

## 2005 Legislation 'Effective January 1, 2006'

The following public law provisions were enacted in 2005 with an effective date of January 1, 2006.

**S.L. 2005-36 (HB 707) Amend Star-Rated Licensure/Child Care Fac.**

AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF CHILD DEVELOPMENT, TO STRENGTHEN THE LAWS REGULATING STAR-RATED LICENSURE FOR CHILD CARE FACILITIES.

**S.L. 2005-40 (HB 780) Need-Based Nursing Scholarships.**

AN ACT TO MODIFY THE PROCESS BY WHICH THE NEED-BASED SCHOLARSHIP LOAN FUND IS ADMINISTERED.

**S.L. 2005-75 (SB 763) Notary Public Public Official Recommendation.**

AN ACT TO ELIMINATE THE REQUIREMENT OF AN ELECTED OFFICIAL RECOMMENDATION FOR NOTARY PUBLIC APPLICANTS IN COUNTIES WITH MORE THAN FIFTEEN THOUSAND NOTARIES PUBLIC.

**S.L. 2005-99 (HB 786) MV Dealer Technical Corrections.**

AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE MOTOR VEHICLE DEALERS LICENSING ACT.

**S.L. 2005-131 (SB 178) Amend Certain Lic. Reqs/Plumb'g/Heat'g Contr.**

AN ACT AMENDING CERTAIN LAWS RELATING TO LICENSURE REQUIREMENTS FOR PLUMBING AND HEATING CONTRACTORS.

**S.L. 2005-181 (HB 653) Credit Insurance Changes.**

AN ACT TO MAKE CHANGES TO THE CREDIT INSURANCE LAWS TO DEFINE "CRITICAL PERIOD COVERAGE"; CLARIFY THE APPROPRIATE REFUND OF PREMIUMS METHOD WHEN A POLICY OR GROUP CERTIFICATE IS TERMINATED PRIOR TO THE SCHEDULED MATURITY DATE OF THE SUBJECT DEBT; ALLOW CREDIT CARD COVERAGE FROM OUT-OF-STATE FINANCIAL INSTITUTIONS; PROVIDE THAT INSURERS MUST ACKNOWLEDGE TO THE CLAIMANT ANY CLAIMS NOT PAID WITHIN THIRTY DAYS; CLARIFY THAT INSURERS CAN REQUIRE REGISTRATION WITH THE STATE UNEMPLOYMENT OFFICE AND PROVISION OF AN OFFICIAL STATE UNEMPLOYMENT OFFICE DECISION LETTER REGARDING THE CLAIM TO QUALIFY FOR CREDIT UNEMPLOYMENT INSURANCE BENEFITS UNDER THE POLICY BUT CANNOT IMPOSE A TIME LIMIT ON THAT REGISTRATION; AND PROVIDE THE COMMISSIONER OF INSURANCE WITH THE AUTHORITY TO ENFORCE THE LAWS GOVERNING CREDIT INSURANCE CONSISTENT WITH THE COMMISSIONER'S GENERAL ENFORCEMENT AUTHORITY AS SET FORTH IN CHAPTER 58 OF THE GENERAL STATUTES.

**S.L. 2005-192 (SB 679) North Carolina Uniform Trust Code.**

AN ACT TO ADOPT A REVISED VERSION OF THE UNIFORM TRUST CODE FOR NORTH CAROLINA. [See Sections 1-5 & 7]

**S.L. 2005-213 (SB 879) Economic Development - NC Product Preference.**

AN ACT TO ALLOW FOR A BIDDING PREFERENCE ON STATE CONTRACTS FOR RESIDENT BIDDERS IN CERTAIN CIRCUMSTANCES AND TO PROVIDE FOR THE MAINTENANCE OF A RESIDENT BIDDER LIST.

**S.L. 2005-223 (HB 737) Health Insurance Changes.**

AN ACT TO REQUIRE THAT ASSOCIATION PREMIUM RATES FOR ACCIDENT AND HEALTH INSURANCE BE ACTUARIALLY SOUND AND THAT ASSOCIATIONS BE RATED AS A SINGLE GROUP WHEN THE COVERAGE PROVIDED IS NOT EMPLOYER-BASED, LIMIT AN INDIVIDUAL ACCIDENT AND HEALTH INSURER'S USE OF AN INDIVIDUAL'S OWN CLAIMS EXPERIENCE TO DEVELOP THE INDIVIDUAL'S RENEWAL RATE; EXEMPT A SOLE PROPRIETOR FROM THE FULL-TIME BASIS FOR THIRTY-HOUR WORKWEEK REQUIREMENTS TO BE ELIGIBLE FOR LARGE GROUP HEALTH COVERAGE LIKE THE PROPRIETOR'S FULL-TIME EMPLOYEES; CORRECT AN INADVERTENT CROSS-REFERENCE IN ORDER TO REAPPLY NEWBORN COVERAGE TO A MORE COMPREHENSIVE GROUP OF INSURERS; TECHNICALLY CORRECT AN OMISSION REGARDING PROVISIONS GOVERNING PREEXISTING CONDITIONS FOR LIMITED HEALTH, SUPPLEMENTAL HEALTH, AND SPECIFIED DISEASE POLICIES; DECREASE THE TOTAL NUMBER OF MEMBERS THAT SERVE ON THE SMALL EMPLOYER REINSURANCE POOL BOARD FROM NINE TO FIVE; ALLOW PERSONS RETROACTIVELY ENROLLED IN MEDICARE PART B THE SAME SIX-MONTH OPEN ENROLLMENT PERIOD FOR MEDICARE SUPPLEMENT PLANS AS PERSONS WHO ENROLLED IN MEDICARE PART B WITHOUT A RETROACTIVE EFFECTIVE DATE OF COVERAGE; TECHNICALLY CORRECT THE REVOCATION AND SUSPENSION LAW TO INCLUDE A BENEFICIARY OF A LIFE OR ANNUITY CONTRACT AS A CLAIMANT; AMEND THE UTILIZATION REVIEW LAWS TO CLARIFY THAT SUCH LAWS PLAINLY APPLY TO INDIVIDUAL INSURANCE COVERAGE AS WELL AS GROUP COVERAGE; TO REMOVE FROM THE UNIFORM CREDENTIALING STATUTE AN UNNECESSARY PROVISION; ENSURE THAT COVERED PERSONS RECEIVING EXTERNAL REVIEW KNOW WHAT INFORMATION THEIR INSURER PROVIDES TO THE EXTERNAL REVIEW ORGANIZATION PERFORMING THE REVIEW; AND ELIMINATE EXTERNAL REVIEW OUTSIDE OF NORMAL BUSINESS HOURS. [See Sections 1-4 & 13]

**S.L. 2005-224 (SB 626) HIPAA Compliance and Fairness.**

AN ACT TO BRING NORTH CAROLINA LAW INTO COMPLIANCE WITH THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT; TO PROVIDE SPECIAL ENROLLMENT PERIODS WITHOUT PENALTY FOR PERSONS ENROLLED UNDER A GROUP PLAN WHOSE COVERAGE IS TERMINATED WHEN AN INSURER DISCONTINUES WRITING A CERTAIN TYPE OF GROUP HEALTH INSURANCE COVERAGE THROUGHOUT THAT ENTIRE SMALL OR LARGE GROUP MARKET; AND TO PROVIDE CONTINUED GUARANTEED ISSUE RIGHTS TO A PERSON WHO IS HIPAA ELIGIBLE, WHO IS INSURED IN THE INDIVIDUAL MARKET, AND WHOSE INSURER DISCONTINUES WRITING A CERTAIN TYPE OF HEALTH INSURANCE COVERAGE THROUGHOUT THE ENTIRE INDIVIDUAL MARKET. [See Sections 2.2, 3 & 5]

**S.L. 2005-234 (HB 655) Better Insurance/Annuity Disclosure.**

AN ACT TO REORGANIZE ARTICLE 60 OF CHAPTER 58 OF THE GENERAL STATUTES AND AMEND CURRENT DISCLOSURE REQUIREMENTS FOR SOLICITATION OF LIFE

INSURANCE PRODUCTS AND ANNUITIES; REQUIRE INSURERS TO NOTIFY EMPLOYEES OF THE EXISTENCE OF EMPLOYER-OWNED LIFE INSURANCE POLICIES WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF COVERAGE; AND REQUIRE GROUP ANNUITY INSURERS TO ISSUE INDIVIDUAL CERTIFICATES OF COVERAGE TO EACH ANNUITANT.

**S.L. 2005-236 (HB 329) Limit Liability for Agritourism Activities.**

AN ACT TO LIMIT LIABILITY ARISING FROM CERTAIN AGRITOURISM ACTIVITIES.

**S.L. 2005-274 (SB 517) Account Transfers and Agency Appointments.**

AN ACT TO PROVIDE FOR ACCOUNT TRANSFERS AND AGENCY APPOINTMENTS BETWEEN AFFILIATED TRUST INSTITUTIONS. [See Section 3]

**S.L. 2005-276 (SB 622) 2005 Appropriations Act.**

AN ACT TO MAKE BASE BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES. [See Sections 6.12, 9.17, 10.11(m)(2)-(3), 10.21A, 10.21C, 10.22(a)-(c), 10.36, 23A.1(a)-(c) & (e), 33.4(b), 33.5, 33.9, 33.12, 33.14, 33.20-33.23, 33.34, 43.4(b)-(c)]

**S.L. 2005-291 (HB 1243) Manufactured Homes/Longer Termination Notice.**

AN ACT REQUIRING A LONGER NOTICE PERIOD FOR A TERMINATION OF A TENANCY FOR THE RENTAL SPACE FOR RESIDENTIAL MANUFACTURED HOMES.

**S.L. 2005-294 (HB 1779) Property Tax Paid With Vehicle Registration.**

AN ACT TO CREATE A COMBINED MOTOR VEHICLE REGISTRATION RENEWAL AND PROPERTY TAX COLLECTION SYSTEM. [See Sections 4, 8 & 13]

**S.L. 2005-313 (HB 116) Property Tax Changes.**

AN ACT TO CLARIFY PRESENT-USE VALUE ELIGIBILITY, TO AMEND THE PERIOD FOR APPEAL OF A PRESENT-USE VALUE DETERMINATION OR APPRAISAL, TO MODIFY THE TAX YEAR FOR MOTOR VEHICLES THAT ARE TO BE SWITCHED FROM AN ANNUAL SYSTEM OF REGISTRATION TO A STAGGERED SYSTEM EFFECTIVE JANUARY 1, 2006, AND TO APPLY THE SAME PENALTY THAT CURRENTLY APPLIES TO PAYMENTS BY CHECK TO PROPERTY TAX PAYMENTS MADE BY ELECTRONIC PAYMENTS. [See Sections 8, 9 & 11]

**S.L. 2005-323 (SB 223) Public Confidence in Elections.**

AN ACT TO RESTORE PUBLIC CONFIDENCE IN THE ELECTION PROCESS BY REQUIRING THAT THE STATE BOARD OF ELECTIONS, THROUGH THE DEVELOPMENT OF A REQUEST FOR PROPOSAL, ENSURE THAT ALL VOTING SYSTEMS GENERATE EITHER A PAPER BALLOT OR A PAPER RECORD BY WHICH VOTERS MAY VERIFY THEIR VOTES BEFORE CASTING THEM AND WHICH PROVIDES A BACKUP MEANS OF COUNTING THE VOTE THAT THE VOTER CASTS; BY PROVIDING STATUTORY GUIDANCE AS TO COUNTING; BY STANDARDIZING PURCHASING OF VOTING SYSTEMS IN NORTH CAROLINA, INCLUDING A REVIEW OF SOURCE CODE FOR SOFTWARE RELATED TO THOSE VOTING SYSTEMS AND AUTHORIZATION TO ESTABLISH THE ROLE OF THE STATE BOARD OF ELECTIONS AND COUNTY BOARD OF ELECTIONS RELATED TO TRAINING AND SUPPORT OF VOTING SYSTEMS; BY REQUIRING POSTELECTION

TESTING OF VOTING SYSTEMS, INCLUDING A PAPER SAMPLE-COUNT; BY EXPANDING THE RIGHT TO A HAND-TO-EYE RECOUNT OF PAPER BALLOTS; AND BY PERMITTING A PILOT PROGRAM TO EXPERIMENT WITH NONPAPER MEANS OF VOTER VERIFICATION AND BALLOT BACKUP. [See Sections 5 & 6]

**S.L. 2005-326 (SB 682) Add Agencies to Set-Off Debt Collection.**

AN ACT TO EXTEND TO PUBLIC HEALTH AUTHORITIES, SANITARY DISTRICTS, AND METROPOLITAN SEWERAGE DISTRICTS THE SET-OFF DEBT COLLECTION PROCEDURES CURRENTLY AVAILABLE TO COUNTIES AND CITIES.

**S.L. 2005-345 (HB 320) Modify 2005 Appropriations Act.**

AN ACT TO MAKE TECHNICAL, CLARIFYING, AND OTHER MODIFICATIONS TO THE CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS APPROPRIATIONS ACT OF 2005. [See Sections 2 & 14.24(b)]

**S.L. 2005-372 (SB 1130) No Tobacco Use in Prisons.**

AN ACT TO PROHIBIT SMOKING IN STATE CORRECTIONAL INSTITUTIONS. [See Sections 1, 2 & 5]

**S.L. 2005-373 (SB 506) Cancer Registry.**

AN ACT TO BRING NORTH CAROLINA LAW INTO COMPLIANCE WITH PUBLIC LAW 107-260, THE BENIGN BRAIN TUMOR CANCER REGISTRIES AMENDMENT.

**S.L. 2005-388 (HB 561) Commissions for Personal Representatives.**

AN ACT RELATING TO COMMISSIONS ALLOWED TO PERSONAL REPRESENTATIVES.

**S.L. 2005-400 (SB 319) Workers' Comp. Self-Insurance Security.**

AN ACT ESTABLISHING THE NORTH CAROLINA SELF-INSURANCE SECURITY SYSTEM AND CLARIFYING THE PROCEDURES BY WHICH SUBSIDIARY AND AFFILIATE COMPANIES MAY BE LICENSED AS SELF-INSURERS FOR WORKERS COMPENSATION AND TO MAKE OTHER CONFORMING AND TECHNICAL CHANGES TO THE WORKERS COMPENSATION LAWS RESPECTING INDIVIDUAL SELF-INSURERS IN ARTICLE 5 OF CHAPTER 97 OF THE GENERAL STATUTES.

**S.L. 2005-401 (HB 1176) Property Exempt From Enforcement Actions.**

AN ACT TO AMEND THE CAP ON PROPERTY OF A JUDGMENT DEBTOR THAT IS FREE OF THE ENFORCEMENT OF THE CLAIMS OF CREDITORS, AND TO EXEMPT CERTAIN TYPES OF PROPERTY FROM ENFORCEMENT.

**S.L. 2005-409 (HB 1527) Clarify MV Dealer Franchise Laws.**

AN ACT TO CLARIFY THE MOTOR VEHICLE DEALER FRANCHISE LAWS. [See Sections 3 & 8]

**S.L. 2005-413 (SB 1149) Energy Credit Banking/Selling Program/Fund.**

AN ACT TO ESTABLISH A BANKING AND SELLING PROGRAM FOR CREDITS ISSUED UNDER THE FEDERAL ENERGY POLICY ACT IN ORDER TO GENERATE FUNDS FOR THE USE OF ALTERNATIVE FUELS AND ALTERNATIVE FUELED VEHICLES BY STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES AND TO EXTEND AND EXPAND THE CREDIT FOR INVESTMENT IN RENEWABLE ENERGY PROPERTY. [See Sections 1-3 & 9]

**S.L. 2005-418 (SB 518) City/County Planning Clarification.**

AN ACT TO CLARIFY AND MAKE TECHNICAL CHANGES TO CITY AND COUNTY PLANNING STATUTES.

**S.L. 2005-422 (HB 1541) Homeowner Association Amendments.**

AN ACT TO AMEND THE LAWS GOVERNING HOMEOWNER ASSOCIATIONS TO PROVIDE GREATER PROTECTIONS FOR HOMEOWNERS.

**S.L. 2005-424 (HB 646) Insurance Company Fee Consolidation.**

AN ACT TO CONSOLIDATE VARIOUS FEES INTO THE ANNUAL LICENSE CONTINUATION FEE PAID BY LICENSED INSURANCE COMPANIES, AND TO AUTHORIZE THE DEPARTMENT OF INSURANCE TO HIRE A MEDICARE LOOKOUT PROGRAM COORDINATOR WITH FEDERAL GRANT FUNDING. [See Parts I & III]

**S.L. 2005-425 (HB 650) Business Court Cases/Fee.**

AN ACT TO PROVIDE FOR THE ASSIGNMENT OF SPECIAL SUPERIOR COURT JUDGES TO HEAR COMPLEX BUSINESS CASES, TO CLARIFY THE PROCEDURE FOR ASSIGNING COMPLEX BUSINESS CASES, TO AUTHORIZE A LARGER FEE FOR COMPLEX BUSINESS CASES, AND TO CHANGE THE DATE DISTRICT COURT JUDGES TAKE OFFICE. [See Sections 1.1, 1.2, 2 & 4]

**S.L. 2005-426 (SB 814) Modernize City/County Planning.**

AN ACT TO MODERNIZE AND SIMPLIFY CITY AND COUNTY PLANNING AND LAND-USE MANAGEMENT STATUTES. [See Section 11]

**S.L. 2005-427 (HB 1493) Pharmacy Quality Assurance Protection Act.**

AN ACT ESTABLISHING THE PHARMACY QUALITY ASSURANCE PROTECTION ACT TO FACILITATE THE CONTINUOUS REVIEW OF THE PRACTICE OF PHARMACY.

**S.L. 2005-428 (HB 1115) Election Administration Amendments.**

AN ACT TO ALLOW POLITICAL PARTIES TO USE "RUNNERS" TO PICK UP VOTER LISTS FROM POLLS; TO PROHIBIT A CANDIDATE FROM BEING AN OBSERVER OR RUNNER AT THE POLLS; TO AUTHORIZE THE EXECUTIVE DIRECTOR OF THE STATE BOARD OF ELECTIONS TO PERMIT DIFFERENT VOTING SYSTEMS IN THE SAME PRECINCT; TO ALLOW THE CHANGING OF REGISTERED VOTERS BASED ON ADJUSTED COUNTY LINE; TO CHANGE THE DEADLINE FOR FILING A PROTEST FROM SIX O'CLOCK P.M. TO FIVE O'CLOCK P.M.; TO PERMIT THE SAME KIND OF VOTER ASSISTANCE IN ONE-STOP SITES AS AT VOTING PLACES ON ELECTION DAY; TO EXPRESSLY PROVIDE THAT PRECINCT TRANSFER VOTERS AT ONE-STOP SITES NEED NOT VOTE PROVISIONAL BALLOTS; TO DELETE THE REQUIREMENT THAT ONE-STOP VOTERS BE INSTRUCTED IN HOW TO VOTE MAIL ABSENTEE BALLOTS; TO FIX THE SALARY ON WHICH A FILING

FEE FOR AN OFFICE IS BASED; TO REMOVE THE OUTDATED REFERENCE IN THE FILING FEE STATUTE TO OFFICES "COMPENSATED ENTIRELY BY FEES"; TO ALLOW FOR THE CANCELLATION OF A VOTER'S REGISTRATION IN A FORMER COUNTY WHEN THE VOTER REGISTERS IN A NEW COUNTY; TO UPDATE AND MAKE MORE TECHNOLOGY-NEUTRAL THE LANGUAGE IN THE STATUTE PROVIDING FOR ACCESS TO VOTER REGISTRATION DATA; TO EXTEND FOR THREE DAYS THE COUNTY CANVASS AFTER A GENERAL ELECTION IN NOVEMBER OF AN EVEN-NUMBERED YEAR AND CHANGE OTHER RELATED DATES; TO EXPRESSLY ALLOW ELECTRONIC POLLBOOKS; TO CLARIFY HOW WINNERS OF ELECTIONS SHALL BE DETERMINED; TO CLARIFY THAT A VOTER WHOSE NAME HAS BEEN REMOVED FROM THE REGISTRATION LIST MAY VOTE UPON AFFIRMING THAT THE VOTER HAS NOT MOVED FROM THE COUNTY; TO PROVIDE FOR THE CORRECTION OF AN OMISSION ON THE VOTER REGISTRATION FORM; TO AUTHORIZE PARTICIPATION IN THE 2010 CENSUS REDISTRICTING DATA PROGRAM; AND TO AUTHORIZE BOARDS OF ELECTIONS TO ALLOW KNOWN VOTERS WHOSE VOTES WERE LOST TO RECAST THEIR BALLOTS DURING A TWO-WEEK PERIOD AFTER THE ELECTION. [See Sections 1, 3-5, 9, 11, 17 & 18]

**S.L. 2005-435 (HB 105) Motor Fuel Tax Chgs & Rev Laws Technical Chgs.**

AN ACT TO MODIFY THE TAXATION OF MOTOR FUELS, TO MAKE TECHNICAL, CLARIFYING, AND ADMINISTRATIVE CHANGES TO THE REVENUE LAWS AND RELATED STATUTES, AND TO ALLOW INTERSTATE PASSENGER AIR CARRIERS A REFUND OF SALES AND USE TAXES ON FUEL. [See Sections 1, 7-9, 16, 18, 23, 56, 59.1, 59.2]

**S.L. 2005-454 (HB 1095) Clarify Clean Water Funding and Procedure.**

AN ACT TO ESTABLISH UNIFORM CRITERIA FOR DRINKING WATER, WASTEWATER, AND STORMWATER LOANS AND GRANTS, TO CLARIFY AND REVISE THE PROCEDURES THAT APPLY TO THESE LOANS AND GRANTS TO REFLECT THE EXHAUSTION OF THE 1998 CLEAN WATER BOND PROCEEDS, AND TO PROVIDE FOR GREATER COORDINATION AMONG AGENCIES THAT MAKE LOANS AND GRANTS FOR WATER PROJECTS BY ESTABLISHING THE WATER INFRASTRUCTURE COMMISSION.

**S.L. 2005-455 (SB 1126) Implement CRFL/Amend Fisheries Laws.**

AN ACT TO PROVIDE FOR THE IMPLEMENTATION OF THE COASTAL RECREATIONAL FISHING LICENSE, TO EXEMPT FROM COASTAL RECREATIONAL FISHING LICENSE REQUIREMENTS ONLY THOSE INDIVIDUALS WHO ARE UNDER SIXTEEN YEARS OF AGE OR WHO HOLD CERTAIN LICENSES ISSUED BY THE WILDLIFE RESOURCES COMMISSION THAT WERE PURCHASED PRIOR TO JANUARY 1, 2006, TO PROVIDE FOR A STATEWIDE SUBSISTENCE FISHING LICENSE WAIVER, TO PROHIBIT THE WILDLIFE RESOURCES COMMISSION FROM DISCLOSING PERSONAL IDENTIFYING INFORMATION OF LICENSEES AND OTHERS UNDER CERTAIN CIRCUMSTANCES, TO AMEND VARIOUS STATUTES RELATED TO THE WILDLIFE RESOURCES COMMISSION, TO PROVIDE A SYSTEM OF UNIFIED LICENSES UNDER WHICH INDIVIDUALS MAY FISH THROUGHOUT THE STATE, AND TO AUTHORIZE THE MARINE FISHERIES COMMISSION AND THE WILDLIFE RESOURCES COMMISSION TO JOINTLY DISBURSE FISHING LICENSE REVENUES AND INVESTMENT INCOME TO MANAGE THE MARINE RESOURCES OF THE STATE. [See Sections 1.9, 1.10, 1.15, 1.21, 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9 & 3.3]