, or other permanent structures of  
 24 any character not intended primarily for purposes of decoration or commemoration."

25 **SECTION 85.(b)** G.S. 143-244 reads as rewritten:

26 **"§ 143-244. Location of offices.**

27 The ~~Board of Public Buildings and Grounds Department of Administration~~ shall provide the  
 28 Commission with offices in the city of Raleigh, North Carolina."

29 **SECTION 85.(c)** Article 29 of Chapter 143 of the General Statutes is repealed.

30 **SECTION 85.(d)** Article 31C of Chapter 143 of the General Statutes is repealed.

31 **SECTION 86.(a)** Subsection (a1) and subdivisions (a2)(1), (a2)(3), (a2)(4), and  
 32 (a2)(5) of G.S. 116-15 are recodified as subsection (a) and subdivisions (a2)(3), (a2)(4), (a2)(5),  
 33 and (a2)(1), respectively, of that section.

34 **SECTION 86.(b)** G.S. 116-15, as amended by subsection (a) of this section, reads  
 35 as rewritten:

36 **"§ 116-15. Licensing of certain nonpublic ~~post-secondary~~ postsecondary educational**  
 37 **institutions.**

38 (a) Policy. – The General Assembly of North Carolina in recognition of the importance  
 39 of higher education and of the particular significance attached to the personal credentials  
 40 accessible through higher education and in consonance with statutory law of this State making  
 41 unlawful any "unfair or deceptive acts or practices in the conduct of any trade or commerce,"  
 42 hereby declares it the policy of this State that all institutions conducting ~~post-secondary~~  
 43 postsecondary degree activity in this State that are not subject to ~~Chapter 115 Chapter 115C~~ or  
 44 ~~115D of the General Statutes, nor some other section of Chapter 116 of the General Statutes shall~~  
 45 ~~be Statutes or another section of this Chapter~~ are subject to licensure under this section except as  
 46 ~~the institution or a particular activity of the institution may be exempt from licensure by one or~~  
 47 ~~another provision of otherwise provided by this section.~~

48 (a1) Recodified.

49 (a2) Definitions. – ~~As used in this section the following terms are defined as set forth in~~  
 50 ~~this subsection:~~ The following definitions apply in this section:

- 1           (1) ~~"Board".—~~Board. — The Board of Governors of The University of North  
2           Carolina.
- 3           (2) ~~"Institution".—~~Any Institution. — A sole proprietorship, group, partnership,  
4           venture, society, company, corporation, school, college, or university that  
5           engages in, purports to engage in, or intends to engage in any type of  
6           ~~post-secondary postsecondary~~ degree activity.
- 7           (3) ~~"Post-secondary degree".—~~Postsecondary degree. — A credential conferring  
8           on ~~the its~~ recipient ~~thereof~~ the title of "Associate", "Bachelor", "Master", or  
9           "Doctor", "Associate," "Bachelor," "Master," or "Doctor," or an equivalent  
10          title, signifying educational attainment based on (i) study, (ii) a substitute for  
11          study in the form of equivalent experience or achievement testing, or (iii) a  
12          combination of the foregoing; ~~provided, that "post-secondary degree" shall~~  
13          ~~these. The term does not include any-an~~ honorary degree or other so-called  
14          "unearned" degree.
- 15          (4) ~~"Post-secondary degree activity".—~~ Any of the following is ~~"post-secondary~~  
16          ~~degree activity":~~Postsecondary degree activity. — Any of the following:  
17          a.       Awarding a ~~post-secondary postsecondary~~ degree.  
18          b.       Conducting or offering study, experience, or testing for an individual  
19          or certifying prior successful completion by an individual of study,  
20          experience, or ~~testing,~~ testing under the representation that the  
21          individual successfully completing the study, experience, or testing  
22          will be ~~awarded therefor,~~ awarded, at least in part, a ~~post-secondary~~  
23          postsecondary degree.
- 24          (5) ~~"Publicly registered name".—~~Publicly registered name. — The name of ~~any~~  
25          ~~sole proprietorship, group, partnership, venture, society, company,~~  
26          ~~corporation, school, college, or an~~ institution that ~~appears as~~ is the subject of  
27          ~~any~~ Articles of Incorporation, Articles of Amendment, or a Certificate of  
28          Authority to Transact Business or to Conduct ~~Affairs,~~ Affairs filed  
29          with the Secretary of State of North Carolina and currently in force.
- 30          (b) Required License. — No institution ~~subject to this section~~ shall undertake  
31          ~~post-secondary postsecondary~~ degree activity in this State, whether through itself or through an  
32          agent, unless the institution is licensed as ~~provided in~~ under this section to conduct  
33          ~~post-secondary postsecondary~~ degree activity or is exempt from licensure under this ~~section as~~  
34          ~~hereinafter provided.~~section.
- 35          (c) ~~Exemption from Licensure.—~~Any Grandfather Exemption. — An institution that has  
36          been continuously conducting ~~post-secondary postsecondary~~ degree activity in this State under  
37          the same publicly registered name or series of publicly registered names since July 1, 1972, ~~shall~~  
38          ~~be is~~ exempt from ~~the provisions for~~ licensure under this section upon presentation to the Board  
39          of information acceptable to the Board to substantiate ~~such post-secondary~~ the postsecondary  
40          degree activity and public registration of the institution's names. ~~Any An~~ institution that, pursuant  
41          to a predecessor statute to this subsection, had presented to the Board proof of activity and  
42          registration ~~such and~~ that the Board granted exemption from licensure, ~~shall continue to enjoy~~  
43          ~~such exemption~~ licensure continues to be exempt without further action by the Board.
- 44          (d) ~~Exemption of Institutions Relative to Religious Education.—~~ Notwithstanding ~~any~~  
45          ~~other provision of this section,~~ no institution shall be subject to Religious Education Exemption.  
46          — An institution is exempt from licensure under this section with respect to ~~post-secondary~~  
47          ~~postsecondary~~ degree activity based upon a program of study, equivalent experience, or  
48          achievement testing ~~the institutionally planned objective of which that is~~ designed for the  
49          attainment of a degree in theology, divinity, or religious education or ~~in any other program of~~  
50          ~~study, equivalent experience, or achievement testing that is designed by the institution primarily~~  
51          for career preparation in a religious vocation. This exemption ~~shall be extended to any institution~~

1 ~~with respect applies~~ to each program of study, equivalent experience, ~~and or~~ achievement test  
2 ~~that the institution demonstrates testing that, as demonstrated by the institution to the satisfaction~~  
3 ~~of the Board should be exempt Board, meets the requirements for exemption~~ under this  
4 subsection.

5 (e) ~~Post-secondary Degree Activity within the Armed Forces of the United States. To~~  
6 ~~the extent that an Military Exemption. – An institution that~~ undertakes ~~post-secondary~~  
7 ~~postsecondary~~ degree activity on the premises of military posts or reservations located in this  
8 State for military personnel stationed on active duty there, or their dependents, ~~the institution~~  
9 ~~shall be is~~ exempt from the licensure requirements of this section.

10 (f) Standards for Licensure. – To receive a license to conduct ~~post-secondary~~  
11 ~~postsecondary~~ degree activity in this State, an institution shall satisfy the Board that the  
12 institution ~~has met~~ meets all of the following standards:

13 (1) ~~That the The institution is State chartered. If State-chartered or, if chartered~~  
14 ~~by a state or sovereignty other than North Carolina, the institution shall also~~  
15 ~~obtain has~~ a Certificate of Authority to Transact Business or to Conduct  
16 Affairs in North Carolina issued by the Secretary of State of North  
17 ~~Carolina; Carolina.~~

18 (2) ~~That the The institution has been conducting post-secondary postsecondary~~  
19 ~~degree activity in a state or sovereignty other than North Carolina during~~  
20 ~~consecutive, regular-term, academic semesters, exclusive of summer sessions,~~  
21 ~~for at least the two years immediately prior to submitting an application for~~  
22 ~~licensure under this section, or has been conducting with enrolled students,~~  
23 ~~for a like period in this State or some other state or sovereignty,~~  
24 ~~post-secondary postsecondary educational activity not related to a~~  
25 ~~post-secondary degree; provided, that an postsecondary degree. An institution~~  
26 ~~that qualifies for an interim permit under rules adopted under subsection (i) of~~  
27 ~~this section may be temporarily relieved of this standard under the conditions~~  
28 ~~set forth in subsection (i), below; this standard.~~

29 (3) ~~That the The substance of each course or program of study, equivalent~~  
30 ~~experience, or achievement test is such as may testing~~ reasonably and  
31 ~~adequately achieve achieves~~ the stated objective for which the study,  
32 ~~experience, or test testing is offered or is~~ to be certified as successfully  
33 ~~completed; completed.~~

34 (4) ~~That the The institution has adequate space, equipment, instructional~~  
35 ~~materials, and personnel available to it to provide education of good~~  
36 ~~quality; quality.~~

37 (5) ~~That the The education, experience, and other qualifications of directors,~~  
38 ~~administrators, supervisors, and instructors are such as may reasonably insure~~  
39 ~~ensure~~ that the students will receive, or will be reliably certified to have  
40 received, education consistent with the stated objectives of any course or  
41 program of study, equivalent experience, or achievement test ~~testing~~ offered  
42 by the ~~institution; institution.~~

43 (6) ~~That the The institution provides students and other interested persons with a~~  
44 ~~catalog or brochure containing information describing the substance,~~  
45 ~~objectives, and duration of the study, equivalent experience, and or~~  
46 ~~achievement testing offered, a schedule of related tuition, fees, and all other~~  
47 ~~necessary charges and expenses, cancellation and refund policies, and such~~  
48 ~~other material facts concerning the institution and the program or course of~~  
49 ~~study, equivalent experience, and or achievement testing as that are~~  
50 ~~reasonably likely to affect the decision of the student to enroll therein, enroll,~~  
51 ~~together with any other disclosures that may be specified by the Board; and~~

- 1 ~~that such~~ Board. This information is ~~shall be~~ provided to prospective students  
 2 prior to ~~enrollment;~~ enrollment.
- 3 (7) ~~That upon~~ Upon satisfactory completion of study, equivalent experience, or  
 4 achievement ~~test,~~ testing, the student is given appropriate educational  
 5 credentials by the institution, indicating that the relevant study, equivalent  
 6 experience, or achievement testing has been satisfactorily completed by the  
 7 ~~students;~~ student.
- 8 (8) ~~That records~~ Records are maintained by the institution adequate to reflect the  
 9 application of relevant performance or grading standards to each enrolled  
 10 ~~student;~~ student.
- 11 (9) ~~That the~~ The institution is maintained and operated in compliance with all  
 12 pertinent ~~ordinances and laws, including rules and regulations adopted~~  
 13 ~~pursuant thereto,~~ laws relative to the safety and health of all persons upon the  
 14 premises of the ~~institution;~~ institution.
- 15 (10) ~~That the~~ The institution is financially sound and capable of fulfilling its  
 16 commitments to students and ~~that the institution~~ has provided a bond as  
 17 provided in subsection (f1) of this ~~section;~~ section.
- 18 (11) ~~That the~~ The institution, through itself or those with ~~whom~~ which it may  
 19 contract, does not engage in promotion, sales, collection, credit, or other  
 20 practices of any type ~~which~~ that are false, deceptive, misleading, or  
 21 ~~unfair;~~ unfair.
- 22 (12) ~~That the~~ The chief executive officer, trustees, directors, owners,  
 23 administrators, supervisors, staff, instructors, and employees of the institution  
 24 have no record of unprofessional conduct or incompetence that would  
 25 reasonably call into question the overall quality of the ~~institution;~~ institution.
- 26 (13) ~~That the~~ The student housing owned, maintained, or approved by the  
 27 institution, if any, is appropriate, safe, and ~~adequate;~~ adequate.
- 28 (14) ~~That the~~ The institution has a fair and equitable cancellation and refund ~~policy;~~  
 29 ~~and~~ policy.
- 30 (15) ~~That no~~ No person or agency with ~~whom~~ which the institution contracts has a  
 31 record of unprofessional conduct or incompetence that would reasonably call  
 32 into question the overall quality of the institution.
- 33 (f1) Guaranty Bond. –
- 34 (1) A guaranty bond is required for each institution that is licensed. The Board  
 35 may revoke the license of an institution that fails to maintain a bond pursuant  
 36 to this subsection.
- 37 If the institution has provided a bond pursuant to G.S. 115D-95, the Board  
 38 may waive the bond requirement under this subsection. The Board ~~may~~ shall  
 39 not waive the bond requirement under this subsection if the applicant has  
 40 provided an alternative to a guaranty bond under G.S. 115D-95(c).
- 41 (2) When an application is made for a license or license renewal, the applicant  
 42 shall file a guaranty bond with the clerk of the superior court of the county in  
 43 which the institution will be located. The bond shall be in favor of the students.  
 44 The bond shall be executed by the applicant as principal and by a bonding  
 45 company authorized to do business in this State. The bond shall be conditioned  
 46 to provide indemnification to any student, or ~~his~~ the student's parent or  
 47 guardian, who has suffered a loss of tuition or any fees by reason of the failure  
 48 of the institution to offer or complete student instruction, academic services,  
 49 or other goods and services related to course enrollment for any reason,  
 50 including the suspension, revocation, or nonrenewal of an institution's license,  
 51 bankruptcy, foreclosure, or ~~the institution~~ ceasing to operate.

1           The bond shall be in an amount determined by the Board to be adequate  
2           to provide indemnification to any student, or ~~his~~the student's parent or  
3           guardian, under the terms of the bond. The bond amount for an institution shall  
4           be at least equal to the maximum amount of prepaid tuition held at any time  
5           during the last fiscal year by the institution. The bond amount shall also be at  
6           least ten thousand dollars (\$10,000).

7           Each application for a license shall include a letter signed by an authorized  
8           representative of the institution showing in detail the calculations made and  
9           the method of computing the amount of the ~~bond~~bond pursuant to this  
10          subdivision and the rules of the Board. If the Board finds that the calculations  
11          made and the method of computing the amount of the bond are inaccurate or  
12          that the amount of the bond is otherwise inadequate to provide indemnification  
13          under the terms of the bond, the Board may require the applicant to provide  
14          an additional bond.

15          The bond shall remain in force and effect until cancelled by the guarantor.  
16          The guarantor may cancel the bond upon 30 ~~days~~days' notice to the Board.  
17          Cancellation of the bond ~~shall~~does not affect ~~any~~a liability incurred or  
18          accrued prior to the termination of the notice period.

19          (g) Review of Licensure. – ~~Any institution that acquires licensure under this section shall~~  
20          ~~be subject to review by the Board to determine that the institution continues to meet the standard~~  
21          ~~for licensure of subsection (f), above. Review of such licensure by the Board shall always occur~~  
22          ~~if the institution is legally reconstituted, or if ownership of a preponderance of all the assets of~~  
23          ~~the institution changes pursuant to a single transaction or agreement or a recognizable sequence~~  
24          ~~of transactions or agreements, or if two years has elapsed since licensure of the institution was~~  
25          ~~granted by the Board.~~

26          ~~Notwithstanding the foregoing paragraph, if an institution has continued to be licensed under~~  
27          ~~this section and continuously conducted post-secondary degree activity in this State under the~~  
28          ~~same publicly registered name or series of publicly registered names since July 1, 1979, or for~~  
29          ~~six consecutive years, whichever is the shorter period, and is accredited by an accrediting~~  
30          ~~commission recognized by the Council on Post Secondary Accreditation, such institution shall~~  
31          ~~be subject to licensure review by the Board every six years to determine that the institution~~  
32          ~~continues to meet the standard for licensure of subsection (f), above. However, should such an~~  
33          ~~institution cease to maintain the specified accreditation, become legally reconstituted, have~~  
34          ~~ownership of a preponderance of all its assets transferred pursuant to a single transaction or~~  
35          ~~agreement or a recognizable sequence of transactions or agreements to a person or organization~~  
36          ~~not licensed under this section, or fail to meet the standard for licensure of subsection (f), above,~~  
37          ~~then the institution shall be subject to licensure review by the Board every two years until a~~  
38          ~~license to conduct post-secondary degree activity and the requisite accreditation have been~~  
39          ~~restored for six consecutive years.~~The Board shall review an institution licensed under this  
40          section to determine if the institution continues to meet the standards in subsection (f) of this  
41          section when any of the following occurs:

42                 (1) Two years have elapsed since licensure of the institution, unless subdivision  
43                 (2) of this subsection applies.

44                 (2) Six years have elapsed since licensure of the institution and, throughout this  
45                 period, the institution has maintained its license, has continuously conducted  
46                 postsecondary degree activity in this State under the same publicly registered  
47                 name or series of publicly registered names, and has been accredited by an  
48                 accrediting commission recognized by the Council for Higher Education  
49                 Accreditation. An institution reviewed under this subdivision that  
50                 subsequently loses its accreditation or experiences a change that requires a  
51                 review under subdivision (3) or (4) of this subsection becomes subject to

1 review on a two-year basis until the institution again qualifies for a six-year  
 2 review under this subdivision.

3 (3) The institution is legally reconstituted.

4 (4) Ownership of a preponderance of the assets of the institution changes pursuant  
 5 to a single transaction or agreement or a recognizable sequence of transactions  
 6 or agreements.

7 (h) Denial and Revocation of Licensure. – ~~Any An~~ institution seeking licensure under ~~the~~  
 8 ~~provisions of~~ this section that fails to meet the licensure requirements of this section shall be  
 9 denied a license to conduct ~~post-secondary~~ postsecondary degree activity in this State. ~~Any A~~  
 10 licensed institution holding a license to conduct post-secondary degree activity in this State that  
 11 is found by the Board of Governors not to finds does not satisfy the licensure requirements of  
 12 this section shall have its license to conduct ~~post-secondary degree activity in this State~~ revoked  
 13 by the Board; ~~provided, that the Board of Governors may continue in force the license of an~~  
 14 institution deemed by the Board Board, unless the Board considers the institution to be making  
 15 substantial and expeditious progress toward remedying its licensure deficiencies, deficiencies and  
 16 allows the license to remain in effect.

17 (i) ~~Regulatory Authority in the Board. — Authority. —~~ The Board shall ~~have authority to~~  
 18 ~~establish such rules, regulations, and procedures as it may deem necessary or appropriate~~ may  
 19 adopt rules to effect the provisions of this section. ~~Such rules, regulations, and procedures may~~  
 20 ~~include provision for the granting of~~ These rules may grant an interim permit to conduct  
 21 post-secondary postsecondary degree activity in this State to an institution seeking licensure but  
 22 lacking the two-year period of activity prescribed by ~~subsection (f)(2), above.~~ subdivision (f)(2)  
 23 of this section.

24 (j) ~~Enforcement Authority in the Attorney General. — Attorney General Notification. —~~  
 25 The Board shall ~~call to the attention of~~ notify the Attorney General, ~~for such action as he may~~  
 26 ~~deem appropriate, any institution failing~~ General if an institution fails to comply with the  
 27 requirements of this section.

28 (k) Severability. – The provisions of this section are severable, and, if any provision of  
 29 this section is declared unconstitutional or invalid by the courts, ~~such the~~ declaration shall does  
 30 not affect the validity of the section as a whole or any provision other than the provision so  
 31 declared to be unconstitutional or invalid."

32 **SECTION 86.(c)** G.S. 116-209.16A reads as rewritten:

33 **"§ 116-209.16A. Information on career and major options.**

34 (a) Know Before You Go. – The Authority shall provide information on a website, under  
 35 a section entitled "Know Before You Go," to students and parents to assist in selection of major  
 36 and career options as provided in this section. The information shall be updated annually.

37 (b) Career Options. – The Authority shall, as data is available, provide information on  
 38 projected employment needs in the labor economy and associated salary ranges for those areas  
 39 of employment, college majors ~~which that~~ that may fulfill those needs, and institutions of higher  
 40 education that may provide those majors. The Authority may use existing sources of public  
 41 information, such as the employment projections produced by the federal Department of Labor,  
 42 Bureau of Labor Statistics, to develop this information.

43 ...

44 (d) Public and Private Institutions of Higher Education. – For the purposes of this section,  
 45 "public institutions of higher education" ~~shall~~ include the constituent institutions of The  
 46 University of North Carolina and the community colleges under the jurisdiction of the State  
 47 Board of Community ~~Colleges~~ Colleges, and "private institutions of higher education" ~~shall~~  
 48 include postsecondary institutions that award postsecondary degrees, as defined in  
 49 ~~G.S. 116-15(a2)(1).~~ G.S. 116-15(a2)."

50 **SECTION 86.(d)** Subdivisions (1) and (3) of G.S. 143-552 are recodified as  
 51 subdivisions (3) and (5), respectively, of that section.

1           **SECTION 86.(e)** G.S. 143-552, as amended by subsection (d) of this section, reads  
2 as rewritten:

3 **"§ 143-552. Definitions.**

4 ~~As used in this Part:~~ The following definitions apply in this Article:

- 5           (1) Community college. – Defined in G.S. 115D-2.  
6           (2) ~~"Employee" means any person~~ Employee. – An individual who is appointed  
7 to or ~~hired and~~ employed by an employing entity ~~under this Part~~ and whose  
8 salary is ~~paid~~ paid, in whole or in ~~part~~ part, by State funds.  
9           (3) ~~"Employing entity" means and includes:~~ Employing entity. – Any of the  
10 following:  
11           a. ~~Any A State entity enumerated in G.S. 143B-3 of the Executive~~  
12 ~~Organization Act of 1973;~~ entity.  
13           b. ~~Any city or county A local board of education under Chapter 115 of~~  
14 ~~the General Statutes;~~ or education.  
15           c. ~~Any The board of trustees of a community college under Chapter 115D~~  
16 ~~of the General Statutes.~~ college.  
17           (4) Local board of education. – Defined in G.S. 115C-5(5).  
18           (5) ~~"Net disposable earnings" means the~~ Net disposable earnings. – The salary  
19 paid to an employee by an employing entity after deduction of withholdings  
20 for taxes, social security, State ~~retirement~~ retirement, or any other sum  
21 obligated by law to be withheld.  
22           (6) State entity. – An entity described in G.S. 143B-3."

23 **SECTION 86.(f)** G.S. 143-553 reads as rewritten:

24 **"§ 143-553. Conditional continuing employment; notification among employing entities;  
25 repayment election.**

26           (a) ~~All persons employed by an employing entity as defined by this Part who owe An~~  
27 ~~employee who owes money to the State and whose salaries are paid in whole or in part by State~~  
28 ~~funds must make full restitution of the amount owed as a condition of continuing employment;~~  
29 ~~provided, however, that no employing entity shall terminate for failure to make full restitution~~  
30 ~~the employment of such an employee who owes employment unless the money is owed to the~~  
31 University of North Carolina Health Care System or to East Carolina University's Division of  
32 Health Sciences for health care services.

33           (b) Whenever a representative of ~~any an~~ an employing entity ~~as defined by this Part~~ has  
34 knowledge that an employee owes money to the State and is delinquent in satisfying this  
35 obligation, the representative shall notify the employing entity. Upon receipt of notification an  
36 employing entity shall terminate the employee's employment ~~if after written notice of his right~~  
37 ~~to do so he if, after written notice, the employee does not repay the money within a reasonable~~  
38 ~~period of time; provided, however, that where~~ time. If, however, there is a genuine dispute as to  
39 whether the money is owed or how much is owed, or there is an unresolved issue concerning  
40 insurance coverage, the employee shall not be dismissed as long as ~~he the employee~~ is pursuing  
41 administrative or judicial remedies to have the dispute or the issue resolved.

42           (c) An employee ~~of any employing entity~~ who has elected in writing to allow not less  
43 than ten percent (10%) of ~~his the employee's~~ net disposable earnings to be periodically withheld  
44 for application towards a debt to the State ~~shall be deemed~~ is considered to be repaying the money  
45 within a reasonable period of time and shall not ~~have his employment be~~ terminated so long as  
46 ~~he is consenting to repayment according to such terms. Furthermore, the employing entity shall~~  
47 ~~allow the employee who for from employment as long as either of the following applies:~~

- 48           (1) The employee is making payments in accordance with the election.  
49           (2) For some extraordinary reason ~~reason,~~ the employee is incapable of repaying  
50 the obligation to the State according to the ~~preceding terms to continue~~  
51 employment as long as he of the election but is attempting repayment in good

1 faith under his ~~the employee's present financial circumstances, but shall~~  
 2 promptly terminate the employee's employment if he ceases to make payments  
 3 or discontinues a good faith effort to make repayment circumstances."

4 **SECTION 86.(g)** G.S. 143-554 reads as rewritten:

5 **"§ 143-554. Right of employee appeal.**

6 (a) ~~Any An employee or former employee of an employing entity within the meaning of~~  
 7 ~~G.S. 143-552(1)a of a State entity whose employment is terminated pursuant to the provisions of~~  
 8 ~~this Part shall be given the opportunity to appeal the employment termination to the State Human~~  
 9 ~~Resources Commission according to the normal appeal and hearing procedures provided by~~  
 10 ~~Chapter 126 and the State Human Resources Commission rules adopted pursuant to the authority~~  
 11 ~~of that Chapter; however, nothing herein shall be construed to give the right to termination~~  
 12 ~~reviews to anyone exempt from that right under G.S. 126-5 and who is subject to Article 8 of~~  
 13 ~~Chapter 126 of the General Statutes may appeal the termination as if it were a final agency~~  
 14 ~~decision issued under G.S. 126-34.01.~~

15 (b) Before the employment of an employee of a local board of education ~~within the~~  
 16 ~~meaning of G.S. 143-552(1)b who is either a superintendent, supervisor, principal, teacher~~  
 17 ~~teacher, or other professional person is terminated pursuant to this Part, the local board of~~  
 18 ~~education shall comply with the provisions of G.S. 115-142. Part 3 of Article 22 of Chapter 115C~~  
 19 ~~of the General Statutes. If the termination of an employee within the meaning of G.S.~~  
 20 ~~143-552(1)b is other than one whose termination is made of a local board of education is not~~  
 21 ~~reviewable pursuant to G.S. 115-142, he Part 3 of Article 22 of Chapter 115C of the General~~  
 22 ~~Statutes, the employee shall be given the opportunity for a hearing before the local board of~~  
 23 ~~education prior to the termination of his employment.~~

24 (c) Before the employment of an employee of a board of trustees of a community college  
 25 ~~within the meaning of G.S. 143-552(1)e is finally terminated pursuant to this Part, he the~~  
 26 ~~employee shall be given the opportunity for a hearing before the board of trustees."~~

27 **SECTION 86.(h)** G.S. 143-555 reads as rewritten:

28 **"§ 143-555. Definitions.**

29 ~~As used in this Part:~~ The following definitions apply in this Part:

- 30 (1) ~~"Appointing authority" means the~~ Appointing authority. – The Governor,  
 31 Chief Justice of the Supreme Court, Lieutenant Governor, Speaker of the  
 32 House, President pro tempore Pro Tempore of the Senate, members of the  
 33 Council of State, all heads of the executive departments of State government,  
 34 the Board of Governors of The University of North Carolina, and any other  
 35 State person or group of State persons authorized by law to appoint to a public  
 36 office.
- 37 (2) ~~"Employing entity" means and includes:~~
- 38 a. ~~Any State entity enumerated in G.S. 143B-3 of the Executive~~  
 39 ~~Organization Act of 1973;~~  
 40 b. ~~Any city or county board of education under Chapter 115 of the~~  
 41 ~~General Statutes; or~~  
 42 e. ~~Any board of trustees of a community college under Chapter 115D of~~  
 43 ~~the General Statutes.~~
- 44 (3) ~~"Public office" means appointive~~ Public office. – Appointive membership on  
 45 any a State Commission, council, committee, board, including occupational  
 46 licensing boards as defined in G.S. 93B-1, board of trustees, including boards  
 47 of constituent institutions of The University of North Carolina and boards of  
 48 community colleges under Chapter 115D of the General Statutes, and any  
 49 other State agency created by law; provided that "public office" law. The term  
 50 does not include an office for which a regular salary is paid to the holder as  
 51 an employee of the State or of one of its departments, agencies, or institutions.

(4) ~~"Public official" means any person who is a member of any public office as defined by this Part.~~ Public official. – A person who holds a public office."

**SECTION 86.(i)** G.S. 143-556 reads as rewritten:

**"§ 143-556. Notification of the appointing authority; investigation.**

Whenever a representative of an employing entity ~~as defined by this Part~~ has knowledge that a public official owes money to the State and is delinquent in satisfying this obligation, the representative shall notify the appointing authority who appointed the public official in question. Upon receipt of notification the appointing authority shall investigate the circumstances of the claim of money owed to the State for purposes of determining if a debt is owed and its amount."

**SECTION 86.(j)** G.S. 143-558 is repealed.

**SECTION 86.(k)** G.S. 143-559 reads as rewritten:

**"§ 143-559. Notification to the Legislative Ethics Committee; investigation.**

Whenever a representative of ~~any an~~ employing entity ~~as defined by this Part~~ has knowledge that a legislator owes money to the State and is delinquent in satisfying this obligation, this information shall be reported to the Legislative Ethics Committee established pursuant to ~~Chapter 120,~~ Article 14 of Chapter 120 of the General Statutes for disposition."

**SECTION 86.(l)** G.S. 153A-234 reads as rewritten:

**"§ 153A-234. Fire marshal.**

(a) A county may appoint a fire marshal and employ persons as ~~his~~ the fire marshal's assistants. A county may also impose any duty that might be imposed on a fire marshal on any other officer or employee of the county. The board of commissioners shall set the duties of the ~~fire marshal, which~~ marshal. These duties may include but are not limited to: the following:

...

(5) Making fire prevention inspections, including the periodic inspections and reports of school buildings required by ~~Chapter 145~~ G.S. 115C-525 and the inspections of child care facilities required by ~~Chapter 140~~ G.S. 110-91(5). A fire marshal shall not make electrical inspections unless ~~he is~~ qualified to do so under G.S. 153A-351.

(b) The fire marshal, or the fire marshal's designee, shall obtain a criminal history record check for an applicant over the age of 18 prior to offering that applicant a paid or volunteer position with the fire department. The criminal history record check shall be conducted and evaluated as provided in ~~G.S. 143B-1209.23 [G.S. 143B-1209.24],~~ G.S. 143B-1209.24, or, if an applicant has been a resident of North Carolina for over five years and reports no charges or convictions on the application, ~~the record check requirement of this section may be conducted~~ through the county clerk of court or a third-party vendor."

**SECTION 86.(m)** G.S. 159-7 reads as rewritten:

**"§ 159-7. Short title; definitions; local acts superseded.**

(a) This Article may be cited as "The Local Government Budget and Fiscal Control Act."

(b) ~~The words and phrases defined in this section have the meanings indicated when used in this Article, unless the context clearly requires another meaning.~~ The following definitions apply in this Article:

(1) ~~"Budget" is a~~ Budget. – A proposed plan for raising and spending money for specified programs, functions, ~~activities~~ activities, or objectives during a fiscal year.

(2) ~~"Budget ordinance" is the~~ Budget ordinance. – An ordinance that levies taxes and appropriates revenues for specified purposes, functions, activities, or objectives during a fiscal year.

(3) ~~"Budget year" is the~~ Budget year. – The fiscal year for which a budget is proposed or a budget ordinance is adopted.

(4) ~~"Debt service" is the~~ Debt service. – The sum of money required to pay installments of principal and interest on bonds, notes, and other evidences of

- 1 debt accruing within a fiscal year, to maintain sinking funds, and to pay  
 2 installments on debt instruments issued pursuant to Article 7A of this Chapter  
 3 or Chapter 159G of the General Statutes and accruing within a fiscal year.
- 4 (5), (6) Repealed by Session Laws 1975, c. 514, s. 2.
- 5 (7) ~~"Fiscal year" is the~~ Fiscal year. – The annual period for the compilation of  
 6 fiscal operations, as prescribed in G.S. 159-8(b).
- 7 (8) ~~"Fund" is a~~ Fund. – A fiscal and accounting entity with a self-balancing set of  
 8 accounts recording cash and other resources, together with all related  
 9 liabilities and residual equities or balances, and changes therein, for the  
 10 purpose of carrying on specific activities or attaining certain objectives in  
 11 accordance with special regulations, restrictions, or limitations.
- 12 (9) Repealed by Session Laws 1975, c. 514, s. 2.
- 13 (10) ~~"Public authority" is a~~ Public authority. – A municipal ~~corporation (other~~  
 14 ~~corporation, other than a unit of local government)~~ government, that is not  
 15 subject to ~~the State Budget Act (Chapter 143C of the General Statutes)~~  
 16 Chapter 143C (State Budget Act) of the General Statutes or a local  
 17 governmental authority, board, commission, council, or agency that (i) is not  
 18 a municipal corporation, (ii) is not subject to the State Budget Act, and (iii)  
 19 operates on an area, regional, or multi-unit basis, and the budgeting and  
 20 accounting systems of which are not fully a part of the budgeting and  
 21 accounting systems of a unit of local government.
- 22 (11) Repealed by Session Laws 1975, c. 514, s. 2.
- 23 (12) ~~"Sinking fund" means a~~ Sinking fund. – A fund held for the retirement of term  
 24 bonds.
- 25 (13) ~~"Special district" is a~~ Special district. – A unit of local ~~government (other~~  
 26 ~~government, other than a county, city, town, or incorporated village)~~ village,  
 27 that is created for the performance of limited governmental functions or for  
 28 the operation of a particular utility or public service enterprises.
- 29 (14) ~~"Taxes" do not~~ Taxes. – Does not include special assessments.
- 30 (15) ~~"Unit," "unit of local government," or "local government" is a~~ Unit, unit of  
 31 local government, or local government. – A municipal corporation that is not  
 32 subject to ~~the State Budget Act (Chapter 143C of the General Statutes)~~  
 33 Chapter 143C (State Budget Act) of the General Statutes and that has the  
 34 power to levy taxes, including a consolidated city-county, as defined by  
 35 ~~G.S. 160B-2(1), G.S. 160B-2,~~ and all boards, agencies, commissions,  
 36 authorities, and institutions thereof that are not municipal corporations.
- 37 (16) ~~"Vending facilities" has the same meaning as it does in G.S. 111-42(d), but~~  
 38 Vending facilities. – Defined in G.S. 111-42. The term also means any  
 39 mechanical or electronic device dispensing items or something of value or  
 40 entertainment or services for a fee, regardless of the method of activation, and  
 41 regardless of the means of payment, whether by coin, currency, tokens, or  
 42 other means.
- 43 (c) It is the intent of the General Assembly by enactment of this Article to prescribe for  
 44 local governments and public authorities a uniform system of budget adoption and administration  
 45 and fiscal control. To this end and except as otherwise provided in this Article, all provisions of  
 46 general laws, city charters, and local acts in effect as of July 1, ~~1973-1973,~~ and in conflict with  
 47 ~~the provisions of~~ Part 1 or Part 3 of this Article are repealed. No general law, city charter, or local  
 48 act enacted or taking effect after July 1, 1973, ~~may~~ shall be construed to modify, amend, or repeal  
 49 any portion of Part 1 or Part 3 of this Article unless it expressly so provides by specific reference  
 50 to the appropriate section.

(d) Except as expressly provided ~~herein, otherwise in this Article,~~ this Article does not apply to local school administrative units. The adoption and administration of budgets for the public school system and the management of the fiscal affairs of local school administrative units are governed by ~~the School Budget and Fiscal Control Act, Chapter 115, Article 9. However, this Article 31 (The School Budget and Fiscal Control Act) of Chapter 115C of the General Statutes.~~ This Article and the School Budget and Fiscal Control Act shall be construed together to the end that the administration of the fiscal affairs of counties and local school administrative units may be most effectively and efficiently administered.

...."

**SECTION 87.** G.S. 120-123 reads as rewritten:

**"§ 120-123. Service by members of the General Assembly on certain boards and commissions.**

No member of the General Assembly ~~may~~shall serve on any of the following boards or commissions:

...

(1b) The Rules Review ~~Commission—Commission,~~ as established by G.S. 143B-30.1.

...

~~(8a) The Genetic Engineering Review Board, as created by G.S. 106-769.~~

...

(15) The North Carolina ~~Seafood—Marine~~ Industrial Park Authority, as established by G.S. 113-315.25.

...

(18) The North Carolina Board of ~~Science and Technology,~~ Science, Technology, and Innovation, as established by ~~G.S. 143B-426.30.~~G.S. 143B-472.80.

...

~~(25a) The North Carolina Global TransPark Authority—Authority,~~ as established ~~under~~by G.S. 63A-3.

...

(28) The Social Services Commission, as established by ~~G.S. 143B-154.~~G.S. 143B-153.

(29) The North Carolina State Commission of Indian Affairs, as established by ~~G.S. 143B-407.~~G.S. 143B-404.

(30) The Wildlife Resources Commission, as established by G.S. 143-240.

(31) The North Carolina Council for ~~Women,~~ Women and Youth Involvement, as established by G.S. 143B-393.

...

(32) The Board of Trustees of the North Carolina Museum of Art, as established by G.S. 140-5.13.

(33) The North Carolina Sheriffs' Education and Training Standards Commission, as established by ~~G.S. 17E.~~G.S. 17E-3.

(33a) Repealed by Session Laws 1987, c. 738, s. 41(d).

(34) The Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan, as ~~established~~authorized by G.S. 143B-426.24.

(34a) Repealed by Session Laws 1989 (Regular Session, 1990), c. 1024, s. 23(b).

(34b) The North Carolina Housing Partnership, as established by G.S. 122E-4.

(35) The Board of Trustees of the State Health Plan for Teachers and State Employees, as established by ~~G.S. 135-39.~~G.S. 135-48.20.

(36) Repealed by Session Laws 2004-199, s. 27(b), effective August 17, 2004.

(37) The State Board of Chiropractic ~~Examiners—Examiners,~~ as established by G.S. 90-139.

- 1 ...
- 2 (40) The ~~Alarm System~~ Security Systems Licensing Board, as established by
- 3 G.S. 74D-4.
- 4 (41) Repealed by Session Laws 1985 (Regular Session, 1986), c. 1011, s. 2.1(c).
- 5 (42) The Crime Victims Compensation Commission, as established by G.S. 15B-3.
- 6 (43) ~~The North Carolina Council on Ocean Affairs, as established by~~
- 7 ~~G.S. 143B-390.10.~~
- 8 (44) The Child Care Commission, as established by ~~G.S. 143B-168.3.~~ Article 7 of
- 9 Chapter 110 of the General Statutes.
- 10 (45) Repealed by Session Laws 1995, c. 517, s. 39, effective October 1, 1995.
- 11 (45a) Repealed by Session Laws 2011-266, s. 1.38(c), effective July 1, 2015.
- 12 (46) The Board of Directors of the North Carolina Arboretum, as established ~~in~~
- 13 ~~G.S. 116-240.~~ by G.S. 116-243.
- 14 (47) The North Carolina Agricultural Finance Authority, as established by
- 15 G.S. 122D-4.
- 16 (48) Reserved for future codification purposes.
- 17 (49) ~~The Northeastern North Carolina Farmers Market Commission as established~~
- 18 ~~by G.S. 106-720.~~
- 19 (50) ~~The Southeastern North Carolina Farmers Market Commission as established~~
- 20 ~~by G.S. 106-727.~~
- 21 (50a) The North Carolina Board of ~~Dietetics/Nutrition~~ Dietetics/Nutrition, as
- 22 ~~created~~ established by Article 25 of Chapter 90 of the General Statutes.
- 23 (51) The State Building Commission, as established by G.S. 143-135.25.
- 24 (52) ~~The Commission on School Facility Needs, established by G.S. 115C-489.4.~~
- 25 (53) The North Carolina Marine Fisheries ~~Commission~~ Commission, as
- 26 established by G.S. 143B-289.51.
- 27 ...
- 28 (58) The Appraisal ~~Board created in~~ Board, as established by G.S. 93E-1-5.
- 29 (59) Repealed by Session Laws 1997-286, s. 7.
- 30 (59a) The North Carolina Principal Fellows ~~and TP3 Commission~~ Commission, as
- 31 established by G.S. 116-74.41.
- 32 (60) Repealed by Session Laws 1997-443, s. 8.26b.
- 33 (61) ~~The State Health Plan Purchasing Alliance Board, as established by~~
- 34 ~~G.S. 143-625.~~
- 35 ...
- 36 (64a) The North Carolina ~~Educational~~ Capital Facilities Finance Agency, as
- 37 established by ~~G.S. 115E-4.~~ G.S. 159D-38.
- 38 ...
- 39 (68) The State Human Resources ~~Commission~~ Commission, as established by
- 40 G.S. 126-2.
- 41 (69) The North Carolina Partnership for Children, Inc., as established pursuant to
- 42 Part 10B of Article 3 of Chapter 143B of the General Statutes, and all local
- 43 partnerships established pursuant to ~~this~~ that Part.
- 44 (70) The Tobacco Trust Fund ~~Commission~~ Commission, as established ~~in~~ by
- 45 Article 75 of Chapter 143 of the General Statutes.
- 46 (71) ~~The Health and Wellness Trust Fund Commission established in Article 21 of~~
- 47 ~~Chapter 130A of the General Statutes.~~
- 48 ...
- 49 (74) The North Carolina Respiratory Care ~~Board~~ Board, as ~~created~~ established by
- 50 Article ~~37~~ 38 of Chapter 90 of the General Statutes.

- 1 (75) The North Carolina Turnpike ~~Authority~~ Authority, as established by
- 2 G.S. 136-89.182.
- 3 ...
- 4 (78) The North Carolina State Lottery Commission, as established ~~in~~ by Chapter
- 5 18C of the General Statutes.
- 6 (79) Expired pursuant to 2010-31, s. 13.5(e), as amended by 2013-360, s. 14.2,
- 7 effective July 1, 2013.
- 8 (80) The Rural Infrastructure Authority, as ~~created~~ established by
- 9 G.S. 143B-472.128.
- 10 (81) Repealed by Session Laws 2016-94, s. 7.14(d), effective July 1, 2016.
- 11 (82) The Domestic Violence Commission, as established ~~in~~ by Part 10C of Article
- 12 9 of Chapter 143B of the General Statutes.
- 13 (83) The Governor's Crime Commission of the Department of Public Safety, as
- 14 established ~~in~~ by G.S. 143B-1100."

15 **SECTION 88.** Article 17 of Chapter 143 of the General Statutes is repealed.

16 **SECTION 89.** Article 75 of Chapter 143 of the General Statutes reads as rewritten:

17 "Article 75.

18 "Tobacco Trust Fund

19 **"§ 143-715. Policy; purpose.**

20 The General Assembly ~~finds~~ finds the following:

- 21 ...
- 22 (2) Tobacco producers, ~~tobacco~~ former allotment holders, and persons engaged
- 23 in tobacco-related businesses are entitled to indemnification for the adverse
- 24 economic effects in the State resulting from the Master Settlement Agreement,
- 25 tobacco producers, former allotment holders, and persons engaged in
- 26 tobacco-related businesses are entitled to compensation for the economic
- 27 losses resulting from lost quota in this State, and tobacco producers are
- 28 entitled to compensation for the decline in value of tobacco-related personal
- 29 property assets and declining market conditions in this State resulting from
- 30 the Master Settlement Agreement, to the extent that funds are available in the
- 31 Tobacco Trust Fund to address those purposes.
- 32 (3) Even in the absence of the Master Settlement Agreement, the tobacco-related
- 33 segment of the State's economy is experiencing severe economic hardship as
- 34 it confronts a national decline in the use of, and demand for, tobacco products,
- 35 which decline is expected to continue. At present, the tobacco producers,
- 36 ~~tobacco~~ former allotment holders, and persons engaged in tobacco-related
- 37 businesses are facing an economic crisis that threatens their health and
- 38 survival. Therefore, in addition to indemnification and compensation for
- 39 losses in this State resulting from the Master Settlement Agreement, the public
- 40 interest will be served by the funding of qualified agricultural programs that
- 41 support, foster, encourage, and facilitate a strong agricultural economy in
- 42 North Carolina. To the extent that funds are available in the Tobacco Trust
- 43 Fund, expenditure of those funds to finance qualified agricultural programs is
- 44 in the public interest.

45 ...

46 **"§ 143-716. Definitions.**

47 The following definitions apply in this Article:

- 48 (1) Commission. – The Tobacco Trust Fund Commission.
- 49 (2) Compensatory programs. – Programs developed by the Commission to
- 50 identify, locate, compensate, and indemnify tobacco producers, former
- 51 allotment holders, and persons engaged in tobacco-related businesses who

1 have suffered actual economic losses in this State due to lost quota, the decline  
2 in value of tobacco-related personal property assets, and declining market  
3 conditions resulting from the Master Settlement Agreement or declines in the  
4 tobacco-related segment of the State's economy.

5 (3) Fund. – The Tobacco Trust Fund.

6 (4) Master Settlement Agreement. – The settlement agreement between certain  
7 tobacco manufacturers and the states, as incorporated in the consent decree  
8 entered in the action of State of North Carolina v. Philip Morris, Incorporated,  
9 et al., 98 CVS 14377, in the General Court of Justice, Superior Court Division,  
10 Wake County, North Carolina.

11 ~~(5) National Tobacco Grower Settlement Trust. – The trust established by tobacco~~  
12 ~~companies to provide payments to tobacco growers and allotment holders in~~  
13 ~~14 states for the purposes of ameliorating potential adverse economic~~  
14 ~~consequences of likely reduction in demand, sales, and prices for tobacco as~~  
15 ~~an agricultural product as a result of the Master Settlement Agreement.~~

16 (6) Qualified agricultural programs. – Programs developed by the Commission to  
17 support and foster the vitality and solvency of the tobacco-related segment of  
18 the State's agricultural economy, particularly the segment adversely affected  
19 by the Master Settlement Agreement, with the objective of alleviating and  
20 avoiding unemployment, ~~preserving,~~ preserving and increasing local tax  
21 bases, and encouraging the economic stability of participants in the State's  
22 agricultural economy. Examples of ~~qualified agricultural programs this term~~  
23 include programs to finance the modernization of farming equipment,  
24 ~~programs to finance the conversion of existing equipment to conform to~~  
25 ~~environmental and other regulatory requirements, and programs to finance the~~  
26 conversion or replacement of equipment in order to cultivate crops that are  
27 more profitable than are currently being ~~cultivated.~~ cultivated, and programs  
28 to establish farmers' markets serving communities where tobacco is or was  
29 formerly grown.

30 (7) Tobacco product component business. – An individual, partnership, limited  
31 liability company, corporation, or other commercial entity that engages in the  
32 manufacture of component products for use in the manufacture of tobacco  
33 products.

34 (8) Tobacco-related business. – An individual, partnership, limited liability  
35 company, corporation, or other commercial entity that provides products or  
36 services used directly in (i) the production of ~~tobacco,~~ tobacco or (ii) support  
37 of the business of the production or sale of tobacco. The term does not include  
38 the manufacturing of tobacco products or the sale of tobacco products at  
39 wholesale or retail.

40 (9) Tobacco-related employment. – Employment in a tobacco-related business, or  
41 in the manufacturing of tobacco products or the component products used in  
42 the manufacture of tobacco products. The term does not include persons  
43 employed in the sale of tobacco products at wholesale or retail.

44 **"§ 143-717. Commission.**

45 (a) Creation. – The Tobacco Trust Fund Commission is created. The Commission shall  
46 be administratively located within the Department of Agriculture and Consumer Services but  
47 shall exercise its powers independently of the Commissioner of Agriculture and the Department.  
48 All administrative expenses of the Commission shall be paid from the Fund.

49 (b) Membership. – The Commission shall consist of 18 members. The Commission shall  
50 be appointed as follows: six members by the Governor, six members by the President Pro

1 Tempore of the Senate, and six members by the Speaker of the House of Representatives. The  
2 members shall be appointed as follows:

3 (1) The Governor shall make the following appointments:

- 4 a. ~~A flue-cured tobacco farmer.~~ Two tobacco farmers.  
5 b. ~~A flue-cured tobacco farmer.~~ Three at-large appointees.  
6 c. A person in or displaced from tobacco-related employment.  
7 d. ~~An at-large appointee.~~  
8 e. ~~An at-large appointee.~~  
9 f. ~~An at-large appointee.~~

10 (2) The President Pro Tempore of the Senate shall make the following  
11 appointments:

- 12 a. ~~A flue-cured tobacco farmer.~~ Three tobacco farmers.  
13 b. ~~A flue-cured tobacco farmer.~~ Three at-large appointees.  
14 c. ~~A burley tobacco farmer.~~  
15 d. ~~An at-large appointee.~~  
16 e. ~~An at-large appointee.~~  
17 f. ~~An at-large appointee.~~

18 (3) The Speaker of the House of Representatives shall make the following  
19 appointments:

- 20 a. ~~A flue-cured tobacco farmer.~~ Two tobacco farmers.  
21 b. A former ~~flue-cured allotment holder who is not also a flue-cured~~  
22 ~~tobacco farmer.~~  
23 c. ~~A burley tobacco farmer.~~ Three at-large appointees.  
24 d. ~~An at-large appointee.~~  
25 e. ~~An at-large appointee.~~  
26 f. ~~An at-large appointee.~~

27 It is the intent of the General Assembly that the appointing ~~authorities, in appointing~~  
28 ~~members, authorities~~ shall appoint members who represent the geographic, political, gender, and  
29 racial diversity of the State. It is the intent of the General Assembly that at least one-half of the  
30 members of the Commission be tobacco farmers.

31 ~~Except as provided for the initial members under subsection (c) of this section, members~~  
32 Members shall serve four-year terms beginning July 1. No member ~~may~~ shall serve more than  
33 two full consecutive terms. Members may continue to serve beyond their terms until their  
34 successors are ~~duly~~ appointed, but ~~any a~~ holdover shall not affect the expiration date of the  
35 succeeding term. Vacancies shall be filled by the designated appointing authority for the  
36 remainder of the unexpired term. A member may be removed from office for cause by the  
37 authority that appointed that member.

38 ~~(c) Initial Membership; Staggering. — To provide for a staggered membership, the~~  
39 ~~members initially appointed to the Commission shall be appointed to staggered terms. Of the~~  
40 ~~initial appointments to the Commission, the members initially appointed pursuant to~~  
41 ~~sub-subdivisions (b)(1)a., (1)b., (2)d., and (3)d. of this section shall serve one-year terms ending~~  
42 ~~on June 30, 2001. The members initially appointed pursuant to sub-subdivisions (b)(2)c., (2)e.,~~  
43 ~~(3)a., and (3)e. shall serve two-year terms ending on June 30, 2002. The members initially~~  
44 ~~appointed pursuant to sub-subdivisions (b)(1)c., (1)d., (1)e., (2)b., and (3)e. of this section shall~~  
45 ~~serve three-year terms ending June 30, 2003. The remaining members initially appointed~~  
46 ~~pursuant to subsection (b) of this section shall serve four-year terms ending June 30, 2004.~~

47 (d) Officers. — The Commission shall elect from its membership a chair, vice-chair, and  
48 other officers as necessary for two-year terms beginning July 1 at the first meeting of the  
49 Commission held on or after July 1 of every even-numbered year. The vice-chair may act for the  
50 chair in the absence of the ~~chair~~ chair, as authorized by the Commission.

1 (e) Frequency of Meetings. – The Commission shall meet at least quarterly each year and  
 2 may hold special meetings at the call of the chair or a majority of members. ~~The Governor shall~~  
 3 ~~call the initial meeting of the Commission.~~

4 (f) Quorum; Majority. – Ten members ~~shall constitute~~ constitute a quorum of the  
 5 Commission. The Commission may act upon a majority vote of the members of the Commission  
 6 on matters involving the disbursement of funds and personnel matters properly before the  
 7 Commission. On all other matters, the Commission may act by a majority vote of the members  
 8 ~~of the Commission present~~ at a meeting at which a quorum is present.

9 (g) Per Diem and Expenses. – The members of the Commission shall receive per diem  
 10 and necessary travel and subsistence expenses in accordance with ~~the provisions of~~ G.S. 138-5.  
 11 Per diem, subsistence, and travel expenses of the members shall be paid from the Fund.

12 (h) Conflict of Interest. – Members of the Commission shall comply with ~~the provisions~~  
 13 ~~of~~ G.S. 14-234 prohibiting conflicts of interest, except that G.S. 14-234(a) ~~shall~~ does not apply  
 14 to an application for or the receipt of a grant or other financial assistance award by a member of  
 15 the Commission from the Fund created under this Article, or an entity in which a member of the  
 16 Commission has an interest, if both of the following conditions are met:

- 17 (1) ~~A~~ The member does not vote on, participate in the deliberation of, or otherwise  
 18 attempt through his or her official capacity to influence the vote ~~on~~, on a grant  
 19 or other financial assistance award by the Commission to the member.  
 20 (2) The Commissioner of Agriculture determines that ~~any~~ an award to ~~a~~ the  
 21 member is in accordance with general criteria adopted by the Commission for  
 22 the distribution of funds from the Fund.

23 (i) Limit on Operating and Administrative Expenses. – All administrative expenses of  
 24 the Commission shall be paid from the Fund. No more than four hundred eighty-five thousand  
 25 dollars (\$485,000) ~~may~~ shall be used each fiscal year for administrative and operating expenses  
 26 of the Commission and its ~~staff, provided that~~ staff. ~~However,~~ the Commission may annually  
 27 adjust the administrative expense cap imposed by this subsection, so long as ~~that~~ any ~~the~~ cap  
 28 increase does not exceed the amount necessary to provide for statewide salary and benefit  
 29 adjustments enacted by the General Assembly.

30 ...

31 **"§ 143-719. Tobacco Trust Fund; creation; ~~investment; priority use.~~ investment.**

32 (a) Fund Established. – The Tobacco Trust Fund is established in the Office of the State  
 33 Treasurer. The Fund shall be used for the purposes provided in this Article.

34 (b) Fund Earnings, Assets, and Balances. – The State Treasurer shall hold the Fund  
 35 separate and apart from all other moneys, funds, and accounts. The State Treasurer is the  
 36 custodian of the Fund and shall invest the assets in accordance with G.S. 147-69.2 and  
 37 G.S. 147-69.3. Investment earnings credited to the Fund become part of the Fund. Any balance  
 38 remaining in the Fund at the end of ~~any~~ a fiscal year is carried forward in the Fund for the next  
 39 ~~succeeding~~ fiscal year. Payments from the Fund shall be made ~~on the warrant of~~ by the chair of  
 40 the Commission, pursuant to the directives of the Commission.

41 (c) Priority Use of Funds. – ~~As soon as practicable after the beginning of each fiscal year,~~  
 42 ~~the State Treasurer must certify in writing to the chair of the Commission the estimated amount~~  
 43 ~~of debt service anticipated to be paid during the fiscal year for special indebtedness authorized~~  
 44 ~~by the State Capital Facilities Act of 2004, Part 1 of S.L. 2004-179. The chair of the Commission~~  
 45 ~~must issue a warrant from the Fund to the General Fund for the lesser of (i) one-half of the amount~~  
 46 ~~certified by the Treasurer and (ii) the applicable percentage of the Fund's receipts for the current~~  
 47 ~~fiscal year. For fiscal years beginning before July 1, 2007, the applicable percentage is thirty~~  
 48 ~~percent (30%). For fiscal years beginning on or after July 1, 2007, the applicable percentage is~~  
 49 ~~sixty-five percent (65%).~~

50 **"§ 143-720. Benefits and administration of Fund for compensatory programs.**

1 (a) Funds held in the Fund may be expended on compensatory programs as provided in  
2 this section.

3 (b) The Fund may provide direct and indirect financial assistance, in accordance with  
4 criteria established by the Commission and to the extent allowed by law, to accomplish the  
5 following:

6 (1) Indemnify tobacco producers, former allotment holders, and persons engaged  
7 in tobacco-related businesses from the adverse economic effects in this State  
8 of the Master Settlement Agreement.

9 (2) Compensate tobacco producers, former allotment holders, and persons  
10 engaged in tobacco-related businesses for economic loss resulting from lost  
11 quota and compensate tobacco producers for the decline in value of  
12 tobacco-related personal property assets and declining market conditions  
13 resulting from the Master Settlement Agreement in this State.

14 (3) Compensate individuals displaced from tobacco-related employment in this  
15 State as a result of the adverse economic effects of the Master Settlement  
16 Agreement.

17 (4) Compensate tobacco product component businesses that are (i) adversely  
18 impacted by the Master Settlement Agreement and that (ii) need financial  
19 assistance to retool machinery or equipment or to retrain workers, in order to  
20 convert to the production of new products or nontobacco use of existing  
21 products, or to effect other similar changes.

22 (c) Only tobacco producers, persons engaged in tobacco-related businesses, individuals  
23 displaced from tobacco-related employment, and tobacco product component businesses in this  
24 State, and former holders of North Carolina tobacco ~~allotments~~-allotments, are eligible to apply  
25 for and receive assistance pursuant to subsection (b) of this section. ~~Direct payments made to~~  
26 ~~tobacco producers, tobacco allotment holders, and persons engaged in tobacco-related businesses~~  
27 ~~shall be based on losses resulting in 1998 and thereafter.~~ Lost quota shall be a primary  
28 determinative factor in calculating the amount of compensable economic loss for tobacco  
29 producers, former allotment holders, and persons engaged in tobacco-related businesses.

30 (d) The Commission shall determine the priority of awards among the categories in  
31 subsection (b) of this section and within each of those categories.

32 (e) Financial assistance awards shall be for no more than one year at a time. An award  
33 may be renewed annually, without limitation.

34 (f) The Commission may require applicants to provide copies of documents necessary to  
35 determine compensable economic loss.

36 ~~(g) In no event shall the amount paid to a tobacco producer or allotment holder pursuant~~  
37 ~~to this Article, when combined with the amount received through the National Tobacco Grower~~  
38 ~~Settlement Trust, exceed the compensable economic loss of the producer or allotment holder.~~

39 ~~(h) The Commission may consider the criteria used for National Tobacco Grower~~  
40 ~~Settlement Trust payments and may correspond with the National Tobacco Grower Settlement~~  
41 ~~Trust certification entity to ensure that tobacco farmers and allotment holders are treated fairly.~~  
42 ~~...."~~

43 **SECTION 90.** G.S. 147-64.7 reads as rewritten:

44 "**§ 147-64.7. Authority.**

45 (a) Access to Persons and Records. –

46 (1) The Auditor and the Auditor's authorized representatives shall have ready  
47 access to persons and may examine and copy all books, records, reports,  
48 vouchers, correspondence, files, personnel files, investments, and any other  
49 documentation of ~~any a~~ State agency. Upon demand of the Auditor, access  
50 shall extend to databases, datasets, and digital records necessary for any  
51 purpose within the authority of the Auditor, including performing audits of

- 1 any type, assessing government efficiency, risk assessment, fraud detection,  
 2 audit planning, and evidence gathering. The review of State tax returns shall  
 3 be limited to matters of official business and the Auditor's report shall not  
 4 violate the confidentiality provisions of tax laws. Notwithstanding  
 5 confidentiality provisions of tax laws, the Auditor may use and disclose  
 6 information related to overdue tax debts in support of the Auditor's statutory  
 7 mission.
- 8 (2) For audits or investigations of a publicly funded entity conducted under  
 9 ~~G.S. 147-64.6(e)(25)~~, G.S. 147-64.6(c)(24), the Auditor and the Auditor's  
 10 duly authorized representatives shall have access to persons, records, papers,  
 11 reports, vouchers, correspondence, books, databases, datasets, digital records,  
 12 and any other documentation that is in the possession of ~~any publicly funded~~  
 13 the entity which and that pertain to either of the following:
- 14 a. Amounts received pursuant to a grant or contract from the federal  
 15 government, the State, or its political subdivisions.
- 16 b. Amounts received, disbursed, or otherwise handled on behalf of the  
 17 federal government, the State, or its political subdivisions. In order to  
 18 determine that payments to providers of social and medical services  
 19 are legal and proper, the providers of these services shall give the  
 20 Auditor, or the Auditor's authorized representatives, access to the  
 21 records of recipients that receive these services.
- 22 (3) ~~The Auditor shall, Auditor,~~ for the purpose of examination and ~~audit have~~  
 23 audit, has the authority, and ~~will shall~~ be provided ready access, to examine  
 24 and inspect all property, equipment, and facilities that are in the possession of  
 25 ~~any a~~ State agency or ~~any that are in the possession of a~~ publicly funded entity  
 26 ~~which and~~ were furnished or otherwise provided through grant, contract, or  
 27 any other type of funding by the State of North ~~Carolina, Carolina~~ or the  
 28 federal government. Audits and investigations of publicly funded entities are  
 29 limited as provided in ~~G.S. 147-64.6(e)(25)~~ G.S. 147-64.6(c)(24).
- 30 (4) All contracts or grants entered into by State agencies or political subdivisions  
 31 shall include, as a necessary part, a clause providing access as intended by this  
 32 section.
- 33 (5) The Auditor and the Auditor's authorized representatives may examine all  
 34 books and accounts of any individual, firm, or corporation only insofar as they  
 35 relate to transactions with ~~any agency of the State a State agency~~.
- 36 ...
- 37 (b) Experts; Contracted Audits. –
- 38 (1) The Auditor may obtain the services of independent public accountants,  
 39 qualified management consultants, or other professional persons and experts  
 40 as ~~he the Auditor~~ deems necessary or desirable to carry out the duties and  
 41 functions assigned under ~~the act this Article~~.
- 42 (2) No State agency ~~may shall~~ enter into ~~any a~~ contract for auditing services ~~which~~  
 43 that may impact ~~on the State's comprehensive annual financial report~~ without  
 44 consultation with, and the prior written approval of, the Auditor, ~~except in~~  
 45 ~~instances where audits are called for by the Governor under G.S. 143C-2-1~~  
 46 ~~and he shall so notify the Auditor. Auditor.~~ The Auditor shall prescribe policy  
 47 and establish guidelines containing appropriate criteria for selection and use  
 48 of independent public accountants, qualified management consultants, or  
 49 other professional persons by State agencies and governing bodies to perform  
 50 all or part of the audit function.

1 (c) Authority to Administer Oaths, Subpoena Witnesses and Records, and Take  
 2 Depositions. –

3 (1) For the purposes of this Article the Auditor ~~or his authorized representative~~  
 4 ~~shall and the Auditor's authorized representatives~~ have the power to subpoena  
 5 witnesses, to take testimony under oath, to cause the deposition of witnesses  
 6 ~~(residing within or without the State) to be taken in a manner prescribed by~~  
 7 ~~law, residing inside or outside the State,~~ and to assemble records and  
 8 documents, by subpoena or otherwise. The subpoena power granted by this  
 9 section may be exercised only at the specific written direction of the Auditor  
 10 or ~~his the Auditor's~~ chief deputy.

11 (2) ~~In case any~~ If a person ~~shall refuse~~ refuses to obey a subpoena, ~~subpoena~~  
 12 ~~issued under this section,~~ the Auditor shall ~~invoke the aid of any North~~  
 13 ~~Carolina court within the jurisdiction of which the investigation is carried on~~  
 14 ~~or where such person may be, in requiring the attendance and testimony of~~  
 15 ~~witnesses and the production of books, papers, correspondence, memoranda,~~  
 16 ~~contracts, agreements, and other records. Such~~ petition a court to require the  
 17 person to obey the subpoena. The court may issue an order requiring such the  
 18 person to appear before the Auditor or officers designated by the Auditor,  
 19 there to produce records, if so ordered, or to give testimony touching about  
 20 the matter under investigation or in question; and any failure question. Failure  
 21 to obey such the order of the court may be punished by such court as a  
 22 contempt thereof as contempt of court.

23 ...."

24 **SECTION 91.(a)** Section 4 of S.L. 2005-384, as amended by Section 5 of S.L.  
 25 2006-255, reads as rewritten:

26 "SECTION 4. Sections 1, 3, and 4 of this act are effective when this act becomes law, except  
 27 that G.S. 130A-310.53, 130A-310.54(c), and 130A-310.55 become effective 1 July 2007. Section  
 28 2 of this act becomes effective 1 October 2005. Each vehicle manufacturer that is subject to the  
 29 requirements of this act shall provide the information required by G.S. 130A-310.52(b), either  
 30 individually or as a group of manufacturers, on or before 1 January 2007. ~~This act expires on 1~~  
 31 ~~July 2026."~~

32 **SECTION 91.(b)** This section becomes effective July 1, 2026.

33 **SECTION 92.(a)** Section 47(b) of S.L. 2025-25 reads as rewritten:

34 "SECTION 47.(b) This section applies to conveyances executed before, on, or after the  
 35 effective date of this ~~act.~~ Part."

36 **SECTION 92.(b)** Section 48(e) of S.L. 2025-25 reads as rewritten:

37 "SECTION 48.(e) G.S. 39-13.3(a)(1) and G.S. 41-63(4)a., as enacted by this section  
 38 regarding an elective life estate, apply to conveyances executed before, on, or after the effective  
 39 date of this ~~act.~~ Part. The remainder of this section applies to conveyances executed on or after  
 40 the effective date of this ~~act.~~ Part."

41 **SECTION 92.(c)** This section is retroactively effective July 26, 2025.

42 **SECTION 93.** Sections 5.2(d) and 7.2 of S.L. 2025-37 are repealed.

43 **SECTION 94.** Sections 2 and 3 of S.L. 2025-52 are repealed.

44  
 45 **PART V. EFFECTIVE DATE**

46 **SECTION 95.** Except as otherwise provided, this act is effective when it becomes  
 47 law.