

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S

D

SENATE BILL 582
House Committee Substitute Favorable 6/28/17
Third Edition Engrossed 6/28/17
Proposed Conference Committee Substitute S582-CCSML-4 [v.1]
10/04/2017 05:50:00 PM

Short Title: Budget & Agency Technical Corrections.

(Public)

Sponsors:

Referred to:

April 4, 2017

1 A BILL TO BE ENTITLED
2 AN ACT (I) TO MAKE TECHNICAL, CLARIFYING, AND OTHER MODIFICATIONS TO
3 THE CURRENT OPERATIONS APPROPRIATIONS ACT OF 2017 AND TO RELATED
4 LEGISLATION AND (II) TO MAKE AGENCY TECHNICAL CORRECTIONS.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. GENERAL PROVISIONS**

8 **SECTION 1.1.** Section 5.3(e) of S.L. 2017-57 reads as rewritten:

9 "SECTION 5.3.(e) Grant funds awarded under this section shall be subject to a matching
10 requirement from the recipient county as follows:

- 11 (1) For a county designated as a development tier one area, the grant shall not
12 exceed three dollars (\$3.00) in grant funds for every one dollar (\$1.00)
13 provided by the county. Grant funds awarded to a tier one county shall not
14 exceed fifteen million dollars (\$15,000,000).
15 (2) For a county designated as a development tier two area, the grant shall not
16 exceed one dollar (\$1.00) for every one dollar (\$1.00) in grant funds provided
17 by the county. Grant funds awarded to a tier two county shall not exceed ten
18 million dollars (\$10,000,000).

19 Grant funds shall be used for the construction of new capital projects, school buildings only. Grant
20 funds shall not be used for real property acquisition or for operational lease agreements.
21 Notwithstanding subdivision (2) of this subsection, grant funds shall only be awarded to
22 development tier one counties until the 2020-2021 fiscal year. Grant funds shall not be awarded
23 to any county that has received over eight million seven hundred fifty thousand dollars
24 (\$8,750,000) in funds from the Public School Building Capital Fund from the 2012-2013 fiscal
25 year to the 2016-2017 fiscal year."

26 **SECTION 1.2.** Section 3 of S.L. 2017-119 reads as rewritten:

27 "SECTION 3. Implementation. – The following actions and policy shall be taken to
28 implement this section:

29 ...

- 30 (7) All the following shall apply to the funds allocated to the Lumber River
31 Council of Government as provided in sub-subdivision (1)b. of Section 1 of
32 this act:

- 33 a. The Housing Finance Agency (HFA) shall coordinate with the Lumber
34 River Council of Government (COG) to create a 30- to ~~35-unit~~ 36-unit



1 multifamily affordable housing complex (housing complex) within the
2 Fair Bluff Town limits. All funds allocated to the COG under this act
3 shall be used solely for the development, management, maintenance,
4 and preservation of the housing complex. When filling units in the
5 affordable housing complex, priority shall be given to low-income
6 residents of Fair Bluff affected by the flooding and damage caused by
7 Hurricane Matthew.

8"

9 **SECTION 1.3.** Section 3 of S.L. 2017-137 reads as rewritten:

10 **"SECTION 3.** ~~This Section 2.5 of this act becomes effective January 1, 2018. The remainder~~
11 ~~of this act becomes effective October 1, 2017. Section 2017, and Section 1 applies to plans~~
12 ~~prepared for acquisitions policies issued or renewed on or after the effective that date."~~

13 **SECTION 1.4.** The Department of Administration shall study the utilization of
14 buildings by State agencies in the downtown Raleigh area and report its findings to the Joint
15 Legislative Committee on Governmental Operations no later than April 1, 2018.

16 **PART II. EDUCATION**

17 **SECTION 2.1.** G.S. 115D-5(x), as enacted by Section 7.22(g) of S.L. 2017-57, reads
18 as rewritten:

19 "(x) In addition to the evaluation of cooperative innovative high schools by the State Board
20 of Education pursuant to G.S. 115C-238.55, the State Board of Community Colleges, in
21 conjunction with the State Board of Education and the Board of Governors of The University of
22 North Carolina, shall evaluate the success of students participating in the Career and College
23 Promise Program, including the College Transfer pathway and the Career and Technical
24 Education pathway. Success shall be measured by high school retention rates, high school
25 completion rates, high school dropout rates, certification and associate degree completion,
26 admission to four-year institutions, postgraduation employment in career or study-related fields,
27 and employer satisfaction of employees who participated in the programs. The Boards shall
28 jointly report by ~~January~~March 15 of each year to the Joint Legislative Education Oversight
29 Committee."

30 **SECTION 2.2.** G.S. 115C-64.17(c), as enacted by Section 7.23F(b) of S.L. 2017-57,
31 reads as rewritten:

32 "(c) Selection of Recipients. – For the 2017-2018 fiscal year, the Commission shall accept
33 applications for a grant until November ~~4, 30,~~ 2017. For subsequent fiscal years that funds are
34 made available for the Program, the Commission shall accept applications for a grant until
35 August 1 of each year. The Commission shall select recipients in a manner that considers
36 diversity among the pool of applicants, including geographic location, location of industries in
37 the area in which a local school administrative unit is located, and the size of the student
38 population served by the unit, in order to award funds to the extent possible to grant recipients
39 that represent different regions and characteristics of the State. The Commission shall
40 recommend recipients of the grants to the State Board of Education. The State Board, upon
41 consultation with the Superintendent of Public Instruction, shall approve the recipients of grant
42 awards."
43

44 **SECTION 2.3.(a)** Section 8.2(b) of S.L. 2017-57 reads as rewritten:

45 **"SECTION 8.2.(b)** This section applies to teachers entering the profession in the 2017-2018
46 ~~fiscal year-year who were hired prior to the effective date of Section 8.2A of this act."~~

47 **SECTION 2.3.(b)** S.L. 2017-57 is amended by adding a new section to read:

48 **"SUPPORT FOR LATER-HIRED HIGHLY QUALIFIED NC TEACHING**
49 **GRADUATES**

50 **"SECTION 8.2A.(a)** For purposes of this section, a "highly qualified graduate" or
51 "graduate" is an individual entering the teaching profession and hired on or after the effective

1 date of this section who has graduated from an approved educator preparation program located
 2 in North Carolina with both of the following criteria:

- 3 (1) A grade point average of 3.75 or higher on a 4.0 scale, or its equivalent.
- 4 (2) A score of the following or higher on an edTPA assessment or an equivalent
 5 score on a nationally normed and valid pedagogy assessment used to
 6 determine clinical practice performance:
 - 7 a. A score of 42 for the World Languages and Classical Languages
 8 edTPA assessment.
 - 9 b. A score of 57 for the Elementary Education edTPA assessment.
 - 10 c. A score of 48 for all other edTPA assessments.

11 Notwithstanding Section 8.1(a) of this act, a highly qualified graduate who is employed by a
 12 local board of education shall receive a salary supplement each month at the highest level for
 13 which the graduate qualifies, as follows:

- 14 (1) A graduate accepts initial employment at a school identified as
 15 low-performing by the State Board of Education pursuant to
 16 G.S. 115C-105.37 shall receive a salary supplement during the graduate's first
 17 three years of employment as a teacher, without a break in service, equivalent
 18 to the difference between the State-funded salary of the graduate and the
 19 State-funded salary of a similarly situated teacher with three years of
 20 experience on the "A" Teachers salary schedule, as long as the graduate (i)
 21 remains teaching at the same school or (ii) accepts subsequent employment at
 22 another low-performing school or local school administrative unit identified
 23 as low-performing.
- 24 (2) A graduate licensed and employed to teach in the areas of special education,
 25 science, technology, engineering, or mathematics shall receive a salary
 26 supplement during the graduate's first two years of employment as a teacher,
 27 without a break in service, equivalent to the difference between the
 28 State-funded salary of the graduate and the State-funded salary of a similarly
 29 situated teacher with two years of experience on the "A" Teachers salary
 30 schedule, as long as the graduate continues teaching in one of those areas.
- 31 (3) All other graduates shall receive a salary supplement during the graduate's
 32 first year of employment as a teacher, without a break in service, equivalent
 33 to the difference between the State-funded salary of the graduate and the
 34 State-funded salary of a similarly situated teacher with one year of experience
 35 on the "A" Teachers salary schedule.

36 **"SECTION 8.2A.(b) This section is effective when it becomes law and applies to teachers**
 37 **entering the profession in the 2017-2018 fiscal year hired on or after that date."**

38 **SECTION 2.4.(a)** Section 8.3(c) of S.L. 2017-57 reads as rewritten:

39 **"SECTION 8.3.(c)** A principal compensated in accordance with this section for the
 40 2017-2018 fiscal year shall receive an amount equal to the greater of the following:

- 41 (1) The applicable amount determined pursuant to subsection (a) of this section.
- 42 (2) For principals who were eligible for longevity in the 2016-2017 fiscal year,
 43 the sum of the following:
 - 44 a. The salary the principal received in the 2016-2017 fiscal year pursuant
 45 to Section 9.1 or Section 9.2 of S.L. 2016-94.
 - 46 b. The longevity that the principal would have received as provided for
 47 State employees under the North Carolina Human Resources Act for
 48 the 2016-2017 fiscal year based on the principal's current years of
 49 service.

- 1 (3) For principals who were not eligible for longevity in the 2016-2017 school
2 fiscal year, the salary the principal received in the 2016-2017 fiscal year
3 pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94."

4 **SECTION 2.4.(b)** Section 8.5(e) of S.L. 2017-57 reads as rewritten:

5 **"SECTION 8.5.(e)** An assistant principal compensated in accordance with this section for
6 the 2017-2018 fiscal year shall receive an amount equal to the greater of the following:

- 7 (1) The applicable amount determined pursuant to subsections (a) through (c) of
8 this section.
9 (2) For assistant principals who were eligible for longevity in the 2016-2017 fiscal
10 year, the sum of the following:
11 a. The salary the assistant principal received in the 2016-2017 fiscal year
12 pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.
13 b. The longevity that the assistant principal would have received as
14 provided for State employees under the North Carolina Human
15 Resources Act for the 2016-2017 fiscal year based on the assistant
16 principal's current years of service.
17 (3) For assistant principals who were not eligible for longevity in the 2016-2017
18 fiscal year, the salary the assistant principal received in the 2016-2017 fiscal
19 year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94."

20 **SECTION 2.4.(c)** This section is effective when it becomes law and applies
21 retroactively to July 1, 2017.
22

23 **PART III. HEALTH AND HUMAN SERVICES**

24 **SECTION 3.1.** Section 12F.1 of S.L. 2016-94 reads as rewritten:

25 **"SECTION 12F.1.(a)** Definitions. – As used in this section, the following terms have the
26 following meanings:

- 27 (1) Department. – The North Carolina Department of Health and Human
28 Services.
29 (2) FQHC. – A federally qualified health center located in this State.
30 (3) Prescriber. – Anyone authorized to prescribe drugs pursuant to the laws of this
31 State.
32 (4) Program participant. – An individual who (i) has been clinically assessed and
33 diagnosed with opioid addiction, (ii) is selected by an FQHC to participate in
34 the pilot program authorized by this section, and (iii) as part of the pilot
35 program, receives the nonnarcotic, nonaddictive, extended-release, injectable
36 formulation of opioid antagonist approved by the United States Food and Drug
37 Administration for the prevention of relapse to opioid dependence.
38 ~~(5) Randomized control group member. – An individual who (i) has been~~
39 ~~clinically assessed and diagnosed with opioid addiction, (ii) is selected by a~~
40 ~~FQHC to participate in the pilot program authorized by this section, and (iii)~~
41 ~~as part of the pilot program, does not receive the nonnarcotic, nonaddictive,~~
42 ~~extended-release, injectable formulation of opioid antagonist approved by the~~
43 ~~United States Food and Drug Administration for the prevention of relapse to~~
44 ~~opioid dependence.~~

45 **"SECTION 12F.1.(b)** Pilot Program. – The Department shall oversee the administration of
46 a three-year pilot program to be conducted by designated FQHCs to address North Carolina's
47 growing opioid addiction and overdose crisis. The goal of the pilot program is to study the
48 effectiveness of combining behavioral therapy with the utilization of a nonnarcotic, nonaddictive,
49 extended-release, injectable formulation of opioid antagonist approved by the United States Food
50 and Drug Administration for the prevention of relapse to opioid dependence. In conducting the
51 pilot program, selected FQHCs may collaborate with the Department, the North Carolina

1 Institute of Medicine (NCIOM), and any other qualified entity or State agency that may be of
2 assistance in accomplishing the objectives of the pilot program. Prior to the initiation of this pilot
3 program, the Department shall, in collaboration with the NCIOM or any other qualified entity,
4 determine the number of program participants ~~and randomized control group members~~ needed
5 to participate in the pilot program in order to ensure sufficient statistical significance to support
6 any conclusions about the effectiveness of the pilot program.

7 **"SECTION 12F.1.(c)** Selection of Participating FQHCs. – Not later than 30 days after the
8 effective date of this section, the Department shall select a minimum of three and not more than
9 five FQHCs located in different areas of the State to participate in the pilot program authorized
10 by this section, giving first priority to FQHCs that have received supplemental grant funds from
11 the United States Department of Health and Human Services, Health Resources and Services
12 Administration, for substance abuse service expansion with a focus on medication-assisted
13 treatment in opioid use disorders.

14 **"SECTION 12F.1.(d)** Selection of Program Participants. – Not later than 60 days after the
15 effective date of this section, the Department shall develop, in collaboration with the NCIOM or
16 any other qualified entity, a methodology for selecting program participants ~~and randomized~~
17 ~~control group members~~ at each FQHC. Only individuals who have been clinically assessed and
18 diagnosed with opioid addiction may be selected and treated as program ~~participants and~~
19 ~~randomized control group members~~ participants. Individuals who have been referred from local
20 criminal justice agencies may be selected as program ~~participants and randomized control group~~
21 ~~members~~ participants.

22 **"SECTION 12F.1.(e)** Treatment Standards. – As a condition of participating in the pilot
23 program authorized by this section, each FQHC shall sign a written participation agreement
24 provided by the Department that requires the FQHC to adhere to at least all of the following
25 treatment standards for the duration of its participation in the pilot program:

- 26 (1) Treatment may be provided to program participants ~~and randomized control~~
27 ~~group members~~ only by a treatment provider who is affiliated with a
28 participating FQHC.
- 29 (2) Only individuals who have been clinically assessed and diagnosed with opioid
30 addiction may be selected and treated as program ~~participants and randomized~~
31 ~~control group members~~ participants.
- 32 (3) Treatment providers at participating FQHCs shall do all of the following:
 - 33 a. Provide treatment based on an integrated service delivery model that
34 consists of the coordination of care between a prescriber and an
35 addiction services provider.
 - 36 b. Conduct any necessary additional professional, comprehensive
37 substance use disorder and mental health diagnostic assessments of
38 individuals under consideration for selection as pilot program
39 participants to determine if they would benefit from substance use
40 disorder treatment and monitoring.
 - 41 c. Determine, based on the assessments described in sub-subdivision b.
42 of this subdivision, the treatment needs of the program participants
43 served by the treatment provider.
 - 44 d. Develop individualized treatment goals and objectives for each
45 program participant.
 - 46 e. Provide program participants with access to medication-assisted
47 treatment utilizing a nonnarcotic, nonaddictive, extended-release,
48 injectable formulation of opioid antagonist.
 - 49 f. In addition to medication-assisted treatment, provide program
50 participants with other types of therapies, including behavioral
51 therapies, outpatient programs, and community support, for opioid use

1 disorder and any other disorders that are determined by the treatment
2 provider to be co-occurring disorders.

- 3 g. In the case of medication-assisted treatment provided under the pilot
4 program, a drug may be used only if it has been approved by the United
5 States Food and Drug Administration for use in combination with
6 behavioral therapy for the prevention of relapse to opioid dependence.
7 h. Comply with all applicable federal opioid treatment standards.
8 i. Monitor the progress of program participants ~~and randomized control~~
9 ~~group members~~ through the use of regular drug testing, including
10 urinalysis.

11 **"SECTION 12F.1.(f)** FQHC Reports. – No later than 60 days after the effective date of this
12 section, the Department shall, in collaboration with the NCIOM or any other qualified entity,
13 develop a standardized methodology for the collection of information on program participants
14 ~~and randomized control group members~~ at each FQHC. As a condition of participating in the
15 pilot program authorized by this section, each selected FQHC must agree to follow this
16 standardized methodology for (i) collecting information on program participants ~~and randomized~~
17 ~~control group members~~ and (ii) annually reporting that information to the Department, in the
18 format prescribed by the Department. The annual report shall include at least all of the following
19 information, in the format prescribed by the Department:

- 20 (1) For each program ~~participant and randomized control group~~
21 ~~member, participant,~~ that individual's age, sex, and length of treatment. This
22 information shall be reported to the Department in a manner that does not
23 disclose personally identifying information about program ~~participants and~~
24 ~~randomized control group members, participants.~~
25 (2) The total number of program participants ~~and the total number of randomized~~
26 ~~control group members~~ who successfully transitioned to opioid abstinence for
27 a minimum of 30 days, 60 days, 90 days, six months, 12 months, and 18
28 months.
29 ~~(3) A comparison of program participants to the randomized control group~~
30 ~~members.~~
31 ~~(4)~~(3) The amount of State appropriations expended on a per program participant
32 basis at each participating FQHC.

33 **"SECTION 12F.1.(g)** Evaluation of Pilot Program. – By November 1, 2020, the Department
34 shall conduct and submit to the Joint Legislative Oversight Committee on Health and Human
35 Services a comprehensive evaluation of the effectiveness of this pilot program in addressing
36 North Carolina's growing opioid addiction and overdose crisis. The Department may contract
37 with an institution of higher education or other qualified entity with expertise in evaluating
38 programs similar to the pilot program authorized by this section. The comprehensive evaluation
39 shall include whether this pilot program was successful as measured by at least all of the
40 following:

- 41 (1) The total number of program participants who successfully transitioned to
42 opioid abstinence for a minimum of 30 days, 60 days, 90 days, six months, 12
43 months, and 18 months.
44 ~~(2) A comparison of the program participants to the randomized control group~~
45 ~~members.~~
46 ~~(3)~~(2) A cost-benefit analysis of the pilot program.

47 **"SECTION 12F.1.(h)** Expiration. – The pilot program conducted at each selected FQHC
48 shall expire no later than three years after the date of its commencement at that particular FQHC.

49 **"SECTION 12F.1.(i)** Funds in the amount of five hundred thousand dollars (\$500,000) from
50 the federal Substance Abuse Prevention and Treatment Block Grant shall be allocated to the
51 Department of Health and Human Services, Division of Mental Health, Developmental

1 Disabilities, and Substance Abuse Services, for the 2016-2017 fiscal year. These funds shall be
2 allocated to the FQHCs selected to participate in the pilot program authorized by this section on
3 a per program participant basis to offset the cost of the following services:

- 4 (1) Medication dispensed to program participants.
- 5 (2) Provider fees for services rendered to program participants.
- 6 (3) Up to 14 days of detoxification services.
- 7 (4) Behavioral therapy for program participants.
- 8 (5) Drug testing and monitoring of program participants.

9 **"SECTION 12F.1.(j)** Subsection (i) of this section becomes effective July 1, 2016. The
10 remainder of this section is effective when it becomes law."

11 **SECTION 3.2.(a)** G.S. 147-86.70(b)(1) reads as rewritten:

12 "(b) Definitions. – The following definitions apply in this section:

- 13 (1) ABLÉ account. – An account established and owned by an eligible individual
14 and maintained under this Article. A parent, guardian, guardian or agent under
15 a power of attorney may act on behalf of an account owner."

16 **SECTION 3.2.(b)** G.S. 147-86.71 reads as rewritten:

17 **"§ 147-86.71. ABLÉ Program.**

18 ...

19 (b) Accounts. – The following provisions apply to an ABLÉ account:

- 20 (1) An account owner or contributor may establish an account by making an
21 initial contribution to the ABLÉ Program Trust, signing an application form
22 approved by the Board or its designee, and naming the designated beneficiary.
23 If the contributor is not the account owner, the account owner or the account
24 owner's parent, guardian, trustee, or agent shall also sign the application
25 form."

26 ...

27 (d) Limitations. – The Board, in administering the ABLÉ Program Trust, shall ensure
28 each of the following:

29 ...

- 30 (9) A ~~trustee~~ parent, trustee, or guardian appointed as a signatory of an ABLÉ
31 account does not have or acquire any beneficial interest in the account and
32 administers the account for the benefit of the designated beneficiary."

33 **SECTION 3.3.** Section 11F.9 of S.L. 2017-57 reads as rewritten:

34 ~~"SECTION 11F.9.(a) Of the funds appropriated to the Department of Health and Human~~
35 ~~Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services,~~
36 ~~the sum of one hundred fifty thousand dollars (\$150,000) in nonrecurring funds for the~~
37 ~~2017-2018 fiscal year and the sum of three hundred thousand dollars (\$300,000) in nonrecurring~~
38 ~~funds for the 2018-2019 fiscal year shall be used to develop and implement an adult and pediatric~~
39 ~~traumatic brain injury pilot program. The Department of Health and Human Services, Division~~
40 ~~of Mental Health, Developmental Disabilities, and Substance Abuse Services, shall establish an~~
41 ~~adult and pediatric traumatic brain injury pilot program, to be conducted at not less than three~~
42 ~~and not more than five trauma hospitals licensed in this State. The purpose of the pilot program~~
43 ~~is to increase compliance with internationally approved evidence-based treatment guidelines for~~
44 ~~severe adult and pediatric traumatic brain injury in order to reduce patient mortality, improve~~
45 ~~patient level of recovery, and reduce long-term care costs.~~

46 ~~"SECTION 11F.9.(b) The Department of Health and Human Services shall establish up to~~
47 ~~three program sites to implement the adult and pediatric traumatic brain injury pilot program~~
48 ~~authorized by this section, all of which shall be trauma hospitals. Each program site shall be~~
49 ~~awarded up to one hundred thousand dollars (\$100,000) for the development and implementation~~
50 ~~of an interactive quality assessment and quality assurance clinical decision support tool to~~

1 provide real-time, evidence-based medical care guidance for intensive care unit patients with
2 severe adult or pediatric traumatic brain injury.

3 ~~"SECTION 11F.9.(e)(b)~~ The Department of Health and Human Services shall contract with
4 a private entity to assist participating trauma hospitals in implementing the tool described in
5 subsection (b) of this section. Of the funds appropriated in this act to the Department of Health
6 and Human Services, Division of Mental Health, Developmental Disabilities, and Substance
7 Abuse Services, the sum of one hundred fifty thousand dollars (\$150,000) in nonrecurring funds
8 for the 2017-2018 fiscal year and the sum of three hundred thousand dollars (\$300,000) in
9 nonrecurring funds for the 2018-2019 fiscal year shall be used to enter into a contract with an
10 independent entity to operate the pilot program authorized by this section. In so doing, the
11 Department of Health and Human Services, Division of Mental Health, Developmental
12 Disabilities, and Substance Abuse Services, shall select an independent entity that has (i)
13 developed software for an interactive quality assessment and quality assurance clinical decision
14 support tool that provides real-time, evidence-based medical care guidance for intensive care unit
15 patients with severe adult or pediatric traumatic brain injury and (ii) prior experience assisting
16 trauma hospitals in other states in implementing this software. In consideration for payments
17 made to the independent entity under the contract, the independent entity shall assume
18 responsibility for all of the following:

19 (1) Initiating and operating the pilot program, including the selection of not less
20 than three and not more than five trauma hospitals licensed in this State to
21 serve as pilot program sites.

22 (2) Assisting participating trauma hospitals in implementing the software
23 developed by the independent entity for use as an interactive quality
24 assessment and quality assurance clinical decision support tool to provide
25 real-time, evidence-based medical care guidance for intensive care unit
26 patients with severe adult or pediatric traumatic brain injury. In providing such
27 implementation assistance, the ~~private-independent~~ entity shall utilize the
28 treatment guidelines and practice recommendations that have been peer
29 reviewed and approved by the American Association of Neurological
30 Surgeons and are recognized as the current standard of care for individuals
31 with severe traumatic brain injury.

32 ~~"SECTION 11F.9.(d)(c)~~ By February 1, 2018, the Department of Health and Human
33 Services shall submit a progress report on the development and implementation of the pilot
34 program authorized by this section to the Joint Legislative Oversight Committee on Health and
35 Human Services and the Fiscal Research Division.

36 ~~"SECTION 11F.9.(e)(d)~~ By January 7, 2019, the Department of Health and Human Services
37 shall submit a final report of the pilot program authorized by this section to the Joint Legislative
38 Oversight Committee on Health and Human Services and the Fiscal Research Division. At a
39 minimum, the final report shall include all of the following:

40 (1) The number and outcome of patients served at each program site, broken down
41 by patient age and county of origin.

42 (2) A breakdown of expenditures at each program site by type of service.

43 (2) An estimate of the cost to expand the program incrementally and statewide.

44 (3) An estimate of any potential savings of State funds associated with expansion
45 of the program.

46 (4) If expansion of the program is recommended, a time line for expanding the
47 program."

48 **SECTION 3.4.** Part XI of S.L. 2017-57 is amended by adding a new section to read:

49 **"FUNDS FOR THE TOWN OF BOLTON**

50 **"SECTION 11D.3A.** Notwithstanding any other provision of law or descriptive language to
51 the contrary in the Committee Report described in Section 39.2 of this act, nonrecurring funds

1 appropriated in this act to the Department of Health and Human Services, Division of Aging and
2 Adult Services, for the 2017-2018 fiscal year, for allocation to the Bolton Senior Center shall
3 instead be allocated to the Town of Bolton."
4

5 **PART IV. AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES**

6 **SECTION 4.1.** Section 15.9A of S.L. 2017-57 reads as rewritten:

7 **"SECTION 15.9A.** The funds appropriated in this act to the Department of Commerce as a
8 grant-in-aid to the Town of Haw River shall be used to provide grants, loans, or both for a historic
9 mill renovation project. In addition to the provisions governing reporting, oversight, and
10 administration of grant funds contained in G.S. 143C-6-23, the Town of Haw River shall enter
11 into an agreement with any subgrantee-entity receiving funds-funds (recipient). The agreement
12 shall contain, at a minimum, (i) a provision that funds received under the agreement may be used
13 only for mill rehabilitation purposes, (ii) a provision allowing the Town of Haw River to inspect
14 all records of the subgrantee-recipient that may be used to confirm compliance with the
15 agreement, (iii) a provision establishing methods for determining compliance with the agreement,
16 and (iv) a provision requiring recapture or repayment of all grant-funds if the subgrantee-recipient
17 fails to comply with the terms of the agreement. In the event of a violation of the agreement, the
18 Town of Haw River shall take action to recapture all grant-recoup all funds. The Town may retain
19 up to twenty percent (20%) of the funds described in this section for the historic mill renovation
20 project for infrastructure improvements necessary for and directly related to the project. For
21 purposes of this section, the phrase "infrastructure improvements" is defined as street
22 improvements, site improvements, including site utilities, sidewalks, parking, hardscape
23 products, costs for demolition, engineering, and architecture, and fixtures for any spaces in the
24 historic mill renovation project leased and used by the Town. The Commerce Finance Center
25 shall, in cooperation with the Town of Haw River, conduct an annual review of the mill
26 restoration project and shall submit a report to the Joint Legislative Oversight Committee on
27 Agriculture and Natural and Economic Resources and the Fiscal Research Division on April 1
28 each year beginning April 1, 2021, until project completion."

29 **SECTION 4.2.** Section 13.22 of S.L. 2017-57, as amended by Section 4.2 of S.L.
30 2017-197, reads as rewritten:

31 **"SECTION 13.22.(a)** The following allocations are made from funds appropriated by this
32 act to the Division of Water Infrastructure of the Department of Environmental Quality for water
33 and sewer infrastructure grants:

34 ...

35 (4) The sum of one hundred thousand dollars (\$100,000) for the 2017-2018 fiscal
36 year to Davidson County ~~for the Wil-Cox bridge sewer expansion to be~~
37 allocated as follows:

38 a. Fifty thousand dollars (\$50,000) for a sewer project.

39 b. Notwithstanding any other provision of this section or Chapter 159G
40 of the General Statutes to the contrary, fifty thousand dollars (\$50,000)
41 for preservation and restoration work on the Wil-Cox bridge.

42"

43 **SECTION 4.3.** Section 15.14B(c) of S.L. 2014-100 reads as rewritten:

44 **"SECTION 15.14B.(c)** This section becomes effective January 1, ~~2015, and expires July 1,~~
45 ~~2020-2015.~~ The Secretary shall not award a grant for any qualifying expenses for which a
46 taxpayer receives a tax credit under G.S. 105-130.47 or G.S. 105-151.29."

47 **SECTION 4.4.** Section 10.24 of S.L. 2017-57 reads as rewritten:

48 "...

49 **"SECTION 10.24.(e)** The Committee shall develop a business plan for the Food Processing
50 Research Center at the North Carolina Research Campus (Center) to implement. The business
51 plan required by this subsection shall include processes for designing and marketing the Center.

1 Of the funds appropriated in this act to North Carolina State University for the Center, the
2 University shall allocate not more than the sum of one hundred thousand dollars (\$100,000) in
3 nonrecurring funds for the 2017-2018 fiscal year to the Committee to cover costs incurred by the
4 Committee in developing a business plan required under this subsection. The business plan
5 required under this subsection shall ensure all of the following:

- 6 (1) The financial stability for the Center, including sources and uses for funds to
7 operate the facility and maintain equipment for the Center.
- 8 (2) The creation and implementation of revenue models that can be used to
9 support the expenses of the facility with the goal of positioning the facility to
10 ultimately cease to need State funds for continued operations.
- 11 (3) The creation and implementation of policies that protect the State's investment
12 in the initiative and provide for a return to the taxpayers by increasing job
13 opportunities, private sector investment, and increased markets for
14 value-added agricultural products.
- 15 (4) Any other provision the Committee deems necessary to carry out the intent
16 and accomplish the goals established in this section.

17 Upon completion of the business plan required under this subsection, the Committee
18 shall submit the business plan to the University.

19 **"SECTION 10.24.(f)** No less than 30 days prior to expending or encumbering any other
20 funds provided in this act to the University for the Center, the University shall submit the business
21 plan required under subsection (e) of this section to the Joint Legislative Commission on
22 Government Operations. The business plan required under subsection (e) of this section is
23 binding, and the University shall not deviate from the plan without having the plan amended by
24 the Committee, which may adopt amendments by a majority vote.

25"

26 **SECTION 4.5.(a)** Of the funds appropriated in S.L. 2017-57 to the Wildlife
27 Resources Commission, an additional fifty thousand dollars (\$50,000) in recurring funds is
28 allocated to the Outdoor Heritage Advisory Council to provide support for the operation of the
29 Council, including the salaries and benefits of Council personnel.

30 **SECTION 4.5.(b)** Part 36 of Article 7 of Chapter 143B of the General Statutes is
31 amended by adding a new section to read:

32 **"§ 143B-344.62. Outdoor Heritage Advisory Council – executive director; staff.**

33 The Council may, subject to appropriations or other funds that accrue to it, employ an
34 executive director to carry out the day-to-day responsibilities and business of the Council. The
35 executive director shall serve at the pleasure of the Council. The executive director, also subject
36 to appropriations or other funds that accrue to the Council, may hire additional staff and
37 consultants to assist in the discharge of the executive director's responsibilities, as determined by
38 the Council."

39 **SECTION 4.6.(a)** G.S. 97-2(2) reads as rewritten:

- 40 "(2) Employee. – The term "employee" means every person engaged in an
41 employment under any appointment or contract of hire or apprenticeship,
42 express or implied, oral or written, including aliens, and also minors, whether
43 lawfully or unlawfully employed, but excluding persons whose employment
44 is both casual and not in the course of the trade, business, profession, or
45 occupation of his employer, and as relating to those so employed by the State,
46 the term "employee" shall include all officers and employees of the State,
47 including such as are elected by the people, or by the General Assembly, or
48 appointed by the Governor to serve on a per diem, part-time or fee basis, either
49 with or without the confirmation of the Senate; as relating to municipal
50 corporations and political subdivisions of the State, the term "employee" shall
51 include all officers and employees thereof, including such as are elected by

1 the people. The term "employee" shall include members of the North Carolina
2 National Guard while on State active duty under orders of the Governor and
3 members of the North Carolina State Defense Militia while on State active
4 duty under orders of the Governor. The term "employee" shall include deputy
5 sheriffs and all persons acting in the capacity of deputy sheriffs, whether
6 appointed by the sheriff or by the governing body of the county and whether
7 serving on a fee basis or on a salary basis, or whether deputy sheriffs serving
8 upon a full-time basis or a part-time basis, and including deputy sheriffs
9 appointed to serve in an emergency, but as to those so appointed, only during
10 the continuation of the emergency. The sheriff shall furnish to the board of
11 county commissioners a complete list of all deputy sheriffs named or
12 appointed by him immediately after their appointment and notify the board of
13 commissioners of any changes made therein promptly after such changes are
14 made. Any reference to an employee who has been injured shall, when the
15 employee is dead, include also the employee's legal representative,
16 dependents, and other persons to whom compensation may be payable:
17 Provided, further, that any employee, as herein defined, of a municipality,
18 county, or of the State of North Carolina, while engaged in the discharge of
19 the employee's official duty outside the jurisdictional or territorial limits of the
20 municipality, county, or the State of North Carolina and while acting pursuant
21 to authorization or instruction from any superior officer, shall have the same
22 rights under this Article as if such duty or activity were performed within the
23 territorial boundary limits of their employer.

24 Except as otherwise provided herein, every executive officer elected or
25 appointed and empowered in accordance with the charter and bylaws of a
26 corporation shall be considered as an employee of such corporation under this
27 Article.

28 Any such executive officer of a corporation may, notwithstanding any
29 other provision of this Article, be exempt from the coverage of the
30 corporation's insurance contract by such corporation's specifically excluding
31 such executive officer in such contract of insurance, and the exclusion to
32 remove such executive officer from the coverage shall continue for the period
33 such contract of insurance is in effect, and during such period such executive
34 officers thus exempted from the coverage of the insurance contract shall not
35 be employees of such corporation under this Article.

36 All county agricultural extension service employees who do not receive
37 official federal appointments as employees of the United States Department
38 of Agriculture and who are field faculty members with professional rank as
39 designated in the memorandum of understanding between the North Carolina
40 Agricultural Extension Service, North Carolina State University, A & T State
41 University, and the boards of county commissioners shall be deemed to be
42 employees of the State of North Carolina. All other county agricultural
43 extension service employees paid from State or county funds shall be deemed
44 to be employees of the county board of commissioners in the county in which
45 the employee is employed for purposes of workers' compensation.

46 The term "employee" shall also include members of the Civil Air Patrol
47 currently certified pursuant to G.S. 143B-1031(a) when performing duties in
48 the course and scope of a State-approved mission pursuant to Subpart C of
49 Part 5 of Article 13 of Chapter 143B of the General Statutes.

50 "Employee" shall not include any person performing voluntary service as
51 a ski patrolman who receives no compensation for such services other than

1 meals or lodging or the use of ski tow or ski lift facilities or any combination
2 thereof.

3 "Employee" shall not include any person elected or appointed and
4 empowered as an executive officer, director, or committee member under the
5 charter, articles, or bylaws of a nonprofit corporation subject to Chapter 47A,
6 47C, 47F, 55A, or 59B of the General Statutes, or any organization exempt
7 from federal income tax under section 501(c)(3) of the Internal Revenue Code,
8 who performs only voluntary service for the nonprofit corporation, provided
9 that the person receives no remuneration for the voluntary service other than
10 reasonable reimbursement for expenses incurred in connection with the
11 voluntary service. When a nonprofit corporation as described herein employs
12 one or more persons who do receive remuneration other than reasonable
13 reimbursement for expenses, then any volunteer officers, directors, or
14 committee members excluded from the definition of "employee" by operation
15 of this paragraph shall be counted as employees for the sole purpose of
16 determining the number of persons regularly employed in the same business
17 or establishment pursuant to G.S. 97-2(1). Other than for the limited purpose
18 of determining the number of persons regularly employed in the same business
19 or establishment, such volunteer nonprofit officers, directors, or committee
20 members shall not be "employees" under the Act. Nothing herein shall
21 prohibit a nonprofit corporation as described herein from voluntarily electing
22 to provide for workers' compensation benefits in the manner provided in
23 G.S. 97-93 for volunteer officers, directors, or committee members excluded
24 from the definition of "employee" by operation of this paragraph. This
25 paragraph shall not apply to any volunteer firefighter, volunteer member of an
26 organized rescue squad, an authorized pickup firefighter when that individual
27 is engaged in emergency fire suppression activities for the North Carolina
28 Forest Service, a duly appointed and sworn member of an auxiliary police
29 department organized pursuant to G.S. 160A-282, or a senior member of the
30 State Civil Air Patrol functioning under Subpart C of Part 5 of Article 13 of
31 Chapter 143B of the General Statutes, even if such person is elected or
32 appointed and empowered as an executive officer, director, or committee
33 member under the charter, articles, or bylaws of a nonprofit corporation as
34 described herein.

35 Any sole proprietor or partner of a business or any member of a limited
36 liability company may elect to be included as an employee under the workers'
37 compensation coverage of such business if he is actively engaged in the
38 operation of the business and if the insurer is notified of his election to be so
39 included. Any such sole proprietor or partner or member of a limited liability
40 company shall, upon such election, be entitled to employee benefits and be
41 subject to employee responsibilities prescribed in this Article.

42 "Employee" shall include an authorized pickup firefighter of the North
43 Carolina Forest Service of the Department of Agriculture and Consumer
44 Services when that individual is engaged in emergency fire suppression
45 activities for the North Carolina Forest Service. As used in this section,
46 "authorized pickup firefighter" means an individual who has completed
47 required fire suppression training as a wildland firefighter and who is available
48 as needed by the North Carolina Forest Service for emergency fire suppression
49 activities, including immediate dispatch to wildfires and standby for initial
50 attack on fires during periods of high fire danger.

1 It shall be a rebuttable presumption that the term "employee" shall not
2 include any person performing services in the sale of newspapers or
3 magazines to ultimate consumers under an arrangement whereby the
4 newspapers or magazines are to be sold by that person at a fixed price and the
5 person's compensation is based on the retention of the excess of the fixed price
6 over the amount at which the newspapers or magazines are charged to the
7 person."

8 **SECTION 4.6.(b)** This section becomes effective January 1, 2018.

9 **SECTION 4.7.(a)** Section 15.8(a) of S.L. 2017-57, as amended by Section 4.8(a) of
10 S.L. 2017-197, reads as rewritten:

11 **"SECTION 15.8.(a)** Of the funds appropriated in this act to the Rural Economic
12 Development Division of the Department of Commerce, the sum of five million ~~eight seven~~
13 hundred seventy-five thousand dollars ~~(\$5,875,000)~~(\$5,775,000) in nonrecurring funds for the
14 2017-2018 fiscal year shall be used to provide grants-in-aid for downtown revitalization projects
15 for each of the following counties and municipalities in the following amounts:

16 ...

17 (7) One hundred thousand dollars (\$100,000) each to the City of Archdale, the
18 City of Asheboro, the Village of Clemmons, the unincorporated community
19 of Cliffside in Rutherford County, the Town of Emerald Isle, the City of
20 Hendersonville, the City of Kannapolis, the Town of Kernersville, the City of
21 Lumberton, the Town of Oakboro, the Town of Old Fort, the Town of
22 Pembroke, the City of Randleman, the City of Roxboro, the City of Trinity,
23 and the Town of Troy, and the Town of Yadkinville.Troy.

24 "

25 **SECTION 4.7.(b)** Section 15.8 of S.L. 2017-57 is amended by adding new
26 subsections to read:

27 **"SECTION 15.8.(f)** Of the funds appropriated in this act to the Rural Economic
28 Development Division of the Department of Commerce, the sum of twenty-five thousand dollars
29 (\$25,000) in nonrecurring funds for the 2017-2018 fiscal year shall be used to provide a
30 grant-in-aid to the Town of Dover to be used for parks and recreation projects.

31 **"SECTION 15.8.(g)** Notwithstanding G.S. 143B-472.127, of the funds appropriated in this
32 act to the Rural Economic Development Division of the Department of Commerce, the sum of
33 seventy-five thousand dollars (\$75,000) in nonrecurring funds for the 2017-2018 fiscal year shall
34 be used to provide a grant-in-aid to Lincoln County for the Voice Interoperability Plan for
35 Emergency Responders network."

36 **SECTION 4.8.(a)** G.S. 143B-293.2(a1) reads as rewritten:

37 "(a1) Members Selection. – The North Carolina Oil and Gas Commission shall consist of
38 nine members appointed as follows:

39 ...

40 (3) One appointed by the General Assembly upon recommendation of the Speaker
41 of the House of Representatives in conformance with G.S. 120-121, who is a
42 ~~representative~~member of a nongovernmental conservation interest.

43 ...

44 (5) One appointed by the General Assembly upon recommendation of the
45 President Pro Tempore of the Senate in conformance with G.S. 120-121, who
46 is a ~~representative~~member of a nongovernmental conservation interest.

47 "

48 **SECTION 4.8.(b)** This section applies to appointments made on or after the effective
49 date of this act.

50 **SECTION 4.9.** Section 14.19 of S.L. 2017-57 reads as rewritten:

1 **"SECTION 14.19.** Of the funds appropriated by this act to the Division of North Carolina
2 Aquariums in the North Carolina Department of Natural and Cultural Resources, the sum of three
3 hundred thousand dollars (\$300,000) in nonrecurring funds for the 2017-2018 fiscal year is
4 allocated for planning and permitting of Blake Farms satellite aquarium area in Scotts Hill, North
5 Carolina, and the Division is authorized to expend funds ~~for this purpose to engage architects and~~
6 ~~other program consultants to (i) collaborate with Blake Farms to design and permit the building~~
7 ~~housing the satellite aquarium area; and (ii) produce schematic, design, and final construction~~
8 ~~documents for the satellite aquarium area."~~

9 **SECTION 4.10.(a)** Section 37.2(e) of S.L. 2016-94, as amended by Section 36.3(g)
10 of S.L. 2017-57, reads as rewritten:

11 **"SECTION 37.2.(e)** Notwithstanding any provision of law to the contrary, funds
12 appropriated for a water resources development project shall be used to provide no more than
13 fifty percent (50%) of the nonfederal portion of funds for the project. This subsection applies to
14 funds appropriated in this act and to funds appropriated prior to the 2015-2017 fiscal biennium
15 that are unencumbered and proposed for reallocation to provide the nonfederal portion of funds
16 for water resources development projects. The limitation on fund usage contained in this
17 subsection applies only to projects in which a local government or local governments participate.
18 This subsection shall not apply to, and there shall be no local match required for, any of the
19 following, notwithstanding any other provision of law:

- 20 (1) The Environmental Quality Incentives Program. Furthermore, Section 36.3(e)
21 of S.L. 2013-360, Section 36.2(e) of S.L. 2014-100, and Section 31.3(e) of
22 S.L. 2015-241 shall not apply to funds made available as part of the
23 Environmental Quality Incentives Program in any fiscal year. ~~Any Funds~~
24 ~~appropriated during the 2015-2017 biennium, and any remaining balance of~~
25 ~~funds appropriated prior to the 2015-2017 fiscal biennium for Environmental~~
26 ~~Quality Incentives Program projects shall be paid out to each of the original~~
27 ~~grantees for the full grant award amount, except that the Secretary may retain~~
28 ~~ten percent (10%) of the State share of funding until the Natural Resources~~
29 ~~Conservation Service of the United States Department of Agriculture has~~
30 ~~provided a final practice approval for the project.~~

31 "

32 **SECTION 4.10.(b)** G.S. 143-215.72(d) reads as rewritten:

33 "(d) The following procedures apply only to grants for the purpose set forth in
34 G.S. 143-215.71(8):

- 35 (1) A nongovernmental entity managing, administering, or executing the grant on
36 behalf of a unit of local government may apply as a co-applicant for the grant
37 and may be included as a responsible party on any required resolution issued
38 by the unit of local government.
- 39 (2) ~~The~~ Upon request signed by the grant applicant and co-applicant, the
40 Department may shall make periodic payments to the co-applicant for its share
41 of nonfederal costs of a project prior to receipt of a final practice approval
42 from the Natural Resources Conservation Service if the grantee has submitted
43 a certified reimbursement request or invoice."

44 **PART V. JUSTICE AND PUBLIC SAFETY**

45 **SECTION 5.1.** G.S. 97-13 is amended by adding a new subsection to read:

46 "(c1) Certain Inmates. – Notwithstanding the thirty dollars (\$30.00) per week limit in
47 subsection (c) of this section, the average weekly wage of inmates employed pursuant to the
48 Prison Industry Enhancement Program shall be calculated pursuant to G.S. 97-2(5)."

49 **SECTION 5.2.(a)** G.S. 114-2(1) reads as rewritten:
50

"(1) To defend all actions in the appellate division in which the State shall be interested, or a party, and to appear for the State in any other court or tribunal in any cause or matter, civil or criminal, in which the State may be a party or interested. The duty to represent the State in criminal appeals shall not be delegated to any district attorney's office or any other entity."

SECTION 5.2.(b) G.S. 7A-61 reads as rewritten:

"§ 7A-61. Duties of district attorney.

The district attorney shall prepare the trial dockets, prosecute in a timely manner in the name of the State all criminal actions and infractions requiring prosecution in the superior and district courts of ~~his~~the district attorney's prosecutorial district, ~~district and~~ advise the officers of justice in ~~his~~the district attorney's district, ~~district, and perform such duties related to appeals to the Appellate Division from his district as the Attorney General may require.~~ Effective January 1, 1971, ~~the~~ The district attorney shall also represent the State in juvenile cases in the superior and district courts in which the juvenile is represented by an attorney. The district attorney shall provide to the Attorney General any case files, records and additional information necessary for the Attorney General to conduct appeals to the Appellate Division for cases from the district attorney's prosecutorial district. The Attorney General shall not delegate to the district attorney, or any other entity, the duty to represent the State in criminal and juvenile appeals. Each district attorney shall devote his full time to the duties of his office and shall not engage in the private practice of law."

SECTION 5.2.(c) This section is effective July 1, 2017. It shall be the obligation of the Attorney General to work with each District Attorney to ensure that all criminal appeals delegated on or after July 1, 2017, to a District Attorney's office shall be properly returned to the Attorney General's office. Notwithstanding the previous two sentences, actions taken by the office of a District Attorney related to a criminal appeal delegated to that office on or after July 1, 2017, shall be deemed to have been taken with full legal authority to act on behalf of the State.

SECTION 5.3. Part XVII of S.L. 2017-57 is amended by adding a new section to read:

"DWI MISDEMEANOR CLARIFICATIONS/EXPERT TESTIMONY REVISIONS

"SECTION 17.8.(a) G.S. 15-1 reads as rewritten:

"§ 15-1. Statute of limitations for misdemeanors.

The crimes of deceit and malicious mischief, and the crime of petit larceny where the value of the property does not exceed five dollars (\$5.00), and all misdemeanors except malicious misdemeanors, shall be ~~presented or found by the grand jury charged~~ within two years after the commission of the same, and not afterwards: Provided, that if any indictment found within that time pleading shall be defective, so that no judgment can be given thereon, another prosecution may be instituted for the same offense, within one year after the first shall have been abandoned by the State."

"SECTION 17.8.(b) G.S. 8C-1, Rule 702(a1), reads as rewritten:

"Rule 702. Testimony by experts.

...

(a1) ~~A witness, qualified under subsection (a) of this section and with proper foundation,~~ Notwithstanding any other provision of law, a witness may give expert testimony solely on the issue of impairment and not on the issue of specific alcohol concentration level relating to the following:

- (1) The results of a Horizontal Gaze Nystagmus (HGN) Test when the test is administered in accordance with the person's training by a person who has successfully completed training in HGN.
- (2) Whether a person was under the influence of one or more impairing substances, and the category of such impairing substance or ~~substances.~~ A witness who has received training and substances, if the witness holds a

1 current certification as a Drug Recognition Expert, issued by the State
2 Department of Health and Human Services, shall be qualified to give the
3 testimony under this subdivision. Services."

4 "SECTION 17.8.(c) Subsection (a) of this section becomes effective December 1, 2017, and
5 applies to offenses committed on or after that date. The remainder of the section is effective when
6 it becomes law.""

7 8 PART VI. TRANSPORTATION

9 SECTION 6.1. Section 34.28A(b) of S.L. 2017-57 reads as rewritten:

10 "SECTION 34.28A.(b) Submission of Analysis. – The Departments shall jointly submit the
11 findings of the analysis required under subsection (a) of this section, including any legislative
12 recommendations, to the Joint Legislative Transportation Oversight Committee and the Joint
13 Legislative Oversight Committee on Agriculture and Natural and Economic Resources by
14 ~~February~~April 1, 2018."

15 SECTION 6.2. Section 34.29 of S.L. 2017-57 reads as rewritten:

16 "SECTION 34.29. The Department of Transportation shall study the use of its new dredge
17 vessel, the Dredge Manteo. As part of this study, the Department shall include (i) an
18 approximation of the annual cost to the State to operate and maintain the dredge vessel and (ii) a
19 plan to allow use of the dredge vessel by other State departments and agencies. The Department
20 shall report its findings, including any recommended legislation, to the Joint Legislative
21 Transportation Oversight Committee by ~~December 1, 2017~~April 1, 2018."

22 23 PART VII. FINANCE

24 SECTION 7.1.(a) G.S. 105-244.4(a), as enacted by S.L. 2017-204, reads as
25 rewritten:

26 "(a) Reduction – The Secretary may reduce an assessment against a taxpayer who requests
27 relief for State and local sales and use taxes in the amount as provided in this section and waive
28 any penalties imposed as part of the assessment when the assessment is the result of an audit of
29 the taxpayer by the Department and all of the following apply:

30 ...

31 (5) The taxpayer meets one of the following:

- 32 a. The taxpayer received a proposed assessment dated on or before
33 August 15, 2017, did not file a request for review, paid the tax due,
34 and files a written request with the Secretary ~~no later than 120 days~~
35 following the receipt of a proposed assessment on or before December
36 29, 2017, to request the amount of sales or use taxes be reduced as
37 provided in this section citing the specific reasons therefor.
- 38 b. The taxpayer received a proposed assessment dated on or before
39 September 30, 2017, timely filed a request for review, and files a
40 written request with the Secretary on or before December 29, 2017, to
41 request the amount of sales or use taxes be reduced as provided in this
42 section citing the specific reasons therefor. The Department does not
43 need to take further action on the taxpayer's request for review unless
44 the taxpayer states in writing, when filing a request for reduction under
45 this section, that the reduction does not resolve the taxpayer's objection
46 to the proposed assessment and that the taxpayer wishes to continue
47 the Departmental review.
- 48 c. ~~A~~The taxpayer who does not agree with a proposed assessment must
49 also filereceives a proposed assessment after September 30, 2017, and
50 timely files a request for review within 120 days of the date of the
51 notice of proposed assessment as provided in G.S. 105-241.11 in order

1 for a request to reduce the amount of tax as allowed by this section to
2 be considered by the Secretary and files a written request with the
3 Secretary no later than 45 days from the date of the notice of the
4 proposed assessment to request the amount of sales or use taxes be
5 reduced as provided in this section citing the specific reasons
6 therefor."

7 **SECTION 7.1.(b)** This section becomes effective August 11, 2017.

8 **SECTION 7.2.(a)** Section 38.8(a) of S.L. 2017-57 reads as rewritten:

9 "SECTION 38.8.(a) Article 5F of Chapter 105 of the General Statutes, G.S. 105-164.13(5a),
10 and ~~G.S. 105-163.13(57a)~~G.S. 105-164.13(57a) are repealed."

11 **SECTION 7.2.(b)** This section is effective when it becomes law and applies
12 retroactively to sales made on or after July 1, 2017.

13 **PART VIII. AGENCY TECHNICAL CORRECTIONS**

14 **SECTION 8.1.** G.S. 18B-1114.1, as amended by Section 18 of S.L. 2017-87 and by
15 Section 19 of S.L. 2017-108, reads as rewritten:

16 **"§ 18B-1114.1. Authorization of winery special event permit.**

17 (a) Authorization. – The holder of an unfortified winery permit, a limited winery permit,
18 a viticulture/enology course authorization, or a wine producer permit may obtain a winery special
19 permit allowing the winery or wine producer to give free tastings of its wine, and to sell its wine
20 by the glass or in closed containers, at trade shows, conventions, shopping malls, wine festivals,
21 street festivals, holiday festivals, agricultural festivals, farmers markets, balloon races, local
22 fund-raisers, ~~farmers markets~~, and other similar events approved by the Commission.

23 (b) Limitation. – A winery special event permit is valid only in a jurisdiction that has
24 approved the establishment of ABC stores or has approved the sale of unfortified wine."

25 **SECTION 8.2.** G.S. 28A-2B-2 reads as rewritten:

26 **"§ 28A-2B-2. Venue.**

27 The venue for a petition under G.S. 28A-2B-1 is the county of this State in which the
28 petitioner whose will or codicil is the subject of the petition ~~is domiciled~~ resides."

29 **SECTION 8.3.** G.S. 28A-21-2, as amended by Section 10 of S.L. 2017-158, reads
30 as rewritten:

31 **"§ 28A-21-2. Final accounts.**

32 (a) Unless the time for filing the final account has been extended by the clerk of superior
33 court, the personal representative or collector must file the final account for settlement within
34 one year after qualifying or within six months after receiving a State estate or inheritance tax
35 release, or in the time period for filing an annual account pursuant to G.S. 28A-21-1, whichever
36 is later. ~~If no estate or inheritance tax return was required to be filed for the estate, the personal
37 representative or collector shall so certify in the final account filed with the clerk of superior
38 court. Such certification shall list the amount and value of all of the decedent's property, and with
39 respect to real estate, its particular location within or outside the State, including any property
40 transferred by the decedent over which the decedent had retained any interest, or any property
41 transferred within three years prior to the date of the decedent's death, and after being filed and
42 accepted by the clerk of superior court shall be prima facie evidence that such property is free of
43 any State inheritance or State estate tax liability. The personal representative or collector shall
44 produce vouchers for all payments or verified proof for all payments in lieu of vouchers. With
45 the approval of the clerk of superior court, such account may be filed voluntarily at any time. In
46 all cases, the accounting shall be reviewed, audited and recorded by the clerk of superior court
47 in the manner prescribed in G.S. 28A-21-1.~~

48 (a1) If no estate or inheritance tax return was required to be filed for the estate, the personal
49 representative or collector shall so certify in the final account filed with the clerk of superior
50 court. Such certification shall list the amount and value of all of the decedent's property and, with
51

1 respect to real estate, its particular location within or outside the State, including any property
2 transferred by the decedent over which the decedent had retained any interest, or any property
3 transferred within three years prior to the date of the decedent's death, and, after being filed and
4 accepted by the clerk of superior court, shall be prima facie evidence that such property is free
5 from any State inheritance or State estate tax liability. This subsection only applies to estates of
6 decedents who died before January 1, 2013.

7 (a2) The personal representative or collector shall produce vouchers for all payments or
8 verified proof for all payments in lieu of vouchers. With the approval of the clerk of superior
9 court, such account may be filed voluntarily at any time. In all cases, the accounting shall be
10 reviewed, audited, and recorded by the clerk of superior court in the manner prescribed by
11 G.S. 28A-21-1.

12 (b) Except as provided in subsection (a), after the date specified in the general notice to
13 creditors as provided for in G.S. 28A-14-1, if all of the debts and other claims against the estate
14 of the decedent duly presented and legally owing have been paid in the case of a solvent estate
15 or satisfied pro rata according to applicable statutes in the case of an insolvent estate, the personal
16 representative or collector may file the personal representative's or collector's final account to be
17 reviewed, audited and recorded by the clerk of superior court. Nothing in this subsection shall be
18 construed as limiting the right of the surviving spouse or minor children to file for allowances
19 under G.S. 30-15 through 30-18 and the right of a surviving spouse to file for property rights
20 under G.S. 29-30."

21 **SECTION 8.4.(a)** G.S. 31D-5-505, as recodified by Section 13(b) of S.L. 2017-102,
22 reads as rewritten:

23 "**§ 31D-5-505. Requisites of release or limitation as against creditors and purchasers for**
24 **value.**

25 No release or limitation of a power of appointment after March 8, 1943, which is made by
26 the owner of the legal title to real property in this State shall be valid as against creditors and
27 purchasers for a valuable consideration until an instrument in writing setting forth the release or
28 limitation is executed and acknowledged in the manner required for a deed and recorded in the
29 county where the real property is."

30 **SECTION 8.4.(b)** The Revisor of Statutes shall cause to be printed all explanatory
31 comments of the drafters of this section, as the Revisor may deem appropriate.

32 **SECTION 8.5.(a)** G.S. 36C-5-505 reads as rewritten:

33 "**§ 36C-5-505. Creditor's claim against settlor.**

34 ...

35 (c) Subject to the Uniform Voidable Transactions Act, Article 3A of Chapter 39 of the
36 General Statutes, for purposes of this section, property contributed to the following trusts is not
37 considered to have been contributed by the settlor and a person who would otherwise be treated
38 as a settlor or a deemed settlor of the following trusts may not be treated as a settlor:

39 (1) If the settlor is a beneficiary after the death of the settlor's spouse:

- 40 a. An irrevocable inter vivos marital trust that is treated as a general
41 power of appointment trust described in section 2523(e) of the Internal
42 Revenue Code.
- 43 b. An irrevocable inter vivos marital trust that is treated as a qualified
44 terminable interest trust under section 2523(f) of the Internal Revenue
45 Code.
- 46 c. An irrevocable inter vivos trust of which the settlor's spouse is a
47 beneficiary during the spouse's lifetime but which does not qualify for
48 the federal gift tax marital deduction, and during the lifetime of the
49 settlor's spouse (i) the settlor's spouse is the only beneficiary or (ii) the
50 settlor's spouse and ~~the settlor's issue~~ any issue of the settlor or the
51 settlor's spouse, or both, are the only beneficiaries.

1 d. Another trust, to the extent that the property of the other trust is
2 attributable to property passing from a trust described in
3 sub-subdivisions a., b., and c. of this subdivision.

4 For purposes of this subdivision, notwithstanding the provisions of
5 G.S. 36C-1-103(3), the settlor is a beneficiary whether so named under the
6 initial trust instrument or through the exercise of a limited or general power
7 of appointment.

8 (2) An irrevocable inter vivos trust for the benefit of a person if the settlor is the
9 person's spouse, regardless of whether or when that person was a settlor of an
10 irrevocable inter vivos trust for the benefit of the person's spouse.

11 For purposes of this subsection, the "settlor's spouse" refers to the person to whom the settlor
12 was married at the time the irrevocable inter vivos trust was created, notwithstanding a
13 subsequent dissolution of the marriage."

14 **SECTION 8.5.(b)** The Revisor of Statutes shall cause to be printed all explanatory
15 comments of the drafters of this section, as the Revisor may deem appropriate.

16 **SECTION 8.6.** G.S. 42A-37(a) reads as rewritten:

17 "(a) Any member of the Armed Forces of the United States who executes a vacation rental
18 agreement and subsequently receives (i) an order for deployment with a military unit for a period
19 overlapping with the rental period or (ii) permanent change of station orders requiring the
20 member to relocate on a date prior to the beginning of the lease term may terminate the member's
21 vacation rental agreement by providing the landlord or landlord's agent with a written notice of
22 termination within 10 calendar days of receipt of the order. The notice must be accompanied by
23 either a copy of the official military orders or a written verification signed by the member's
24 commanding officer. Termination of a lease pursuant to this subsection is effective immediately
25 upon receipt of the notice by the landlord or landlord's agent. All monies paid by the terminating
26 member, with the exception of nonrefundable fees paid to third parties as described in
27 ~~G.S. 42-16(a)~~, G.S. 42A-16, in connection with the vacation rental agreement shall be refunded
28 to the member within 30 days of termination of the agreement."

29 **SECTION 8.7.(a)** G.S. 57D-1-03, as amended by Section 4 of S.L. 2017-90, reads
30 as rewritten:

31 "**§ 57D-1-03. Definitions.**

32 ~~In this Chapter unless otherwise specifically provided:~~ Unless otherwise specifically
33 provided, the following definitions apply in this Chapter:

34 ...

35 ~~(33b)~~(32b) Service-disabled veteran-owned small business. – A business that
36 satisfies both of the following requirements:

37 a. The business's net annual receipts do not exceed one million dollars
38 (\$1,000,000).

39 b. One or more service-disabled veterans own more than fifty percent
40 (50%) of the business."

41 **SECTION 8.7.(b)** This section becomes effective January 1, 2018.

42 **SECTION 8.8.(a)** G.S. 90-92(a) reads as rewritten:

43 "(a) This schedule includes the controlled substances listed or to be listed by whatever
44 official name, common or usual name, chemical name, or trade name designated. In determining
45 that a substance comes within this schedule, the Commission shall find: a low potential for abuse
46 relative to the substances listed in Schedule III of this Article; currently accepted medical use in
47 the United States; and limited physical or psychological dependence relative to the substances
48 listed in Schedule III of this Article. The following controlled substances are included in this
49 schedule:

50 ...

- 1 (5) Narcotic Drugs. – Unless specifically excepted or unless listed in another
- 2 schedule, any material, compound, mixture, or preparation containing limited
- 3 quantities of any of the following narcotic drugs, or any salts thereof:
- 4 a. Not more than 1 milligram of difenoxin and not less than 25
- 5 micrograms of atropine sulfate per dosage unit.
- 6 b. Buprenorphine.
- 7 c. 2-[(dimethylamino)methyl]-1-(3-methoxyphenyl)cyclohexanol, its
- 8 salts, optical and geometric isomers, and salts of these isomers
- 9 (including tramadol)."

10 **SECTION 8.8.(b)** The sub-subdivision c. added to G.S. 90-92(a)(5) by Section 6 of
 11 S.L. 2017-115 is repealed.

12 **SECTION 8.8.(c)** This section becomes effective December 1, 2017, and subsection
 13 (a) of this section applies to offenses committed on or after that date.

14 **SECTION 8.9.(a)** G.S. 135-7(g)(2), as enacted by Section 5(a) of S.L. 2017-129,
 15 reads as rewritten:

- 16 "(2) Funding of the LEIA. – In the event that the General Assembly creates or
- 17 modifies any provision for the retirement of, or payment of retirement benefits
- 18 to, public officers or public employees that has a cost savings as measured by
- 19 actuarial note required by Article 15 of Chapter 120 of the General Statutes,
- 20 the Board of Trustees may direct up to one hundredth percent (0.01%) of the
- 21 required contributions to fund the LEIA. These funds must be deposited in a
- 22 separate fund from the fund into which regular employer contributions are
- 23 deposited for the Retirement System. The Board of ~~Trustee~~ Trustees shall not
- 24 direct any employer contributions into the LEIA after November 1, 2021."

25 **SECTION 8.9.(b)** This section becomes effective October 1, 2017.

26 **SECTION 8.10.** G.S. 143-47.7 reads as rewritten:

27 **"§ 143-47.7. Notice and record of appointment required.**

28 (a) Within 30 days after acceptance of appointment by a person appointed to public
 29 office, the appointing authority shall file written notice of the appointment with the Governor,
 30 the Secretary of State, the Legislative Library, ~~the State Library,~~ the State Ethics Commission,
 31 and the State Controller. For the purposes of this section, a copy of the letter from the appointing
 32 authority, a copy of the properly executed notice of appointment as set forth in subsection (c) of
 33 this section, or a copy of the properly executed Commission of Appointment shall be sufficient
 34 to be filed if the copy contains the information required in subsection (b) of this section.

35 (b) The notice required by this Article shall contain the following information:

- 36 (1) The name and office of the appointing authority;
- 37 (2) The public office to which the appointment is made;
- 38 (3) The name and address of the appointee;
- 39 (4) The county of residence of the appointee;
- 40 (5) The citation to the law or other authority authorizing the appointment;
- 41 (6) The specific statutory qualification for the public office to which the
- 42 appointment is made, if applicable;
- 43 (7) The name of the person the appointee replaces, if applicable;
- 44 (8) The date the term of the appointment begins; and
- 45 (9) The date the term of the appointment ends.

46 (c) The following form may be used to comply with the requirements of this section:

47 "NOTICE OF APPOINTMENT

48 Notice is given that _____ is hereby appointed to the following

49 Name

50 public office:

51 Public Office: _____

Citation to Law or Other Authority Authorizing the Appointment:

Specific Statutory Qualification for the Public Office, if Applicable:

Address of the Appointee:

County of Residence of the Appointee:

Date Term of Appointment Begins:

Date Term of Appointment Ends:

Name of Person the Appointee Replaces, if applicable:

Date of Appointment

Signature

Office of Appointing Authority

Distribution:

- Governor
- Secretary of State
- Legislative Library
- ~~State Library~~
- State Ethics Commission
- State Controller"

SECTION 8.11. G.S. 143-138(b4)(2a), as enacted by Section 8(b) of S.L. 2017-108 and Section 8(a) of S.L. 2017-130, reads as rewritten:

"(2a) A "therapeutic equine facility" is an equine facility as described in ~~sub-subdivision a. of subdivision (1) of this subsection~~ sub-subdivision (1)a. of this subsection operated by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code that provides therapeutic equine-related activities for persons who are physically, intellectually, or emotionally challenged."

SECTION 8.12. G.S. 143B-68 reads as rewritten:

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

The Public Librarian Certification Commission of the Department of Natural and Cultural Resources shall consist of five members as follows: (i) ~~the chairman of the North Carolina Association of Library Trustees,~~ (ii) the chairman of the public libraries section of the North Carolina Library Association, ~~(iii) an individual~~ (ii) two individuals named by the Governor upon the nomination of the North Carolina Library Association, ~~(iv)~~ (iii) the dean of a State or regionally accredited graduate school of librarianship in North Carolina appointed by the Governor and ~~(v)~~ (iv) one member at large appointed by the Governor.

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

The Governor shall have the power to remove any member of the Commission from office for misfeasance, malfeasance, and nonfeasance according to the provisions of G.S. 143B-13 of the Executive Organization Act of 1973.

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

A majority of the Commission shall constitute a quorum for the transaction of business.

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

3 **SECTION 8.13.** Part XII of S.L. 2006-248 is repealed.

4 **SECTION 8.14.** Section 6A.19(e) of S.L. 2011-145 is repealed.

5

6 **PART IX. EFFECTIVE DATE**

7 **SECTION 9.** Except as otherwise provided, this act is effective when it becomes
8 law.