2015-2016

HOUSE
REGULATORY REFORM

MINUTES

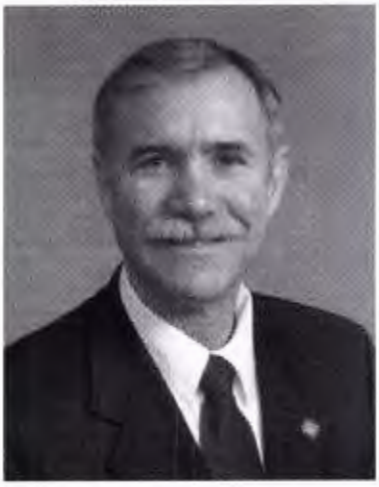
House Committee on Regulatory Reform

2015 SESSION

Clerks: Susan Horne, John Ganem, Polly Riddell

Rep. John Bell
Co-Chair

Rep. Chris Millis
Co-Chair



Rep. Dennis Riddell
Co-Chair

Rep. Ken Goodman
Vice-Chair

Rep. Jonathan Jordan
Vice-Chair

Rep. Michael Speciale
Vice-Chair

Rep. Dan Bishop

Rep. Hugh Blackwell

Rep. John Bradford III

Rep. William D. Brisson

Rep. Mark Brody | Rep. Rob Bryan | Rep. Rick Catlin | Rep. Tricia Ann Cotham

Sen. Carla Cunningham | Rep. Jimmy Dixon | Rep. Nelson Dollar | Rep. Mike Hager

Rep. Larry D. Hall | Rep. Pricey Harrison | Rep. Burt Jones | Rep. Pat McElraft

Rep. Graig Meyer | Rep. Rodney Moore | Rep. Joe Sam Queen | Rep. Jacqueline Schaffer

Rep. Paul Stam **Rep. Sarah Stevens** **Rep. Chris Whitmire**

HOUSE COMMITTEE ON REGULATORY REFORM

2015-2016 Session

MEMBER		ASSISTANT	PHONE	OFFICE	SEAT
BELL, John	Co-Chair	Susan Horne Committee Asst.	715-3017	419-B	27
MILLIS, Chris	Co-Chair	John Ganem Vivian Sherrill (retired 7.1.15) Committee Asst.	715-9664	609	87
RIDDELL, Dennis	Co-Chair	Polly Riddell Committee Asst.	733-5905	533	99
GOODMAN, Ken	Vice Chair	Judy Veorse	733-5823	542	47
JORDAN, Jonathan	Vice Chair	Kevin King	733-7727	420	42
SPECIALE, Michael	Vice Chair	Hazel Speciale	733-5853	1008	52
BISHOP, Dan		David Larson	715-3009	607	86
BLACKWELL, Hugh		Dixie Riehm	733-5805	541	102
BRADFORD III, John		Anita Spence	733-5828	2123	85
BRISSON, William D.		Caroline Stirling	733-5772	405	23
BRODY, Mark		Neva Helms	715-3029	2219	89
BRYAN, Rob		Kevin Wilkinson	733-5607	536	74
CATLIN, Rick		Laura Holt Kabel	733-5830	638	55
COTHAM, Trisha Ann		Carol Erichsen	715-0706	402	33
CUNNINGHAM, Carla		Sherrie Burnette	733-5807	1109	59
DIXON, Jimmy		Michael Wiggins	715-3021	416-B	19
DOLLAR, Nelson		Candace Slate	715-0795	307-B	4
HAGER, Mike		Baxter Knight	733-5749	301-F	30

HALL, Larry D.	Theresa Wright-Bryant	733-5872	506	69
HARRISON, Pricey	Sue Osborne	733-5771	1218	82
JONES, Bert	Brenda Olls	733-5779	416-A	54
McELRAFT, Pat	Nancy Fox	733-6275	634	9
MEYER, Graig R.	Daphne Quinn	715-3019	1111	117
MOORE, Rodney	Charmey Morgan	733-5606	1219	36
QUEEN, Joe Sam	Gregory Lademann	715-3005	1017	103
SCHAFFER, Jacqueline	Sharon Sullivan	733-5886	2213	65
STAM, Paul	Office of Rep. Stam	733-2962	612	5
STEVENS, Sarah	Lisa Brown	715-1883	635	13
WHITMIRE, Chris	Megan Kluttz	715-4466	537	100

ATTENDANCE

House Committee on Regulatory Reform

2015 Session

DATES		3/31	4/21	4/27	4/28	6/8	8/13									
BELL, John	CHAIR	X	X	X	X	X	X									
MILLIS, Chris	CHAIR	X	X	X	X	X										
RIDDELL, Dennis	CHAIR	X	X	X	X	X	X									
GOODMAN, Ken	VICE CHAIR	X	X		X	X	X									
JORDAN, Jonathan	VICE CHAIR	X	X	X												
SPECIALE, Michael	VICE CHAIR	X	X	X	X	X	X									
BISHOP, Dan		X		X		X										
BLACKWELL, Hugh		X		X	X	X	X									
BRADFORD, John		X	X	X	X	X	X									
BRISSON, William		X	X													
BRODY, Mark		X	X	X	X	X	X									
BRYAN, Rob		X				X	X									
CATLIN, Rick		X	X	X	X		X									
COTHAM, Tricia		X	X	X			X									
CUNNINGHAM, Carla		X	X		X	X	X									
DIXON, Jimmy		X	X	X	X	X	X									
DOLLAR, Nelson			X	X		X										
HAGER, Mike		X	X	X	X	X										
HALL, Larry																
HARRISON, Pricey			X	X	X	X	X									
JONES, Bert		X	X	X	X	X	X									
McELRAFT, Pat		X	X	X	X	X										
MEYER, Graig		X		X		X	X									
MOORE, Rodney		X				X										
QUEEN, Joe Sam		X			X											
SCHAFFER, Jacqueline		X		X												

STAM, Paul	X	X	X		X										
STEVENS, Sarah	X	X	X	X	X										
WHITMIRE, Chris	X		X		X										
BROWN, Karen Cochrane	X	X	X	X	X	X									
HUDSON, Jeff	X	X	X	X	X	X									
HORNE, Susan	X	X	X	X	X	X									
RIDDELL, Polly		X	X		X	X									
SHERRILL, Vivian	X	X	X	X	X										
GANEM, John						X									

House Committee on Regulatory Reform
Tuesday, March 31, 2015
Room 544 Legislative Office Building
Representatives J. Bell, Millis, Riddell – Co-Chairs

MINUTES

The House Committee on Regulatory Reform met at 10 A.M. on Tuesday, March 31, 2015 in Room 544 of the Legislative Office Building. Attending were the following Representatives: J. Bell, Millis, Riddell, Goodman, Jordan, Speciale, Bishop, Blackwell, Bradford, Brisson, Brody, Bryan, Catlin, Cotham, Cunningham, Dixon, Hager, Jones, McElraft, Meyer, Moore, Queen, Schaffer, Stam, Stevens, Whitmire.

Representative John Bell, Chair, presided

Representative Bell recognized the Committee Members, staff, Sergeant-at-Arms and Pages.

The following bills were considered:

House Bill 282 Streamline Seized Vehicle Disposal – AB
(Representatives Cleveland, R. Brown, Riddell)
Representative Cleveland explained the bill. There was no discussion. Representative Dixon made a motion for a favorable report with a serial referral to the House Committee on Finance. The vote was called by the Chair and the motion passed. (Attachment 4)

House Bill 255 Building Code Reg. Reform
(Representatives Brody, Riddell, Cotham, Watford)
Representative Brody submitted and explained an amendment to the bill. After discussion and debate, the amendment was adopted by voice vote. Representative Stam submitted and explained his amendment to the bill. After discussion and debate, the amendment was adopted by voice vote. After further discussion and debate, Representative Hager moved that the adopted amendments be rolled into a proposed committee substitute, and we give a favorable report to the committee substitute, unfavorable report to the original bill. The vote was called by the Chair and passed unanimously. (Attachment 5)

The meeting adjourned at 10:56 A.M.

Representative John R. Bell, IV
Presiding Co-Chair

Susan W. Horne, Committee Clerk

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Tuesday, March 31, 2015
TIME: **10:00 AM**
LOCATION: **544 LOB**
COMMENTS: **Representative Bell will preside**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 255	Building Code Reg. Reform.	Representative Brody Representative Riddell Representative Cotham Representative Watford
HB 282	Streamline Seized Vehicle Disposal.-AB	Representative Cleveland Representative R. Brown Representative Riddell

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 11:46 AM on Thursday, March 26, 2015.

___ Principal Clerk
___ Reading Clerk – House Chamber

Susan W Horne (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **March 31, 2015**
Room: **544 LOB**
Time: **10:00 a.m.**
Presiding: **Representative John Bell, Co-Chair**

AGENDA ITEMS

HB 255 BUILDING CODE REG. REFORM
Representative Brody, Sponsor
Representative Riddell, Sponsor
Representative Cotham, Sponsor
Representative Watford, Sponsor

HB 282 STREAMLINE SEIZED VEHICLE DISPOSAL-AB
Representative Cleveland, Sponsor
Representative R. Brown, Sponsor
Representative Riddell, Sponsor

ADJOURNMENT

Committee Sergeants at Arms

NAME OF COMMITTEE COMM ON REGULATORY REFORM

DATE: 03-31-15 Room: 544

House Sgt-At Arms:

1. Name: REGGIE SILLS
2. Name: MARVIN LEE
3. Name: TERRY McCRAW
4. Name: CHRIS McCRACKEN
5. Name:

Senate Sgt-At Arms:

1. Name:
2. Name:
3. Name:
4. Name:
5. Name:

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — **March 31, 2015**

Name of Committee — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
ALICIA RAVETTO	ALICIA RAVETTO ARCHITECT
Emma B Clarke	UNC Dept. Govt.
Rhonda Todd	DOA
Colleen Kochanek	KLG
TYLER NEWMAN	BASE
Elizabeth Palmer	NCRUTA

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM — 03-31-15

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Molly Masich	OATT

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — **Name of Committee**

March 31, 2015 — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Erin Wynia	NCLM
Dana Fenton	City of Charlotte
[illegible]	NLWC
Susan Vinz	Duke Energy
Michael Hauser	THCG
John Handley	
Tom Beason	EDF, NCSEA, NCWF
Debbie Clary	NCSP
Chris A Nobles	NCAFC
Tim Bradley	NCSFA
Annaliese Dolph	DL

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — March 31, 2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Heinen	NC Center for Nonprofits
Andy Chase	KMA
Lauren Whaley	CCUL
DAN Tinger	NCBCC
Betsy Baily	CAGC
Hugh Johnson	NCIC
Johanna Reese	NCAFC
David Crawford	AIA NC
Chris Niles	NC DOI
Rick McIntyre	NC DOI
JIM ROBERSON	NC BIA

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — **March 31, 2015**

Name of Committee — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Lexi Morgan	NCFMA
JGoodman	NC Chamber
Preston Howard	NCMA
Paul Sherman	NCFB
Butch Gunnells	NCSEA
[illegible]	NMRS
[illegible]	CSS
Tommy Stevens	Stevens Lobby
Doug Lassiter	NJCSTA
Janet Hoover	JLL
Douglas Brinkley	USGBC·NC

To Speak

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — **March 31, 2015**

Name of Committee — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME (8)	FIRM OR AGENCY AND ADDRESS
Johanna Reese	NCACC
David Crawford	AIA NC
Jim Roberson	NCBIA
Erin Wynia	NCLM
DAN Tingen	Homebuilder
Mike Carpenter	NCHBA
Tim Bradley	Exec. Director NCSFA
Alicia Revelo	Archdem

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H 1

HOUSE BILL 282

Short Title:	Streamline Seized Vehicle Disposal.-AB	(Public)
Sponsors:	Representatives Cleveland, R. Brown, and Riddell (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform, if favorable, Finance.	

March 19, 2015

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE DEPARTMENT OF ADMINISTRATION TO TOW, STORE, PROCESS, MAINTAIN, AND SELL MOTOR VEHICLES SEIZED PURSUANT TO G.S. 20-28.3; TO EXPAND THE AUTHORITY TO SELL VEHICLES SEIZED PURSUANT TO G.S. 20-28.3 THROUGH AN EXPEDITED SALE; AND TO MAKE RELATED CHANGES TO CHAPTERS 20 AND 143 OF THE GENERAL STATUTES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-28.2(a1) is amended by adding a new subdivision to read:

"(a1) Definitions. – As used in this section and in G.S. 20-28.3, 20-28.4, 20-28.5, 20-28.7, 20-28.8, 20-28.9, 20-54.1, and 20-141.5, the following terms mean:

...

(9) State Surplus Property Agency. – The Department of Administration."

SECTION 2. G.S. 20-28.3 reads as rewritten:

"**§ 20-28.3. Seizure, impoundment, forfeiture of motor vehicles for offenses involving impaired driving while license revoked or without license and insurance, and for felony speeding to elude arrest.**

...

(d) Custody of Motor Vehicle. – Unless the motor vehicle is towed pursuant to a statewide or regional contract, or a contract with the county board of education, the seized motor vehicle shall be towed by a commercial towing company designated by the law enforcement agency that seized the motor vehicle. Seized motor vehicles not towed pursuant to a statewide or regional contract or a contract with a county board of education shall be retrieved from the commercial towing company within a reasonable time, not to exceed 10 business days, by the county board of education or their agent who must pay towing and storage fees to the commercial towing company when the motor vehicle is retrieved. If either a statewide or regional contractor, or the county board of education, chooses to contract for local towing services, all towing companies on the towing list for each law enforcement agency with jurisdiction within the county shall be given written notice and an opportunity to submit proposals prior to a contract for local towing services being awarded. The seized motor vehicle is under the constructive possession of the county board of education for the county in which the operator of the vehicle is charged at the time the vehicle is delivered to a location designated by the county board of education or delivered to its agent pending release or sale, or in the event a statewide or regional contract is in place, under the constructive possession of the ~~Department of Public Instruction,~~ State Surplus Property Agency on behalf of the State at the

time the vehicle is delivered to a location designated by the ~~Department of Public Instruction~~ State Surplus Property Agency or delivered to its agent pending release or sale. Absent a statewide or regional contract that provides otherwise, each county board of education may elect to have seized motor vehicles stored on property owned or leased by the county board of education and charge a reasonable fee for storage, not to exceed ten dollars ($10.00) per calendar day. In the alternative, the county board of education may contract with a commercial towing and storage facility or other private entity for the towing, storage, and disposal of seized motor vehicles, and a storage fee of not more than ten dollars ($10.00) per calendar day may be charged. Except for gross negligence or intentional misconduct, neither the State Surplus Property Agency, the county board of education, ~~or~~ nor any of ~~its~~ their employees, shall ~~not~~ be liable to the owner or lienholder for damage to or loss of the motor vehicle or its contents, or to the owner of personal property in a seized vehicle, during the time the motor vehicle is being towed or stored pursuant to this subsection.

...

(i) Expedited Sale of Seized Motor Vehicles in Certain Cases. – In order to avoid additional liability for towing and storage costs pending resolution of the criminal proceedings of the defendant, the State Surplus Property Agency or county board of education may, after expiration of 90 days from the date of seizure, or at any time with the consent of the owner, sell any motor vehicle ~~having a fair market value of one thousand five hundred dollars ($1,500) or less. The county board of education may also sell a motor vehicle, regardless of the fair market value, any time the outstanding towing and storage costs exceed eighty-five percent (85%) of the fair market value of the vehicle, or with the consent of all the motor vehicle owners.~~ seized pursuant to this section and recover all costs associated with the sale. Any sale conducted pursuant to this subsection shall be conducted in accordance with the provisions of ~~G.S. 20-28.5(a),~~ G.S. 20-28.5(a) or G.S. 20-28.5(a1), as applicable, and the proceeds of the sale, after the payment of outstanding towing and storage costs or reimbursement of towing and storage costs paid by a person other than the defendant, shall be deposited with the clerk of superior court. If an order of forfeiture is entered by the court, the court shall order the proceeds held by the clerk to be disbursed as provided in G.S. 20-28.5(b). If the court determines that the motor vehicle is not subject to forfeiture, the court shall order the proceeds held by the clerk to be disbursed first to pay the sale, towing, and storage costs, second to pay outstanding liens on the motor vehicle, and the balance to be paid to the motor vehicle owners.

...."

SECTION 3. G.S. 20-28.5 reads as rewritten:

"**§ 20-28.5. Forfeiture of impounded motor vehicle or funds.**

(a) ~~Sale.~~Sale of Vehicle in Possession of County Board of Education. – A motor vehicle in the possession or constructive possession of a county board of education ordered forfeited and sold or a seized motor vehicle authorized to be sold pursuant to G.S. 20-28.3(i), shall be sold at a public sale conducted in accordance with the provisions of Article 12 of Chapter 160A of the General Statutes, applicable to sales authorized pursuant to G.S. 160A-266(a)(2), (3), or (4), subject to the notice requirements of this subsection, and shall be conducted by the county board of education or a person acting on its behalf. Notice of sale, including the date, time, location, and manner of sale, shall be given by first-class mail to all motor vehicle owners of the vehicle to be sold at the address shown by the records of the Division. Written notice of sale shall also be given to all lienholders on file with the Division. Notice of sale shall be given to the Division in accordance with the procedures established by the Division. Notices required to be given under this subsection shall be mailed at least 10 days prior to the date of sale. A lienholder shall be permitted to purchase the motor vehicle at any such sale by bidding in the amount of its lien, if that should be the highest bid, without being required to tender any additional funds, other than the towing and storage fees. The county board of education, or its agent, shall not sell, give, or otherwise transfer possession of the forfeited motor vehicle to the

defendant, the motor vehicle owner who owned the motor vehicle immediately prior to forfeiture, or any person acting on the defendant's or motor vehicle owner's behalf.

(a1) Sale of Vehicle in Possession of the State Surplus Property Agency. – A motor vehicle in the possession or constructive possession of the State Surplus Property Agency ordered forfeited and sold or a seized motor vehicle authorized to be sold pursuant to G.S. 20-28.3(i), shall be sold at a public sale conducted in accordance with the provisions of Article 3A of Chapter 143 of the General Statutes, subject to the notice requirements of this subsection, and shall be conducted by the State Surplus Property Agency or a person acting on its behalf. Notice of sale, including the date, time, location, and manner of sale, shall be given by first-class mail to all motor vehicle owners of the vehicle to be sold at the address shown by the records of the Division. Written notice of sale shall also be given to all lienholders on file with the Division. Notice of sale shall be given to the Division in accordance with the procedures established by the State Surplus Property Agency. Notices required to be given under this subsection shall be mailed at least 10 days prior to the date of sale. A lienholder shall be permitted to purchase the motor vehicle at any such sale by bidding in the amount of its lien, if that should be the highest bid, without being required to tender any additional funds, other than the towing and storage fees. The State Surplus Property Agency, or its agent, shall not sell, give, or otherwise transfer possession of the forfeited motor vehicle to the defendant, the motor vehicle owner who owned the motor vehicle immediately prior to forfeiture, or any person acting on the defendant's or motor vehicle owner's behalf.

(b) Proceeds of Sale. – Proceeds of any sale conducted under this section, G.S. 20-28.2(f)(5), or G.S. 20-28.3(e3)(3), shall first be applied to ~~the cost of sale~~ all costs incurred by the State Surplus Property Agency or county board of education and then to satisfy towing and storage costs. The balance of the proceeds of sale, if any, shall be used to satisfy any other existing liens of record that were properly recorded prior to the date of initial seizure of the vehicle. Any remaining balance shall be paid to the county school fund in the county in which the motor vehicle was ordered forfeited. If there is more than one school board in the county, then the net proceeds of sale, after reimbursement to the county board of education of reasonable administrative costs incurred in connection with the forfeiture and sale of the motor vehicle, shall be distributed in the same manner as fines and other forfeitures. The sale of a motor vehicle pursuant to this section shall be deemed to extinguish all existing liens on the motor vehicle and the motor vehicle shall be transferred free and clear of any liens.

...."

SECTION 4. G.S. 20-28.9 reads as rewritten:

"**§ 20-28.9. Authority for the ~~Department of Public Instruction~~ State Surplus Property Agency to administer a statewide or regional towing, storage, and sales program for vehicles forfeited.**

(a) The ~~Department of Public Instruction~~ State Surplus Property Agency is authorized to enter into a contract for a statewide service or contracts for regional services to tow, store, process, maintain, and sell motor vehicles seized pursuant to G.S. 20-28.3. All motor vehicles seized under G.S. 20-28.3 shall be subject to contracts entered into pursuant to this section. Contracts shall be let by the ~~Department of Public Instruction~~ State Surplus Property Agency in accordance with the provisions of Article 3 of Chapter 143 of the General Statutes. Nothing in this section shall be construed to prohibit the State Surplus Property Agency from entering into contracts pursuant to this section for some regions of the State while performing the work of towing, storing, processing, maintaining, and selling motor vehicles seized pursuant to G.S. 20-28.3 itself in other regions of the State. All contracts shall ensure the safety of the motor vehicles while held and any funds arising from the sale of any seized motor vehicle. The contract shall require the contractor to maintain and make available to the agency a computerized up-to-date inventory of all motor vehicles held under the contract, together with an accounting of all accrued charges, the status of the vehicle, and the county school fund to

which the proceeds of sale are to be paid. The contract shall provide that the contractor shall pay the towing and storage charges owed on a seized vehicle to a commercial towing company at the time the seized vehicle is obtained from the commercial towing company, with the contractor being reimbursed this expense when the vehicle is released or sold. The ~~Department~~ State Surplus Property Agency shall not enter into any contract under this section under which the State will be obligated to pay a deficiency arising from the sale of any forfeited motor vehicle.

(b) The ~~Department,~~ State Surplus Property Agency, through its contractor or contractors designated in accordance with subsection (a) of this section, may charge a reasonable fee for storage not to exceed ten dollars ($10.00) per calendar day for the storage of seized vehicles pursuant to G.S. 20-28.3.

~~(c) In order to help defray the administrative costs associated with the administration of this section, the Department shall collect a ten dollar ($10.00) administrative fee from a person to whom a seized vehicle is released at the time the motor vehicle is released and shall collect a ten dollar ($10.00) administrative fee out of the proceeds of the sale of any forfeited motor vehicle. The funds collected under this subsection shall be paid to the General Fund.~~"

SECTION 5. G.S. 143-64.02 is amended by adding two new subdivisions to read:

"**§ 143-64.02. Definitions.**

As used in Part 1 of this Article, except where the context clearly requires otherwise:

(1) "Agency" means an existing department, institution, commission, committee, board, division, or bureau of the State.

(2) "Nonprofit tax exempt organizations" means those nonprofit tax exempt medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, universities, schools for the mentally retarded, schools for the physically handicapped, radio and television stations licensed by the Federal Communications Commission as educational radio or educational television stations, public libraries, and civil defense organizations, that have been certified by the Internal Revenue Service as tax-exempt nonprofit organizations under section 501(c)(3) of the United States Internal Revenue Code of 1954.

(3) "Recyclable material" means a recyclable material, as defined in G.S. 130A-290, that the Secretary of Administration determines, consistent with G.S. 130A-309.14, to be a recyclable material.

(4) "State owned" means supplies, materials, and equipment in the possession of the State of North Carolina and purchased with State funds, personal property donated to the State, or personal property purchased with other funds that give ownership to the State.

(5) "Surplus property" means personal property that is no longer needed by a State agency."

SECTION 6. G.S. 143-64.03 reads as rewritten:

"**§ 143-64.03. Powers and duties of the State agency for surplus property.**

(a) The State Surplus Property Agency is authorized and directed to:

(1) Sell all State owned supplies, materials, and equipment that are surplus, obsolete, or ~~unused;~~unused and sell all seized vehicles and other conveyances that the State Surplus Property Agency is authorized to sell;

(2) Warehouse such property; and

(3) Distribute such property to tax-supported or nonprofit tax-exempt organizations.

(b) The State Surplus Property Agency is authorized and empowered to act as a clearinghouse of information for agencies and private nonprofit tax-exempt organizations, to locate property available for acquisition from State agencies, to ascertain the terms and

conditions under which the property may be obtained, to receive requests from agencies and private nonprofit tax-exempt organizations, and transmit all available information about the property, and to aid and assist the agencies and private nonprofit tax-exempt organizations in transactions for the acquisition of State surplus property.

(c) The State agency for surplus property, in the administration of Part 1 of this Article, shall cooperate to the fullest extent consistent with the provisions of Part 1 of this Article, with the departments or agencies of the State.

(d) The State agency for surplus property may sell or otherwise dispose of surplus property, including motor vehicles, through an electronic auction service."

SECTION 7. G.S. 143-64.05(a) reads as rewritten:

"**§ 143-64.05. Service charge; receipts.**

(a) The State agency for surplus property may assess and collect a service charge for (i) the acquisition, receipt, warehousing, distribution, or transfer of any State surplus ~~property and~~ property; (ii) for the transfer or sale of recyclable ~~material.~~ material; and (iii) for the towing, storing, processing, maintaining, and selling of motor vehicles seized pursuant to G.S. 20-28.3. The service charge authorized by this subsection does not apply to the transfer or sale of timber on land owned by the Wildlife Resources Commission or the Department of Agriculture and Consumer Services."

SECTION 8. This act becomes effective July 1, 2015.

HOUSE BILL 282:
Streamline Seized Vehicle Disposal.-AB

2015-2016 General Assembly

Committee:	House Regulatory Reform, if favorable, Finance	**Date:**	March 31, 2015
Introduced by:	Reps. Cleveland, R. Brown, Riddell	**Prepared by:**	Jeff Hudson
Analysis of:	First Edition		Committee Counsel

SUMMARY: ***House Bill 282 would authorize the Department of Administration to store, process, maintain, and sell motor vehicles seized pursuant to G.S. 20-28.3 (Seizure, impoundment, forfeiture of motor vehicles for offenses involving impaired driving while license revoked or without license and insurance, and for felony speeding to elude arrest).***

CURRENT LAW: Under current law, motor vehicles seized pursuant to G.S. 20-28.3 (Seizure for offenses involving impaired driving while license revoked or without license and insurance, and for felony speeding to elude arrest) are held and may be sold by county boards of education or the Department of Public Instruction. Proceeds from the sale of a seized vehicle, after the deduction of costs and other claims, are paid to the county school fund in the county in which the motor vehicle was ordered forfeited.

BILL ANALYSIS: House Bill 282 would substitute the Department of Administration, as the State Surplus Property Agency, for the Department of Public Instruction in the process of holding and selling motor vehicles seized pursuant to G.S. 20-28.3. House Bill 282 would also do the following relative to the seizure, holding, and sale of motor vehicles seized pursuant to G.S. 20-28.3:

- Clarify that the daily storage fee of up to $10.00 is per calendar day.
- Authorize the State Surplus Property Agency or a county board of education to sell a seized motor vehicle at any time with the consent of the owner regardless of the fair market value of the vehicle.
- Provide that seized vehicles held by the State Surplus Property Agency will be sold in accordance with statutes governing the sale of State surplus property. The notice requirements for such sale will remain as they are under current law.
- Repeal a provision that directed the Department of Public Instruction to assess certain administrative fees that were paid into the General Fund.
- Make conforming changes.

EFFECTIVE DATE: The bill would become effective July 1, 2015.

O. Walker Reagan
Director

H282-SMSB-3 E1 -V1

Research Division
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H 1

HOUSE BILL 255

Short Title:	Building Code Reg. Reform.	(Public)
Sponsors:	Representatives Brody, Riddell, Cotham, and Watford (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO REFORM BUILDING CODE ENFORCEMENT TO PROMOTE ECONOMIC GROWTH BY CONFORMING WORK IN PROGRESS INSPECTION AUTHORITY TO RECENTLY ENACTED INSPECTION LIMITATIONS, BY REQUIRING THE BUILDING CODE COUNCIL TO STUDY THE ALTERNATE METHODS APPROVAL PROCESS, BY CLARIFYING THE DEFINITION OF OFFICIAL MISCONDUCT FOR CODE OFFICIALS, BY ELIMINATING MANDATORY PLAN REVIEW FOR RESIDENTIAL STRUCTURES, BY RAISING THE THRESHOLD FOR REQUIREMENT OF A BUILDING PERMIT, BY CREATING THE BUILDING CODE COUNCIL RESIDENTIAL CODE COMMITTEE, BY REQUIRING INTERNET POSTING OF CERTAIN COUNCIL DECISIONS AND INTERPRETATIONS, BY CLARIFYING THAT INSPECTION FEES COLLECTED BY CITIES AND COUNTIES MAY ONLY BE USED TO SUPPORT THE INSPECTION DEPARTMENT, AND BY REQUIRING THAT INSPECTIONS BE PERFORMED IN FULL AND IN A TIMELY MANNER AND INSPECTION REPORTS TO INCLUDE ALL ITEMS FAILING TO MEET CODE REQUIREMENTS.

The General Assembly of North Carolina enacts:

PART I. COMPLIANCE WITH BUILDING CODE INSPECTION REQUIREMENTS

SECTION 1.(a) G.S. 153A-360 reads as rewritten:

"**§ 153A-360. Inspections of work in progress.**

~~As~~ Subject to the limitation imposed by G.S. 153A-352(b), as the work pursuant to a permit progresses, local inspectors shall make as many inspections of the work as may be necessary to satisfy them that it is being done according to the provisions of the applicable State and local laws and local ordinances and regulations and of the terms of the permit. In exercising this power, each member of the inspection department has a right, upon presentation of proper credentials, to enter on any premises within the territorial jurisdiction of the department at any reasonable hour for the purposes of inspection or other enforcement action. If a permit has been obtained by an owner exempt from licensure under G.S. 87-1(b)(2), no inspection shall be conducted without the owner being personally present, unless the plans for the building were drawn and sealed by an architect licensed pursuant to Chapter 83A of the General Statutes."

SECTION 1.(b) G.S. 160A-420 reads as rewritten:

"**§ 160A-420. Inspections of work in progress.**

~~As~~ Subject to the limitation imposed by G.S. 160A-412(b), the work pursuant to a permit progresses, local inspectors shall make as many inspections thereof as may be necessary to

satisfy them that the work is being done according to the provisions of any applicable State and local laws and of the terms of the permit. In exercising this power, members of the inspection department shall have a right to enter on any premises within the jurisdiction of the department at all reasonable hours for the purposes of inspection or other enforcement action, upon presentation of proper credentials. If a permit has been obtained by an owner exempt from licensure under G.S. 87-1(b)(2), no inspection shall be conducted without the owner being personally present, unless the plans for the building were drawn and sealed by an architect licensed pursuant to Chapter 83A of the General Statutes."

PART II. STUDY ALTERNATIVE APPROVAL METHODS

SECTION 2. The North Carolina Building Code Council shall study procedures and policies for the approval of alternative materials, designs, or methods. The study shall include review of the following elements:

(1) The alternate methods application process, including requirements for initial application submittal, supporting information, and site-specific or project-specific application submittals.

(2) Time lines for the application process, including application submittal, Council review, and final approval or denial of applications, including the feasibility of a requirement that final determinations be rendered on a completed application within 30 days of the date an application is determined to be complete.

(3) Procedures for appeal of applications denied by the Council.

In conducting the study, the Council may utilize support services provided by staff from the Engineering Division of the Department of Insurance. The Council shall report its findings and recommendations, including any proposed legislative changes, to the 2016 Regular Session of the 2015 General Assembly when it convenes.

PART III. CLARIFY OFFICIAL MISCONDUCT FOR CODE OFFICIALS

SECTION 3.(a) G.S. 143-151.8 is amended by adding a new subsection to read:

"(c) For purposes of this Article, "willful misconduct, gross negligence or gross incompetence" in addition to the meaning of those terms under other provisions of the General Statutes or at common law, shall include any of the following:

(1) The enforcement of a Code requirement applicable to a certain area or set of circumstances in other areas or circumstances not specified in the requirement.

(2) For an alternative design or construction method that has been appealed under G.S. 143-140.1 and found by the Department of Insurance to comply with the Code, to refuse to accept the decision by the Department to allow that alternative design or construction method under the conditions or circumstances set forth in the Department's decision for that appeal.

(3) For an alternative construction method currently included in the Building Code, to refuse to allow the alternative method under the conditions or circumstances set forth in the Code for that alternative method.

(4) The enforcement of a requirement that is more stringent than or otherwise exceeds the Code requirement.

(5) To refuse to implement or adhere to an interpretation of the Building Code issued by the Building Code Council or the Department of Insurance.

(6) The habitual failure to provide requested inspections in a timely manner."

SECTION 3.(b) The North Carolina Code Officials Qualification Board shall, no later than October 1, 2015, notify all Code enforcement officials in the State of the clarification to the grounds for disciplinary action enacted by this act.

PART IV. ELIMINATE MANDATORY PLAN REVIEW FOR RESIDENTIAL STRUCTURES AND RAISE THRESHOLD FOR BUILDING PERMIT REQUIREMENT

SECTION 4.1. G.S. 143-138(b5) reads as rewritten:

"(b5) Exclusion for Certain Minor Activities in Residential and Farm Structures. – No building permit shall be required under the Code or any local variance thereof approved under subsection (e) for any construction, installation, repair, replacement, or alteration costing ~~five thousand dollars ($5,000)~~ten thousand dollars ($10,000) or less in any single family residence or farm building unless the work involves: the addition, repair, or replacement of load bearing structures; the addition (excluding replacement of same capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, fixtures (excluding repair or replacement of electrical lighting devices and fixtures of the same type), appliances (excluding replacement of water heaters, provided that the energy use rate or thermal input is not greater than that of the water heater which is being replaced, and there is no change in fuel, energy source, location, capacity, or routing or sizing of venting and piping), or equipment, the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. The exclusions from building permit requirements set forth in this paragraph for electrical lighting devices and fixtures and water heaters shall apply only to work performed on a one- or two-family dwelling. In addition, exclusions for electrical lighting devices and fixtures and electric water heaters shall apply only to work performed by a person licensed under G.S. 87-43 and exclusions for water heaters, generally, to work performed by a person licensed under G.S. 87-21."

SECTION 4.2.(a) G.S. 153-357(a2) is recodified as G.S. 153-357(a3).

SECTION 4.2.(b) G.S. 153A-357, as amended by subsection (a) of this section, reads as rewritten:

"**§ 153A-357. Permits.**

...

(a1) A permit shall be in writing and shall contain a provision that the work done shall comply with ~~the State Building Code~~relevant requirements of the North Carolina Building Code and all other applicable State and local laws and local ordinances and regulations. ~~Nothing in this section shall require a~~ A county ~~to~~ shall review and approve ~~residential~~ building plans submitted to the county for any nonresidential structure pursuant to ~~Section R-110 of Volume VII of the North Carolina State~~the North Carolina Building ~~Code; provided that the county may review and approve such residential building plans as it deems necessary.~~Code. No permit may be issued unless the plans and specifications are identified by the name and address of the author thereof; and if the General Statutes of North Carolina require that plans for certain types of work be prepared only by a registered architect or registered engineer, no permit may be issued unless the plans and specifications bear the North Carolina seal of a registered architect or of a registered engineer. Review and approval of plans for the construction of structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings shall not be required by a county, provided that a county may require building plans to be available on site during the inspection process. If a provision of the General Statutes of North Carolina or of any ordinance requires that work be done by a licensed specialty contractor of any kind, no permit for the work may be issued unless the work is to be performed by such a duly licensed contractor.

(a2) No permit issued under Articles 9 or 9C of G.S. Chapter 143 shall be required for any construction, installation, repair, replacement, or alteration costing ~~five thousand dollars ($5,000)~~ten thousand dollars ($10,000) or less in any single-family residence or farm building unless the work involves: the addition, repair or replacement of load bearing structures; the

addition (excluding replacement of same size and capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, appliances, or equipment; the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. Violation of this section constitutes a Class 1 misdemeanor.

...."

SECTION 4.3.(a) G.S. 160-417(a2) is recodified as G.S. 160-417(a3).

SECTION 4.3.(b) G.S. 160A-417, as amended by subsection (a) of this section, reads as rewritten:

"**§ 160A-417. Permits.**

...

(a1) A permit shall be in writing and shall contain a provision that the work done shall comply with ~~the State Building Code~~ relevant requirements of the North Carolina Building Code and all other applicable State and local laws. ~~Nothing in this section shall require a~~ A city ~~to~~ shall review and approve ~~residential~~ building plans submitted to the city for any nonresidential structure pursuant to ~~Section R-110 of Volume VII of the North Carolina State~~the North Carolina Building ~~Code; provided that the city may review and approve such residential building plans as it deems necessary.~~Code. No permits shall be issued unless the plans and specifications are identified by the name and address of the author thereof, and if the General Statutes of North Carolina require that plans for certain types of work be prepared only by a registered architect or registered engineer, no permit shall be issued unless the plans and specifications bear the North Carolina seal of a registered architect or of a registered engineer. Review and approval of plans for the construction of structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings shall not be required by a city, provided that a city may require building plans to be available on site during the inspection process. When any provision of the General Statutes of North Carolina or of any ordinance requires that work be done by a licensed specialty contractor of any kind, no permit for the work shall be issued unless the work is to be performed by such a duly licensed contractor.

(a2) No permit issued under Articles 9 or 9C of Chapter 143 shall be required for any construction, installation, repair, replacement, or alteration costing ~~five thousand dollars ($5,000)~~ ten thousand dollars ($10,000) or less in any single family residence or farm building unless the work involves: the addition, repair or replacement of load bearing structures; the addition (excluding replacement of same size and capacity) or change in the design of plumbing; the addition, replacement or change in the design of heating, air conditioning, or electrical wiring, devices, appliances, or equipment; the use of materials not permitted by the North Carolina Uniform Residential Building Code; or the addition (excluding replacement of like grade of fire resistance) of roofing. Violation of this section shall constitute a Class 1 misdemeanor.

...."

PART V. CREATE BUILDING CODE COUNCIL RESIDENTIAL CODE COMMITTEE

SECTION 5.1. G.S. 143-136 is amended by adding a new subsection to read:

"(c) Residential Code Committee Created; Duties. – Within the Building Code Council, there is hereby created a Residential Code for One- and Two-Family Dwellings Committee composed of five members of the Building Code Council, specifically the licensed general contractor specializing in residential construction who shall serve as chairman of this committee; the licensed general contractor specializing in coastal residential construction; the registered engineer practicing structural engineering; the licensed plumbing and heating contractor; and the licensed electrical contractor. This committee shall meet upon the call of its

chairman to review any proposal for revision or amendment to the North Carolina State Building Code: Residential Code for One- and Two-Family Dwellings, including provisions applicable to One- and Two-Family Dwellings from the NC Energy Code, NC Electrical Code, NC Fuel Gas Code, NC Plumbing Code, the NC Mechanical Code and the NC Existing Building Code and no revision or amendment to any of these codes applicable to residential construction may be considered by the Building Code Council unless recommended by this committee. This committee shall also oversee the process by which the Council conducts its revision pursuant to G.S. 143-138(d). This committee shall also consider any appeal or interpretation arising under G.S. 143-141 pertaining to North Carolina State Building Code: Residential Code for One- and Two-Family Dwellings and make a recommendation to the Building Code Council for disposition of the appeal or interpretation."

SECTION 5.2. G.S. 143-138(d) reads as rewritten:

"(d) Amendments of the Code. – The Building Code Council may periodically revise and amend the North Carolina State Building Code, either on its own motion or upon application from any citizen, State agency, or political subdivision of the State. In addition to the periodic revisions or amendments made by the Council, the Council ~~shall~~ shall, following the procedure set forth in G.S. 143-136(c), revise the North Carolina State Building Code: Residential Code for One- and Two-Family Dwellings, including provisions applicable to One- and Two-Family Dwellings from the NC Energy Code, NC Electrical Code, NC Fuel Gas Code, NC Plumbing Code, and NC Mechanical Code only every six years, to become effective the first day of January of the following year, with at least six months between adoption and effective date. The first six-year revision under this subsection shall be adopted to become effective January 1, 2019, and every six years thereafter. In adopting any amendment, the Council shall comply with the same procedural requirements and the same standards set forth above for adoption of the Code. The Council, through the Department of Insurance, shall publish in the North Carolina Register ~~and shall post on the Council's Web site~~ all appeal decisions made by the Council and all formal opinions at least semiannually. The Council, through the Department of Insurance, shall also publish at least semiannually in the North Carolina Register a statement providing the accurate Web site address and information on how to find additional commentary and interpretation of the Code."

PART VI. BUILDING CODE COUNCIL REQUIRED WEB SITE POSTINGS

SECTION 6.1. G.S. 143-141 is amended by adding a new subsection to read:

"(c1) Posting on Department Web Site. – The Department of Insurance shall post and maintain on that portion of its Web site devoted to the Building Code Council all appeal decisions, interpretations, and variations of the Code issued by the Council within three business days of issuance."

SECTION 6.2. G.S. 143-138.1(b) reads as rewritten:

"(b) The Department of Insurance shall post and maintain on ~~its Web site~~ that portion of its Web site devoted to the Building Code Council written commentaries and written interpretations made and given by staff to the ~~North Carolina Building Code~~ Council and the Department for each section of the North Carolina Building ~~Code.~~Code within three business days of issuance."

PART VII. INSPECTION FEES TO BE SPENT ONLY FOR ACTIVITIES OF INSPECTION DEPARTMENT

SECTION 7.1. G.S. 153A-354 reads as rewritten:

"**§ 153A-354. Financial support.**

A county may appropriate any available funds for the support of its inspection department. It may provide for paying inspectors fixed salaries, or it may reimburse them for their services by paying over part or all of any fees collected. It may fix reasonable fees for issuing permits,

for inspections, and for other services of the inspection department. All fees collected under the authority set forth in this section shall be used for support of the activities of the inspection department and for no other purpose."

SECTION 7.2. G.S. 160A-414 reads as rewritten:

"**§ 160A-414. Financial support.**

The city council may appropriate for the support of the inspection department any funds that it deems necessary. It may provide for paying inspectors fixed salaries or it may reimburse them for their services by paying over part or all of any fees collected. It shall have power to fix reasonable fees for issuance of permits, inspections, and other services of the inspection department. All fees collected under the authority set forth in this section shall be used for support of the activities of the inspection department and for no other purpose."

PART VIII. INSPECTIONS TO BE PERFORMED IN FULL AND IN A TIMELY MANNER AND INSPECTION REPORTS TO INCLUDE ALL ITEMS FAILING TO MEET CODE REQUIREMENTS

SECTION 8.1. G.S. 153A-352 reads as rewritten:

"**§ 153A-352. Duties and responsibilities.**

(a) The duties and responsibilities of an inspection department and of the inspectors in it are to enforce within the county's territorial jurisdiction State and local laws and local ordinances and regulations relating to:

(1) The construction of buildings;

(2) The installation of such facilities as plumbing systems, electrical systems, heating systems, refrigeration systems, and air-conditioning systems;

(3) The maintenance of buildings in a safe, sanitary, and healthful condition;

(4) Other matters that may be specified by the board of commissioners.

These duties and responsibilities include receiving applications for permits and issuing or denying permits, making necessary ~~inspections,~~inspections in a timely manner, issuing or denying certificates of compliance, issuing orders to correct violations, bringing judicial actions against actual or threatened violations, keeping adequate records, and taking any other actions that may be required to adequately enforce the laws and ordinances and regulations. The board of commissioners may enact reasonable and appropriate provisions governing the enforcement of the laws and ordinances and regulations.

(b) Except as provided in G.S. 153A-364, a county may not adopt a local ordinance or resolution or any other policy that requires regular, routine inspections of buildings or structures constructed in compliance with the North Carolina Residential Code for One- and Two-Family Dwellings in addition to the specific inspections required by the North Carolina Building Code without first obtaining approval from the North Carolina Building Code Council. The North Carolina Building Code Council shall review all applications for additional inspections requested by a county and shall, in a reasonable manner, approve or disapprove the additional inspections. This subsection does not limit the authority of the county to require inspections upon unforeseen or unique circumstances that require immediate action. In performing the specific inspections required by the North Carolina Building Code, the inspector shall conduct a full inspection and provide the permit holder with a complete list of all items which fail to meet the requirements of the North Carolina Residential Code for One- and Two-Family Dwellings."

SECTION 8.2. G.S. 160A-412 reads as rewritten:

"**§ 160A-412. Duties and responsibilities.**

(a) The duties and responsibilities of an inspection department and of the inspectors therein shall be to enforce within their territorial jurisdiction State and local laws relating to

(1) The construction of buildings and other structures;

(2) The installation of such facilities as plumbing systems, electrical systems, heating systems, refrigeration systems, and air-conditioning systems;
(3) The maintenance of buildings and other structures in a safe, sanitary, and healthful condition;
(4) Other matters that may be specified by the city council.

These duties shall include the receipt of applications for permits and the issuance or denial of permits, the making of any necessary ~~inspections,~~inspections in a timely manner, the issuance or denial of certificates of compliance, the issuance of orders to correct violations, the bringing of judicial actions against actual or threatened violations, the keeping of adequate records, and any other actions that may be required in order adequately to enforce those laws. The city council shall have the authority to enact reasonable and appropriate provisions governing the enforcement of those laws.

(b) Except as provided in G.S. 160A-424, a city may not adopt a local ordinance or resolution or any other policy that requires regular, routine inspections of buildings or structures constructed in compliance with the North Carolina Residential Code for One- and Two-Family Dwellings in addition to the specific inspections required by the North Carolina Building Code without first obtaining approval from the North Carolina Building Code Council. The North Carolina Building Code Council shall review all applications for additional inspections requested by a city and shall, in a reasonable manner, approve or disapprove the additional inspections. This subsection does not limit the authority of the city to require inspections upon unforeseen or unique circumstances that require immediate action. In performing the specific inspections required by the North Carolina Building Code, the inspector shall conduct a full inspection and provide the permit holder with a complete list of all items which fail to meet the requirements of the North Carolina Residential Code for One- and Two-Family Dwellings."

PART IX. EFFECTIVE DATE

SECTION 9. This act becomes effective July 1, 2015.

HOUSE BILL 255:
Building Code Reg. Reform

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	March 30, 2015
Introduced by:	Reps. Brody, Riddell, Cotham, Watford	**Prepared by:**	Karen Cochrane-Brown
Analysis of:	First Edition		Committee Counsel

SUMMARY: ***House Bill 255 makes various changes to the law relating to the State Building Code, including:***

- ***Conforming work in progress inspection authority to recently enacted inspection limitations;***
- ***Requiring the Building Code Council to study the alternate methods approval process;***
- ***Clarifying the definition of official misconduct for code officials;***
- ***Eliminating mandatory plan review for residential structures;***
- ***Raising the threshold for requirement of a building permit;***
- ***Creating the building code council residential code committee;***
- ***Requiring internet posting of certain council decisions and interpretations;***
- ***Clarifying that inspection fees collected by cities and counties may only be used to support the inspection department;***
- ***Requiring that inspections be performed in full and in a timely manner and that inspection reports include all items failing to meet code requirements.***

[As introduced, this bill was identical to S324, as introduced by Sens. Brock, McInnis, Clark, which is currently in Rules and Operations of the Senate.]

BILL ANALYSIS:

PART I. COMPLIANCE WITH BUILDING CODE INSPECTION REQUIREMENTS

Sections 1(a) and 1(b) amend the laws related to inspections of work in progress by county and city inspectors to provide that these inspections are subject to a new provision in the law. The new provision states that in performing specific inspections required by the Building Code, the inspector must conduct a full inspection and provide the permit holder with a complete list of all items which fail to meet the requirements of the North Carolina Residential Code for One-and Two Family Dwellings.

PART II. STUDY ALTERNATE APPROVAL METHODS

Section 2 directs the Building Code Council to study procedures and policies for the approval of alternative materials, designs, or methods, including review of the following:

- The alternate methods application process.

- Time lines for the application process, including the feasibility of rendering final determinations within 30 days of completion of the application.
- Procedures for appeal of applications denied by the Council.

The Council must report its findings and recommendations, including any proposed legislation, to the 2016 Regular Session of the 2015 General Assembly.

PART III. CLARIFY OFFICIAL MISCONDUCT FOR CODE OFFICIALS

Section 3 amends the law governing the Code Officials Qualification Board which issues certifications to persons engaged in Code enforcement. The provision adds a definition of the term "willful misconduct, gross negligence or gross incompetence". Willful misconduct, gross negligence or gross incompetence is a basis for disciplinary action against a Code enforcement official. The term includes any of the following:

- The enforcement of a Code requirement applicable to a certain area or set of circumstances in other areas or circumstances not specified in the requirement.
- To refuse to accept the decision of the Department of Insurance to allow an alternative design or construction method under the conditions or circumstances set forth in the Department's decision of the appeal.
- To refuse to allow an alternative method under the conditions or circumstances set forth in the Code for that alternative method.
- The enforcement of a requirement that is more stringent than or otherwise exceeds the Code requirement.
- To refuse to implement or adhere to an interpretation of the Building Code issued by the Council or the Department of Insurance.
- The habitual failure to provide requested inspections in a timely manner.

The Board must notify all Code enforcement officials of this change by October 1, 2015.

PART IV. ELIMINATE MANDATORY PLAN REVIEW FOR RESIDENTIAL STRUCTURES AND RAISE THRESHOLD FOR BUILDING PERMIT REQUIREMENT

Section 4.1 amends the threshold for requirement of a building permit for any construction, installation, repair, replacement, or alteration from $5,000 to $10,000.

Section 4.2 amends the law relating to county issued permits to require that a county review and approve building plans for any nonresidential structure. This section also eliminates the county's authority to review or approve plans for construction of one- and two-family dwellings, provided that the county may require that building plans be available on site during the inspection process. This section also raises the threshold for permits from $5,000 to $10,000.

Section 4.3 makes identical changes to the law relating to city issued permits.

PART V. CREATE BUILDING CODE COUNCIL RESIDENTIAL CODE COMMITTEE

Section 5 adds a new provision creating the Residential Code Committee within the Building Code Council. The provision identifies five members of the Council to serve on the committee. The committee is charged with reviewing any proposed revisions or amendments to the Residential Code and no revision or amendment can be considered by the Council unless recommended by the committee. The committee must oversee the process by which the Council conducts its periodic amendment of the Code, as well as consider any appeals or interpretations related to the Residential Code and made recommendations to the Council for disposition of the appeal or interpretation.

PART VI. BUILDING CODE COUNCIL REQUIRED WEB SITE POSTINGS.

Section 6 directs the Department of Insurance to post on its website all appeal decisions, interpretations and variations of the Code issued by the Council within three business days of issuance.

PART VII. INSPECTION FEES TO BE SPENT ONLY FOR ACTIVITIES OF INSPECTION DEPARTMENT

Section 7 amends the laws related to financial support of county and city inspection departments to require that all fees collected from inspections be used for support of the activities of the inspection department and for no other purpose.

PART VIII. INSPECTIONS TO BE PERFORMED IN FULL AND IN A TIMELY MANNER AND INSPECTION REPORTS TO INCLUDE ALL ITEMS FAILING TO MEET CODE REQUIREMENTS

Section 8 amends the laws governing the duties and responsibilities of county and city inspection departments to require that necessary inspections be made in a timely manner. This provision also adds language that in performing required inspections, county and city inspectors must conduct a full inspection and provide the permit holder with a complete list of all items which fail to meet the requirements of the Residential Code for One- and Two-Family Dwellings.

EFFECTIVE DATE: This act becomes effective July 1, 2015.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 255

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

H255-AMH-1 [v.3]

Comm. Sub. [NO]
Amends Title [NO]
First Edition

Date _____ ,2015

Representative Brody

moves to amend the bill on page 3, line 34, by rewriting the line to read:
"plans submitted to the county for any commercial and multifamily structure pursuant to ~~Section R-110 of~~";

and on page 4, line 17, by rewriting the line to read:
"commercial and multifamily structure pursuant to ~~Section R-110 of Volume VII of the North Carolina~~";

and on page 6, line 2, by rewriting the line to read:
"authority set forth in this section shall be used for support of the administration and activities of the inspection";

and on page 6, line 11, by rewriting the line to read:
"support of the administration and activities of the inspection department and for no other purpose.";

and on page 7, line 28, by rewriting the line to read:
"**SECTION 9.** This act becomes effective October 1, 2015."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. 1

H. B. No. 255 DATE 3-31-15

S. B. No. _____ Amendment No. _____ (to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

(Rep.) Stam
Sen.)

moves to amend the bill on page 3, line 9

( ) WHICH CHANGES THE TITLE

by ~~rewriting the line~~ deleting "ten thousand dollars ($10,000)" and substituting "fifteen thousand dollars ($15,000)"; and

on page 3, line 50, by deleting "ten thousand dollars ($10,000)" and substituting "fifteen thousand dollars ($15,000)"; and

on page 4, line 32, by deleting "ten thousand dollars ($10,000)" and substituting "fifteen thousand dollars ($15,000)".

SIGNED Stam

ADOPTED _____ FAILED _____ TABLED _____

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT
Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE AND RE-REFERRED

HB **282** Streamline Seized Vehicle Disposal.-AB

Draft Number:	None
Serial Referral:	**FINANCE**
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Cleveland

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL

HB **255** Building Code Reg. Reform.

Draft Number:	H255-PCS40236-RO-1
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Brody

TOTAL REPORTED: 2

House Committee on Regulatory Reform
Tuesday, April 21, 2015 at 10:00 AM
Room 544 LOB

MINUTES

The House Committee on Regulatory Reform met at 10:00 AM on April 21, 2015 in Room 544 LOB. Representatives Bell, Bradford, Brisson, Brody, Catlin, Cotham, Cunningham, Dollar, Goodman, Hager, Harrison, Jones, Jordan, McElraft, Millis, Riddell, Speciale, Stam, and Stevens attended.

Representative Riddell, Chair, presided.

Representative Riddell recognized the sergeant at arms, and pages. He also announced change to the agenda being the removal of two bills, HB 158 and HB 583.

The following bills were considered:

HB 44 Cities/Overgrown Vegetation Notice (Representatives Conrad, Lambeth, Hanes, Terry)
Representative Conrad explained the bill. There was a short discussion. Representative Stevens made the motion for a favorable report for the bill. The vote was called and the motion passed. See Attachment 3

HB 446 Amend Statutes Governing Bail Bondsmen (Representatives Jordan, Wray, R. Turner, Schaffer)
Representative Jordan explained the bill. There was a short discussion. Representative Bell made the motion for a favorable report for the bill. The vote was called and the motion passed. See Attachment 4

The meeting adjourned at 10:17 AM.

Representative Dennis Riddell,
Presiding

Polly Riddell, Committee Clerk

Corrected #1:

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Tuesday, April 21, 2015
TIME: **10:00 AM**
LOCATION: **544 LOB**
COMMENTS: **Representative Riddell will preside**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 44	Cities/Overgrown Vegetation Notice.	Representative Conrad Representative Lambeth Representative Hanes Representative Terry
HB 446	Amend Statutes Governing Bail Bondsmen.	Representative Jordan Representative Wray Representative R. Turner Representative Schaffer
HB 158	Jim Fulghum Teen Skin Cancer Prevention Act.	Representative Lambeth Representative Dollar Representative Hurley Representative McElraft
HB 583	Building Code Council/Post Code Online.	Representative Cotham Representative Hager Representative Brody

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 5:30 PM on Monday, April 20, 2015.

___ Principal Clerk
___ Reading Clerk – House Chamber

Polly Riddell (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **April 21, 2015**
Room: **544 LOB**
Time: **10:00 a.m.**
Presiding: **Representative Dennis Riddell, Co-Chair**

AGENDA ITEMS

HB 44 **CITIES/OVERGROWN VEGETATION NOTICE**
Representative Conrad, Sponsor
Representative Lambeth, Sponsor
Representative Hanes, Sponsor
Representative Terry, Sponsor

HB 446 **AMEND STATUTES GOVERNING BAIL BONDSMEN**
Representative Jordan, Sponsor
Representative Wray, Sponsor
Representative R. Turner, Sponsor
Representative Schaffer, Sponsor

HB 583 **BUILDING CODE COUNCIL/POST CODE ONLINE**
Representative Cotham, Sponsor
Representative Hager, Sponsor
Representative Brody, Sponsor

ADJOURNMENT

HB 583 BUILDING CODE COUNCIL/POST CODE ONLINE
Representative Cotham, Sponsor
Representative Hager, Sponsor
Representative Brody, Sponsor

ADJOURNMENT

ATTACHMENT 1

Committee Sergeants at Arms

NAME OF COMMITTEE COMM ON REGULATORY REFORM

DATE: 04-21-15 Room: 544

House Sgt-At Arms:

1. Name: REGGIE SILLS
2. Name: MARVIN LEE
3. Name: TERRY McCRAW
4. Name: CHRIS McCRACKEN
5. Name:

Senate Sgt-At Arms:

1. Name:
2. Name:
3. Name:
4. Name:
5. Name:

Tuesday, April 21 REGULATORY REFORM	**Room** 544	**Time** 10:00 am

Name	County	Sponsor
Desmond Woods	Wake	Rosa U. Gill
Davis Privette	Guilford	John Faircloth
Joe Swaim	Randolph	Allen McNeill

ATTACHMENT 2

VISITOR REGISTRATION SHEE

COMM ON REGULATORY REFORM — 04-21-15

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Lee Cox	DHHS / Radiation Protection
Jesse Goodman	DHHS/DHSR
[signature]	RLA
[signature]	NVA
Susan Latta	Tarheel Trust
Shane Guyant	NCDOT
Angela Ford	NCDOT
Rebecca Shigley	NCDOT
Mark Black	NCBAA
[signature]	MNC
[signature]	PBNC

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM — Name of Committee

04-21-15 — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Michael Houser	THCG
Jill Donavan	Jill's Beach
Kristina Balog	Jill's Beach
Mary Maclean Asbill	SELC
Dan Crawford	NCLCV
Hyt Jolan	NCAEC
Mia Bailey	ElectriCities
Andy Chase	KMA
Mildred Spearman	NCAOC
Molly Masich	DENR
Tom Beaan	EDF, NCWF

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM — Name of Committee

04-21-15 — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Cassie Gavin	Sierra Club

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM — Name of Committee

04-21-15 — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mark Bibbs	Long Leaf Pine
Jerry Schill	NCFA
Allen Hardison	CRSWMA
Joel Maynard	GPM+Assoc

HOUSE BILL 44:
Cities/Overgrown Vegetation Notice

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	April 21, 2015
Introduced by:	Reps. Conrad, Lambeth, Hanes, Terry	**Prepared by:**	Jeff Hudson
Analysis of:	First Edition		Committee Counsel

SUMMARY: ***House Bill 44 would change the requirements for the annual notice to a chronic violator of a municipal overgrown vegetation ordinance, to authorize notice by regular mail and posting.***

[As introduced, this bill was identical to S53, as introduced by Sens. Krawiec, Lowe, which is currently in House Local Government, if favorable, Regulatory Reform.]

CURRENT LAW: Current law requires the initial annual notice to a chronic violator of a municipal overgrown vegetation ordinance be sent by registered or certified mail.

BILL ANALYSIS: House Bill 44 would change the requirements for the annual notice to a chronic violator of a municipal overgrown vegetation ordinance:

- to provide that if service is attempted by registered and certified mail, *notice can also be sent by regular mail*;
- to provide that service will be deemed sufficient if the certified mail is unclaimed or refused, but the *regular mail is not returned with 10 days of mailing*; and
- to require a copy of the *notice to also be posted on the premises, if regular mail notice is used.*

This proposed change would enact the same notice procedure currently provided in law for chronic violators of a municipal nuisance ordinance (G.S. 160A-200.1), or for notice of other municipal orders or complaints (G.S. 160A-445).

EFFECTIVE DATE: This would become effective when it becomes law.

BACKGROUND: Under current law, a municipality can enact an overgrown vegetation ordinance, charge a chronic violator of the ordinance for the expense of remedying violations, and collect the cost of remedying violations in the same manner as collection of unpaid property taxes. (G.S. 160A-174, G.S. 160A-175, and G.S. 160A-193; Art 26 of Chapter 105 of the General Statutes).

Current law defines a chronic violator of an overgrown vegetation ordinance as a person who has had remedial action taken against their property at least three times in the previous calendar year. (G.S. 160A-200).

Giles S. Perry, counsel to House Local Government, substantially contributed to this summary.

O. Walker Reagan
Director

Research Division
(919) 733-2578

HOUSE BILL 44

Short Title:	Cities/Overgrown Vegetation Notice.	(Public)
Sponsors:	Representatives Conrad, Lambeth, Hanes, and Terry (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Local Government, if favorable, Regulatory Reform.	

February 5, 2015

A BILL TO BE ENTITLED

AN ACT AUTHORIZING CITIES TO PROVIDE ANNUAL NOTICE TO CHRONIC VIOLATORS OF OVERGROWN VEGETATION ORDINANCES BY REGULAR MAIL AND POSTING.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-200 reads as rewritten:

"**§ 160A-200. Annual notice to chronic violators of overgrown vegetation ordinances.**

(a) A municipality may notify a chronic violator of the municipality's overgrown vegetation ordinance that, if the violator's property is found to be in violation of the ordinance, the municipality shall, without further notice in the calendar year in which notice is given, take action to remedy the violation and the expense of the action shall become a lien upon the property and shall be collected as unpaid taxes. The initial annual notice shall be served by registered or certified mail. When service is attempted by registered or certified mail, a copy of the notice may also be sent by regular mail. Service shall be deemed sufficient if the registered or certified mail is unclaimed or refused, but the regular mail is not returned by the post office within 10 days after the mailing. If service by regular mail is used, a copy of the notice shall be posted in a conspicuous place on the premises affected. A chronic violator is a person who owns property whereupon, in the previous calendar year, the municipality took remedial action at least three times under the overgrown vegetation ordinance.

(b) Repealed by Session Laws 2009-19, s. 1, effective April 30, 2009."

SECTION 2. This act is effective when it becomes law.

HOUSE BILL 446:
Amend Statutes Governing Bail Bondsmen

2015-2016 General Assembly

Committee:	House Regulatory Reform, if favorable, Judiciary II	**Date:**	April 20, 2015
Introduced by:	Reps. Jordan, Wray, R. Turner, Schaffer	**Prepared by:**	Karen Cochrane-Brown Committee Counsel
Analysis of:	First Edition		

SUMMARY: ***House Bill 446 amends the law governing the licensure of bail bondsmen to increase the minimum age to be eligible for a license, to extend the time limit for the return of collateral security to include the time period in which an appeal from district court may be filed, to require the Commissioner of Insurance to return the amount of a bondsman's security deposit above outstanding bond liability in the event the bondsman ceases writing bonds, and to provide access for bondsmen to certain automated information systems of the Administrative Office of the Courts (AOC).***

The bill also directs AOC to modify certain information systems in order to provide access to bondsmen, from existing funds. AOC must also periodically report to the Joint Oversight Committee on Justice and Public Safety on its progress in making the modifications until all necessary changes are completed.

BILL ANALYSIS:

Section 1 of the bill increases the minimum age to qualify for licensure as a bail bondsman or a runner from 18 to 21 years of age.

Section 2 of the bill amends the law related to prohibited practices by a bail bondsman or a runner. Currently, a bondsman can accept collateral security or other indemnity from a principal, but the collateral must be reasonable in relation to the amount of the bond and must be returned within 72 hours after final termination of liability on the bond. This section would lengthen the time limit for return of collateral to 15 days.

Section 3 adds a new provision directing the Commissioner of Insurance to return the portion of the security deposit in excess of that required to secure outstanding bond liability, if the bondsman ceases to write bonds due to death, permanent incapacitation, or other circumstance that results in the return of the license.

Section 4 amends the law to give bondsmen unlimited access to information systems maintained by the AOC for the production of criminal process by law enforcement officials and judicial officials, which information is not subject to public disclosure.

Section 5 directs the AOC to use available funds to modify its civil court information system and its criminal information system to permit access by bail bondsmen as provided in Section 4 of the bill. AOC must report to the Joint Oversight Committee on Justice and Public Safety by October 1, 2015, and every six months thereafter until it certifies that the information system changes necessary to implement the act have been completed.

O. Walker Reagan
Director

H446-SMRO-14 E1 -V1

Research Division
(919) 733-2578

EFFECTIVE DATE: Section 4 becomes effective on the first day of the month that is 30 days after AOC certifies that it has completed the changes required by Section 5. The remainder of the act is effective when it becomes law.

HOUSE BILL 446

Short Title:	Amend Statutes Governing Bail Bondsmen.	(Public)
Sponsors:	Representatives Jordan, Wray, R. Turner, and Schaffer (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform, if favorable, Judiciary II.	

April 2, 2015

A BILL TO BE ENTITLED

AN ACT TO AMEND THE STATUTES GOVERNING BAIL BONDSMEN TO INCREASE THE AGE OF QUALIFICATION FOR LICENSURE AS A BAIL BONDSMAN OR RUNNER, TO LENGTHEN THE TIME LIMIT FOR THE RETURN OF SECURITY TO INCLUDE THE TIME PERIOD IN WHICH AN APPEAL FROM DISTRICT COURT MAY BE FILED, TO REQUIRE THE COMMISSIONER OF INSURANCE TO RETURN THE AMOUNT OF A BONDSMAN'S SECURITY DEPOSIT ABOVE OUTSTANDING BOND LIABILITY IN EVENT THE BONDSMAN IS KILLED OR CEASES WRITING BONDS, AND TO PROVIDE ACCESS FOR BONDSMEN TO CERTAIN AUTOMATED INFORMATION SYSTEMS OF THE ADMINISTRATIVE OFFICE OF THE COURTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-71-50(b)(1) reads as rewritten:

"(1) Be ~~18~~ 21 years of age or over."

SECTION 2. G.S. 58-71-95(5) reads as rewritten:

"(5) Accept anything of value from a principal or from anyone on behalf of a principal except the premium, which shall not exceed fifteen percent (15%) of the face amount of the bond; provided that the bondsman shall be permitted to accept collateral security or other indemnity from a principal or from anyone on behalf of a principal. Such collateral security or other indemnity required by the bondsman must be reasonable in relation to the amount of the bond and shall be returned within ~~72 hours~~15 days after final termination of liability on the bond. Any bail bondsman who knowingly and willfully fails to return any collateral security, the value of which exceeds one thousand five hundred dollars ($1,500), is guilty of a Class I felony. All collateral security, such as personal and real property, subject to be returned must be done so under the same conditions as requested and received by the bail bondsman."

SECTION 3. G.S. 58-71-151 reads as rewritten:

"**§ 58-71-151. Securities held in trust by Commissioner; authority to dispose of same.**

The securities deposited by a professional bondsman with the Commissioner shall be held in trust for the protection and benefit of the holder of bail bonds executed by or on behalf of the undersigned bondsman in this State. Notwithstanding any other provision of law, the Commissioner is authorized to select a bank or trust company as master trustee to hold cash securities to be pledged to the State when deposited with the Commissioner pursuant to statute.

Securities may be held by the master trustee in any form that in fact perfects the security interest of the State in the securities. The Commissioner shall by rule establish the manner in which the master trust shall operate. The master trustee may charge the person making the deposit reasonable fees for services rendered in connection with the operation of the trust, and the assets of the account may be used to pay such charges.

A pro rata portion of the securities shall be returned to the bondsman when the Commissioner is satisfied that the deposit of securities is in excess of the amount required to be maintained with the Commissioner by said bondsman; and all the securities shall be returned if the Commissioner is satisfied that the bondsman has satisfied, or satisfactory arrangements have been made to satisfy, the obligations of the bondsman on all the bondsman's bail bonds written in the State.

If a bondsman discontinues writing bonds due to death, permanent incapacitation, or some other circumstance that results in the bondsman returning the license issued under this Article to the Commissioner and the Commissioner is satisfied that no more bonds can be written against the bondsman's security deposit, the Commissioner shall return the portion of the security deposit in excess of that required to secure the bondsman's outstanding bond liability.

The Commissioner may sell or transfer any and all of said securities or utilize the proceeds thereof for the purpose of satisfying the liabilities of the professional bondsman on bail bonds given in this State on which the bondsman is liable."

SECTION 4. G.S. 58-71-200(b) reads as rewritten:

"(b) Access granted under subsection (a) of this section shall ~~be limited to~~include information systems containing general criminal case information, as maintained by the clerks of superior ~~court. Access shall not include~~court, as well as systems for the production of criminal process by law enforcement officials and judicial officials under G.S. 15A-301.1 or other information not subject to public disclosure."

SECTION 5. From funds available to it, the Administrative Office of the Courts shall modify its VCAP and NCAWARE systems in order to permit the access needed to implement the amendments to G.S. 58-71-200(b) set forth in Section 4 of this act. The Administrative Office of the Courts shall report to the Joint Oversight Committee on Justice and Public Safety no later than October 1, 2015, and every six months thereafter regarding its progress in implementing this section, until it has certified to the Committee that the information system changes necessary to implement this act have been completed.

SECTION 6. Section 4 of this act becomes effective on the first day of a month that is 30 days after the Administrative Office of the Courts certifies to the Revisor of Statutes that it has completed the changes required by Section 5 of this act. The remainder of this act is effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT
Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE

HB **44** Cities/Overgrown Vegetation Notice.

Draft Number:	None
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Stevens

FAVORABLE AND RE-REFERRED

HB **446** Amend Statutes Governing Bail Bondsmen.

Draft Number:	None
Serial Referral:	**JUDICIARY II**
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Jordan

TOTAL REPORTED: 2

House Committee on Regulatory Reform
Monday, April 27, 2015, 1 P.M.
Room 544 – Legislative Office Building
Representatives J. Bell, Millis, Riddell – Co-Chairs

MINUTES

The House Committee on Regulatory Reform met at 1 P.M. on Monday, April 27, 2015 in Room 544 of the Legislative Office Building. Attending were the following Representatives: J. Bell, Millis, Riddell, Jordan, Speciale, Bishop, Blackwell, Bradford, Brody, Catlin, Cotham, Dixon, Dollar, Hager, Harrison, Jones, McElraft, Meyer, Schaffer, Stam, Stevens and Whitmire.

Representative John Bell, Chair, presided.

Representative Bell recognized the staff, Sergeant-at-Arms and Pages.

The following bills were considered:

HB 742 Clarify PE Licensure
(Representatives Arp, Catlin, Millis)
Representative Arp explained the bill. After questions from the Committee members, Representative Jones made a motion to give the bill a favorable report. The vote was called and the motion passed. (Attachment 4)

HB 705 Amend Septic Take Requirements
(Representative Brody)
Representative Jones made a motion for the Committee to adopt the proposed committee substitute which passed by voice vote. Representative Brody explained the proposed committee substitute. After questions from the Committee members, Representative Dixon made a motion for a favorable report to the proposed committee substitute, unfavorable to the original bill. The vote was called and the motion passed. (Attachment 5)

HB 760 Regulatory Reform Act of 2015
(Representatives Millis, J. Bell, Riddell)
Representative Jones made a motion for the Committee to adopt the proposed committee substitute which passed by voice vote. Representatives Riddell and Millis explained different sections of the proposed committee substitute. (Attachment 6)

The following amendments were considered: (Attachment 7)

Amendment #1 was introduced by Representative Hager. After discussion, Representative McElraft made a motion to adopt the amendment and it passed by voice vote.

Amendment #2 was introduced by Representative Millis. After discussion, the Chair made a motion to adopt the amendment and it passed by voice vote.

Amendment #3 was introduced by Representative Harrison. After discussion, the Chair made a motion to not to adopt the amendment and it failed by voice vote.

Amendment #4 was introduced by Representative Harrison. The amendment was withdrawn by Representative Harrison.

Amendment #5 was introduced by Representative Harrison. The amendment was withdrawn by Representative Harrison

Amendment #6 was introduced by Representative Millis. After discussion, the Chair made a motion to adopt the amendment and it passed by voice vote.

After questions and comments from the Committee members and the public, Representative McElraft moved that the adopted amendments be rolled into a proposed committee substitute, and we give a favorable report to the committee substitute, unfavorable to the original bill. The motion passed by voice vote.

The meeting adjourned at 2:30 P.M.

Representative John Bell
Co-Chair, presiding

Susan W. Horne, Committee Clerk

Corrected #1: Remove HB 633

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Monday, April 27, 2015
TIME: **1:00 PM**
LOCATION: **544 LOB**
COMMENTS: **Representative Bell, presiding**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 760	Regulatory Reform Act of 2015.	Representative Millis Representative J. Bell Representative Riddell
HB 705	Amend Septic Tank Requirements.	Representative Brody
HB 742	Clarify PE Licensure.	Representative Arp Representative Catlin Representative Millis

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 11:15 AM on Friday, April 24, 2015.

___ Principal Clerk
___ Reading Clerk – House Chamber

Susan W Horne (Committee Assistant)

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Monday, April 27, 2015
TIME: **1:00 PM**
LOCATION: **544 LOB**
COMMENTS: **Representative Bell, presiding**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 760	Regulatory Reform Act of 2015.	Representative Millis Representative J. Bell Representative Riddell
HB 633	Occ.Lic./Professional Designation-Appraisers.	Representative Torbett
HB 705	Amend Septic Tank Requirements.	Representative Brody
HB 742	Clarify PE Licensure.	Representative Arp Representative Catlin Representative Millis

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:12 AM on Thursday, April 23, 2015.

___ Principal Clerk
___ Reading Clerk – House Chamber

Susan W Horne (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **April 27, 2015**
Room: **544 LOB**
Time: **1:00 p.m.**
Presiding: **Representative John Bell, Co-Chair**

AGENDA ITEMS

HB 760 REGULARITY REFORM ACT OF 2015
Representative Millis, Sponsor
Representative J. Bell, Sponsor
Representative Riddell, Sponsor

HB 705 AMEND SEPTIC TANK REQUIREMENTS
Representative Brody, Sponsor

HB 742 CLARIFY PE LICENSURE
Representative Arp, Sponsor
Representative Catlin, Sponsor
Representative Millis, Sponsor

ADJOURNMENT

Committee Sergeants at Arms

NAME OF COMMITTEE Regulatory Reform

DATE: 4/27/2015 Room: 544

House Sgt-At Arms:

1. Name: Charles Godwin
2. Name: Dean Marshbourne
3. Name: Cory Bryson
4. Name:
5. Name:

Senate Sgt-At Arms:

1. Name:
2. Name:
3. Name:
4. Name:
5. Name:

VISITOR REGISTRATION SHEET

Regulatory Reform — 4/27/2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Bruce B Clark	UNC Dept Gov.
Brian Mervald	Williams Mullen
Trent Womble	DHHS
David Crawford	A/ANC
Bo Heath	McGuireWoods
Mary Marsh	OAH
Anca Grozav	OSBM
Allison Cooper	NCOA
Andrew Ritter	NCBELS
Dirk Gratton	Law Office of DRG
Brad Knott	NC DENR
Matthew Docklam	NC DENR

VISITOR REGISTRATION SHEET

Regulatory Reform — 4/27/2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Joseph Kyzer	Americans for Prosperity NC
Donald Bryson	AFP
Canaan White	MVA
Andy Wilson	SA
Frank Stacy	NCHFA
TJ Bugbee	NP
Sandy Sands	NP
Tommy Stevens	Stevens Lobby
Angie Mims	NCPC
Rob Lawler	RLA
Will Parry-Hill	NCHFA

VISITOR REGISTRATION SHEET

Regulatory Reform — 4/27/2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Sarah Collins	NCLM
Hugh Johnson	NCACC
Janet Thorn	NCREC
Brian Jones	NCBBE
Preston Howard	NCMA
Henry Jones	Jordan Price, etc
David Hamen	NC Center for Nonprofits
Amanda Symon	~~DDA~~
[illegible]	MWC
Meghan Cook	OITS
Tommy Sen	NSIA

VISITOR REGISTRATION SHEET

Regulatory Reform — Name of Committee

4/27/2015 — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Cady Thomas	Focus Carolina
Heather Jarman	BASE
Doug Lassiter	NCSTA
DAN Crawford	NCLCV
Brooks Rainey Pearson	SELC
Matthew Starr	Upper Neuse Riverkeeper
Dusti Chiuriel-Bajaud	Sierra Club
Molly Diggins	Sierra Club
MALLORY Martin	NC wildlife
AJ Evans	N.C Wildlife Res. Comm
David Tuttle	Board for Engineers and Surveyors

VISITOR REGISTRATION SHEET

Regulatory Reform — 4/27/2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Steve Barry	AQWA - Wilson NC
Nancy Deal	DPH Onsite Water Protection Branch
Ashley Parker	Parker Law
Liz Norman	NCBEEC
Mike Carpenter	NCCPOA
Steven Webb	NCHBA

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H 1

HOUSE BILL 742

Short Title:	Clarify PE Licensure.	(Public)
Sponsors:	Representatives Arp, Catlin, and Millis (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE REQUIREMENTS FOR INITIAL LICENSURE AS A PROFESSIONAL ENGINEER.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 89C-13 reads as rewritten:

"**§ 89C-13. General requirements for licensure.**

(a) ~~Engineer Applicant. The following shall be considered as minimum evidence satisfactory to the Board that the applicant is qualified for licensure as a professional engineer:~~

~~(1) To be certified as an engineer intern, an applicant shall (i) pass the fundamentals of engineering examination and make application to the Board, (ii) be of good character and reputation, (iii) submit three character references to the Board, one of whom is a professional engineer, (iv) comply with the requirements of this Chapter, and (v) meet one of the following requirements:~~

~~a. Education. Be a graduate of an engineering curriculum or related science curriculum of four years or more, approved by the Board as being of satisfactory standing.~~

~~b. Education and experience. Be a graduate of an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing, or possess equivalent education and engineering experience satisfactory to the Board with a specific record of four or more years of progressive experience on engineering projects of a grade and character satisfactory to the Board.~~

~~(1a) To be licensed as a professional engineer, an applicant shall (i) be of good character and reputation, (ii) submit five character references to the Board, three of whom are professional engineers or individuals acceptable to the Board with personal knowledge of the applicant's engineering experience, (iii) comply with the requirements of this Chapter, and (iv) meet one of the following requirements:~~

~~a. Licensure by Comity or Endorsement. A person holding a certificate of licensure to engage in the practice of engineering, on the basis of comparable qualifications, issued to the person by a proper authority of a state, territory, or possession of the United States, the District of Columbia, or of any foreign country possessing~~

~~credentials that, based on verifiable evidence, in the opinion of the Board, of a standard not lower than that in effect in this State at the time the certificate was issued, may upon application, be licensed without further examination, except as required to examine the applicant's knowledge of laws, rules, and requirements unique to North Carolina.~~

~~b. E.I. Certificate, Experience, and Examination. — A holder of a certificate of engineer intern and with a specific record of an additional four years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering, shall be admitted to the principles and practice of engineering examination. Upon passing the examination, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~c. Graduation, Experience, and Examination. — A graduate of an engineering curriculum of four years or more approved by the Board as being of satisfactory standing, shall be admitted to the fundamentals of engineering examination, and with a specific record of an additional four years or more of progressive experience on engineering projects of a grade and character that indicates to the Board that the applicant may be competent to practice engineering, the principles and practice of engineering examination. Upon passing the examinations, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~d. Graduation, Experience, and Examination. — A graduate of an engineering or related science curriculum of four years or more, other than the ones approved by the Board as being of satisfactory standing or with an equivalent education and engineering experience satisfactory to the Board shall be admitted to the fundamentals of engineering examination and with a specific record of an additional eight years or more of progressive experience on engineering projects of a grade and character that indicates to the Board that the applicant may be competent to practice engineering, the principles and practice of engineering examination. Upon passing the examinations, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~e. Long-Established Practice. — A person with a specific record of 20 years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering shall be admitted to the principles and practice of engineering examination. Upon passing the examination, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~f. Full-time faculty. — Full-time engineering faculty members who teach in an approved engineering program offering a four-year or more degree approved by the Board, may request and be granted waiver of the fundamentals of engineering examination. The faculty~~

~~applicant shall document that the degree meets the Board's requirement. The faculty applicant shall then be admitted to the principles and practice of engineering examination.~~

~~g. Doctoral degree. – A person possessing an earned doctoral degree in engineering from an institution in which the same discipline undergraduate engineering program has been accredited by ABET (EAC) may request and be granted waiver of the fundamentals of engineering examination. The doctoral degree applicant shall document that the degree meets the Board's requirement. The doctoral degree applicant shall then be admitted to the principles and practice of engineering examination.~~

~~At its discretion the Board may require an applicant to submit exhibits, drawings, designs, or other tangible evidence of engineering work which the applicant personally accomplished or supervised.~~Engineer Intern. – To be certified as an engineer intern, an applicant shall (i) pass the fundamentals of engineering examination and make application to the Board, (ii) be of good character and reputation, (iii) submit three character references to the Board, one of whom is a professional engineer, (iv) comply with the requirements of this Chapter, and (v) meet one of the following requirements:

(1) Education. – Be a graduate of an EAC/ABET accredited engineering curriculum or of a related science curriculum which has been approved by the Board as being of satisfactory standing.

(2) Education and experience. – Be a graduate of an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing in subdivision (1) of this subsection, and possess engineering experience satisfactory to the Board with a specific record of four or more years of progressive experience on engineering projects of a grade and character satisfactory to the Board.

(a1) Engineer Applicant. – To be licensed as a professional engineer, an applicant (i) shall be of good character and reputation, (ii) submit five character references to the Board, three of whom are professional engineers or individuals acceptable to the Board with personal knowledge of the applicant's engineering experience, (iii) comply with the requirements of this Chapter, and (iv) meet the requirements related to education, examination, and experience set forth in this subsection. An applicant seeking licensure as a professional engineer shall meet the following requirements:

(1) Education requirement. – Possess one or more of the following educational qualifications:

a. A bachelor's degree in engineering from an EAC/ABET accredited program or in a related science curriculum which has been approved by the Board as being of satisfactory standing.

b. A bachelor's degree in an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing in sub-subdivision a. of this subdivision.

c. A master's degree in engineering from an institution that offers EAC/ABET accredited programs.

d. An earned doctoral degree in engineering from an institution that offers EAC/ABET accredited programs and in which the degree requirements are approved by the Board.

(2) Examination requirements. – Take and pass the Fundamentals of Engineering (FE) examination. Take and pass the Principles and Practice of

Engineering (PE) examination as provided by G.S. 89C-15, after having met the education requirement set forth in subdivision (1) of this subsection.

(3) Experience requirement. – Present evidence satisfactory to the Board of a specific record of progressive engineering experience that is of a grade and character that indicates to the Board that the applicant is competent to practice engineering. The Board may adopt rules to specify the years of experience required based on educational attainment, provided the experience requirement for an applicant who qualifies under sub-subdivision (1)a. of this subsection shall be no less than four years and for an applicant who qualifies under sub-subdivision (1)b. of this subsection, no less than eight years.

For purposes of this subsection the term "EAC/ABET" means the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology.

(a2) Licensure by Comity or Endorsement. – A person holding a certificate of licensure to engage in the practice of engineering, on the basis of comparable qualifications, issued to the person by a proper authority of a state, territory, or possession of the United States, the District of Columbia, or of any foreign country possessing credentials that, based on verifiable evidence, in the opinion of the Board, of a standard not lower than that in effect in this State at the time the certificate was issued, may upon application, be licensed without further examination, except as required to examine the applicant's knowledge of laws, rules, and requirements unique to North Carolina.

(a3) Long-Established Practice. – A person with a specific record of 20 years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering shall be admitted to the Principles and Practice of Engineering examination. Upon passing the examination, the person shall be granted a certificate of licensure to practice professional engineering in this State, provided the person is otherwise qualified.

(a4) Exceptions. – The following persons may apply for and be granted waiver of the fundamentals of engineering examination and admission to the principles and practice of engineering examination:

(1) A full-time engineering faculty member who teaches in an approved engineering program offering a four-year or more degree approved by the Board. The faculty member applicant shall document that the degree meets the Board's requirements.

(2) A person possessing an earned doctoral degree in engineering from an institution in which the same discipline undergraduate engineering program has been accredited by EAC/ABET. The doctoral degree applicant shall document that the degree meets the Board's requirements.

(b) Land Surveyor Applicant. – The evaluation of a land surveyor applicant's qualifications shall involve a consideration of the applicant's education, technical, and land surveying experience, exhibits of land surveying projects with which the applicant has been associated, and recommendations by references. The land surveyor applicant's qualifications may be reviewed at an interview if the Board determines it necessary. Educational credit for institute courses, correspondence courses, or other courses shall be determined by the Board.

...."

SECTION 2. This act becomes effective October 1, 2015.

HOUSE BILL 742:
Clarify PE Licensure

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	April 25, 2015
Introduced by:	Reps. Arp, Catlin, Millis	**Prepared by:**	Karen Cochrane-Brown
Analysis of:	First Edition		Committee Counsel

SUMMARY: ***House Bill 742 amends the law governing the licensure of engineers and land surveyors to clarify the requirements for initial licensure as a professional engineer.***

CURRENT LAW: Under current law, the North Carolina State Board of Examiners for Engineers and Surveyors determines the qualifications for licensure and issues licenses to applicants seeking licensure as professional engineers. The law requires that an applicant submit five character references to the Board, three of whom are professional engineers or individuals acceptable to the Board with personal knowledge of the applicant's engineering experience. The applicant must also comply with all requirements of the law and meet one of several paths to licensure, including:

- Licensure by comity or endorsement, if the applicant holds a license from another state or country and the qualification for licensure are comparable to those required in this State.
- A combination of education, experience, and examination. – A holder of an engineer intern certificate or a graduate of an accredited engineering program is eligible to take the fundamentals of engineering examination. Upon passage of the fundamentals exam and four additional years of progressive engineering experience, the applicant is eligible to take the principles and practice of engineering examination and upon passing that exam, the applicant can be granted a license. A graduate of a non-accredited engineering program or a related science curriculum which is approved by the Board can take the fundamentals exam and with an additional eight years of experience is eligible to take the principles and practice exam.
- Limited exceptions. – A person with 20 years or more of engineering experience, a full-time engineering faculty member, or a person possessing a doctoral degree may be eligible to have the fundamentals of engineering exam waived and be admitted to the principles and practice exam.

BILL ANALYSIS: House Bill 742 rewrites the provision related to licensure as a professional engineer to clarify the requirements. The bill also eliminates the requirement that the applicant must meet the education, experience and examination requirements in a particular order.

The bill clarifies the process for obtaining an engineer intern certificate and provides that an applicant for a professional engineer's license must meet stated requirements for education, examination, and experience, in no particular order. The bill retains the existing authority for licensure by comity, long-established practice, faculty members, and doctors of engineering.

Nothing in this bill affects the law related to licensure of land surveyors.

EFFECTIVE DATE: This act becomes effective October 1, 2015.

O. Walker Reagan
Director

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Research Division
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

HOUSE BILL 705

Short Title:	Amend Septic Tank Requirements.	(Public)
Sponsors:	Representative Brody (Primary Sponsor). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO BROADEN THE TYPES OF SUBSURFACE WASTEWATER TREATMENT SYSTEMS THAT MAY SERVE AS THE BASIS FOR DESIGNATED REPAIR AREA REQUIREMENTS FOR REPLACEMENT WASTEWATER TREATMENT SYSTEMS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Definitions. – "Repair Reserve Rule" means 15A NCAC 18A .1945 (Available Space) for purposes of this section and its implementation.

SECTION 1.(b) Repair Reserve Rule. – Until the effective date of the revised permanent rule that the Commission for Public Health is required to adopt pursuant to Section 1(c) of this act, the Commission and the Department of Health and Human Services shall implement the Repair Reserve Rule, as provided in Section 1(c) of this act.

SECTION 1.(c) Implementation. – Notwithstanding the Repair Reserve Rule, the Commission shall allow a repair area that accommodates replacement systems described under 15A NCAC 18A .1955 (Design Installation Criteria for Conventional Sewage Systems), 15A NCAC 18A .1956 (Modifications to Septic Tank Systems), 15A NCAC 18A .1957 (Criteria for Design of Alternative Sewage Systems), and 15A NCAC 18A .1969 (Approval and Permitting of On-Site Subsurface Wastewater Systems, Technologies, Components, or Devices), provided that the designated repair area otherwise meets the requirements for those types of replacement systems.

SECTION 1.(d) Additional Rule-Making Authority. – The Commission shall adopt a rule to replace the Repair Reserve Rule. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of Section 1(c) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 1.(e) Effective Date. – Subsection (b) of this section expires when permanent rules to replace subsection (b) of this section have become effective, as provided by subsection (c) of this section.

SECTION 2. This act is effective when it becomes law.

HOUSE BILL 705:
Amend Septic Tank Requirements

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	April 24, 2015
Introduced by:	Rep. Brody	**Prepared by:**	Jeff Hudson
Analysis of:	PCS to First Edition H705-CSMH-9		Committee Counsel

SUMMARY: The Proposed Committee Substitute for House Bill 705 (PCS) would broaden the types of septic tank systems that could serve as a replacement system in case of failure of the original system.

CURRENT LAW:

Under current law, when a septic tank system is sited, the area of the siting must include an additional "repair area" for the siting of a replacement system in case the original system fails. The types of systems that are currently allowed as replacement systems are systems described under the following septic tank systems rules:

- 15A NCAC 18A .1955 (Design Installation Criteria for Conventional Sewage Systems)
- 15A NCAC 18A .1956 (Modifications to Septic Tank Systems)
- 15A NCAC 18A .1957 (Criteria for Design of Alternative Sewage Systems)

BILL ANALYSIS:

The PCS would broaden the types of septic tank systems that could serve as a replacement system to include innovative and accepted systems approved under 15A NCAC 18A .1969 (Approval and Permitting of On-Site Subsurface Wastewater Systems, Technologies, Components, or Devices), provided that the designated repair area otherwise meets the requirements for those types of replacement systems.

EFFECTIVE DATE: This act would be effective when it becomes law.

O. Walker Reagan
Director

H705-SMSB-16 CSMH-9 -V2

Research Division
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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 705
PROPOSED COMMITTEE SUBSTITUTE H705-CSMH-9 [v.1]

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Short Title: Amend Septic Tank Requirements. (Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO BROADEN THE TYPES OF SUBSURFACE WASTEWATER TREATMENT SYSTEMS THAT MAY SERVE AS THE BASIS FOR DESIGNATED REPAIR AREA REQUIREMENTS FOR REPLACEMENT WASTEWATER TREATMENT SYSTEMS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Definitions. – "Repair Reserve Rule" means 15A NCAC 18A .1945 (Available Space) for purposes of this section and its implementation.

SECTION 1.(b) Repair Reserve Rule. – Until the effective date of the revised permanent rule that the Commission for Public Health is required to adopt pursuant to Section 1(d) of this act, the Commission and the Department of Health and Human Services shall implement the Repair Reserve Rule, as provided in Section 1(c) of this act.

SECTION 1.(c) Implementation. – Notwithstanding the Repair Reserve Rule, the Commission shall allow a repair area that accommodates replacement systems described under 15A NCAC 18A .1955 (Design Installation Criteria for Conventional Sewage Systems), 15A NCAC 18A .1956 (Modifications to Septic Tank Systems), 15A NCAC 18A .1957 (Criteria for Design of Alternative Sewage Systems), and innovative or accepted systems approved under 15A NCAC 18A .1969 (Approval and Permitting of On-Site Subsurface Wastewater Systems, Technologies, Components, or Devices), provided that the designated repair area otherwise meets the requirements for those types of replacement systems. Nothing in this act is intended to repeal or amend existing portions of the Repair Reserve Rule granting exemptions from repair area requirements.

SECTION 1.(d) Additional Rule-Making Authority. – The Commission shall adopt a rule to amend the Repair Reserve Rule consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of Section 1(c) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 1.(e) Sunset. – Subsection (c) of this section expires when permanent rules adopted as required by subsection (d) of this section become effective.

SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

HOUSE BILL 760

Short Title:	Regulatory Reform Act of 2015.	(Public)
Sponsors:	Representatives Millis, J. Bell, and Riddell (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Environment, if favorable, Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA BY PROVIDING FOR VARIOUS ADMINISTRATIVE REFORMS, BY ELIMINATING CERTAIN UNNECESSARY OR OUTDATED STATUTES AND REGULATIONS AND MODERNIZING OR SIMPLIFYING CUMBERSOME OR OUTDATED REGULATIONS, AND BY MAKING VARIOUS OTHER STATUTORY CHANGES.

The General Assembly of North Carolina enacts:

PART I. BUSINESS REGULATION

MANUFACTURED HOME LICENSE/CRIMINAL HISTORY CHECK

SECTION 1.1. G.S. 143-143.10A(b) reads as rewritten:

"**§ 143-143.10A. Criminal history checks of applicants for licensure.**

(a) Definitions. – The following definitions shall apply in this section:

(1) Applicant. – A person applying for initial licensure as a manufactured home ~~manufacturer, dealer, salesperson,~~salesperson or set-up contractor.

...

(b) All applicants for initial licensure shall consent to a criminal history record check. Refusal to consent to a criminal history record check may constitute grounds for the Board to deny licensure to an applicant. The Board shall ensure that the State and national criminal history of an applicant is checked. Applicants shall obtain criminal record reports from one or more reporting services designated by the Board to provide criminal record reports. Each applicant is required to pay the designated service for the cost of the criminal record report. In the alternative, the Board may provide to the North Carolina Department of Public Safety the fingerprints of the applicant to be checked, a form signed by the applicant consenting to the criminal record check and the use of fingerprints and other identifying information required by the State or National Repositories of Criminal Histories, and any additional information required by the Department of Public Safety. The Board shall keep all information obtained pursuant to this section confidential.

...."

AMEND FOOD PUSHCART REQUIREMENT

SECTION 1.2. G.S. 130A-248(c1) reads as rewritten:

"(c1) The Commission shall adopt rules governing the sanitation of pushcarts and mobile food units. ~~A permitted restaurant or commissary shall serve as a base of operations for a~~

~~pushcart.~~ A pushcart or mobile food unit shall meet all of the sanitation requirements of a permitted commissary or shall have a permitted restaurant or commissary that serves as its base of operation."

PART II. STATE AND LOCAL GOVERNMENT REGULATION
ZONING DENSITY CREDITS

SECTION 2.1. G.S. 160A-381(a) reads as rewritten:

"(a) For the purpose of promoting health, safety, morals, or the general welfare of the community, any city may adopt zoning and development regulation ordinances. These ordinances may be adopted as part of a unified development ordinance or as a separate ordinance. A zoning ordinance may regulate and restrict the height, number of stories and size of buildings and other structures, the percentage of lots that may be occupied, the size of yards, courts and other open spaces, the density of population, the location and use of buildings, structures and land. The ordinance ~~may~~shall provide density credits or severable development rights for dedicated rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11."

NO FISCAL NOTE REQUIRED FOR LESS STRINGENT RULES

SECTION 2.2.(a) G.S. 150B-21.3A(d) reads as rewritten:

"(d) Timetable. – The Commission shall establish a schedule for the review and readoption of existing rules in accordance with this section on a decennial basis as follows:

...

(2) With regard to the readoption of rules as required by sub-subdivision (c)(2)g. of this section, once the final determination report becomes effective, the Commission shall establish a date by which the agency must readopt the rules. The Commission shall consult with the agency and shall consider the agency's rule-making priorities in establishing the readoption date. The agency may amend a rule as part of the readoption process. If a rule is readopted without substantive ~~change,~~change or if the rule is amended to impose a less stringent burden on regulated persons, the agency is not required to prepare a fiscal note as provided by G.S. 150B-21.4."

SECTION 2.2.(b) This section is effective when it becomes law and applies to periodic review of existing rules occurring pursuant to G.S. 150B-21.3A on or after that date.

APO TO MAKE RECOMMENDATIONS ON OCCUPATIONAL LICENSING BOARD CHANGES

SECTION 2.3. Pursuant to G.S. 120-70.101(3a), the Joint Legislative Administrative Procedure Oversight Committee (APO) shall review the recommendations contained in the Joint Legislative Program Evaluation Oversight Committee's report, entitled "Occupational Licensing Agencies Should Not be Centralized, but Stronger Oversight is Needed" to determine the best way to accomplish the recommendations contained in the report and to improve oversight of occupational licensing boards. In conducting the review, APO shall consult with occupational licensing boards, licensees, associations representing licensees, the Department of Commerce, and other interested parties. The APO cochairs may establish subcommittees to assist with various parts of the review, including determining whether licensing authority should be continued for the 12 boards identified in the report. The APO shall propose legislation to the 2016 Session of the 2015 General Assembly.

PART III. ENVIRONMENTAL AND NATURAL RESOURCE REGULATION
AMEND ISOLATED WETLANDS LAW

SECTION 3.1.(a) For the purposes of implementing Section .1300 of Subchapter 2H of Chapter 2 of Title 15A of the North Carolina Administrative Code (Discharges to

Isolated Wetlands and Isolated Waters), the isolated wetlands provisions of Section .1300 shall apply only to a Basin Wetland or Bog and no other wetland types as described in the North Carolina Wetland Assessment User Manual prepared by the North Carolina Wetland Functional Assessment Team, version 4.1 October, 2010, that are not jurisdictional wetlands under the federal Clean Water Act. The isolated wetlands provisions of Section .1300 shall not apply to an isolated man-made ditch or pond constructed for stormwater management purposes, any other man-made isolated pond, or any other type of isolated wetland, and the Department of Environment and Natural Resources shall not regulate such water bodies under Section .1300.

SECTION 3.1.(b) The Environmental Management Commission may adopt rules to amend Section .1300 of Subchapter 2H of Chapter 2 of Title 15A of the North Carolina Administrative Code consistent with Section 3.1(a).

SECTION 3.1.(c) Section 54 of S.L. 2014-120 reads as rewritten:

"**SECTION 54.(a)** Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to Section 54(c) of this act, the Commission and the Department of Environment and Natural Resources shall implement 15A NCAC 02H .1305 (Review of Applications) as provided in Section 54(b) of this act.

"**SECTION 54.(b)** Notwithstanding 15A NCAC 02H .1305 (Review of Applications), all of the following shall apply to the implementation of 15A NCAC 02H .1305:

(1) The amount of impacts of isolated wetlands under 15A NCAC 02H .1305(d)(2) shall be less than or equal to one acre of isolated wetlands east of I-95 for the entire project and less than or equal to 1/3 acre of isolated wetlands west of I-95 for the entire project.

(2) Mitigation requirements for impacts to isolated wetlands shall only apply to the amount of impact that exceeds the thresholds set out in subdivision (1) of this section. The mitigation ratio for impacts ~~of greater than one acre~~exceeding the thresholds for the entire project under 15A NCAC 02H .1305(g)(6) shall be 1:1 and may be located on the same parcel.

~~(3) For purposes of Section 54(b) of this section, "isolated wetlands" means a Basin Wetland or Bog as described in the North Carolina Wetland Assessment User Manual prepared by the North Carolina Wetland Functional Assessment Team, version 4.1 October, 2010, that are not jurisdictional wetlands under the federal Clean Water Act. An "isolated wetland" does not include an isolated man-made ditch or pond constructed for stormwater management purposes or any other man-made isolated pond.~~

(4) Impacts to isolated wetlands shall not be combined with the project impacts to 404 jurisdictional wetlands or streams for the purpose of determining when impact thresholds that trigger a mitigation requirement are met.

"**SECTION 54.(c)** The Environmental Management Commission shall adopt rules to amend 15A NCAC 02H .1300 through 15A NCAC 02H .1305 consistent with Section 54(b) of this act. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this subsection shall be substantively identical to the provisions of Section 54(b) of this act. Rules adopted pursuant to this subsection are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this subsection shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

"**SECTION 54.(d)** The Department of Environment and Natural Resources shall study (i) how the term "isolated wetland" has been previously defined in State law and whether the term should be clarified in order to provide greater certainty in identifying isolated wetlands; (ii) the surface area thresholds for the regulation of mountain bog isolated wetlands, including whether

mountain bog isolated wetlands should have surface area regulatory thresholds different from other types of isolated wetlands; and (iii) whether impacts to isolated wetlands should be combined with the project impacts to jurisdictional wetlands or streams for the purpose of determining when impact thresholds that trigger a mitigation requirement are met. The Department shall report its findings and recommendations to the Environmental Review Commission on or before November 1, 2014.

"**SECTION 54.(e)** This section is effective when it becomes law. Section 54(b) of this act expires on the date that rules adopted pursuant to Section 54(c) of this act become effective."

AMEND STORMWATER MANAGEMENT LAW

SECTION 3.2.(a) Section 3 of S.L. 2013-82 reads as rewritten:

"**SECTION 3.** The Environmental Management Commission shall adopt rules implementing Section 2 of this act no later than ~~July 1, 2016.~~November 1, 2016."

SECTION 3.2.(b) G.S. 143-214.7 reads as rewritten:

"**§ 143-214.7. Stormwater runoff rules and programs.**

...

(b2) For purposes of implementing ~~stormwater programs,~~State stormwater programs and local stormwater programs approved pursuant to subsection (d) of this section, all of the following shall apply:

(1) ~~"built-upon area"~~"Built-upon area" means impervious surface and partially impervious surface to the extent that the partially impervious surface does not allow water to infiltrate through the surface and into the subsoil. "Built-upon area" does not include a slatted deck or the water area of a swimming pool.

(2) Vegetative buffers adjacent to intermittent streams shall be measured from the center of the stream bed.

(3) The volume, velocity, and discharge rates of water associated with the one-year, 24-hour storm and the difference in stormwater runoff from the predevelopment and postdevelopment conditions for the one-year, 24-hour storm shall be calculated using any acceptable engineering hydrologic and hydraulic methods.

(4) Development may occur within a vegetative buffer if the stormwater runoff from the development is discharged outside of the vegetative buffer and is managed so that it otherwise complies with all applicable State and federal stormwater management requirements.

(5) The requirements that apply to development activities within one-half mile of and draining to Class SA waters or within one-half mile of Class SA waters and draining to unnamed freshwater tributaries shall not apply to development activities and associated stormwater discharges that do not occur within one-half mile of and draining to Class SA waters or are not within one-half mile of Class SA waters and draining to unnamed freshwater tributaries."

...

(d) The Commission shall review each stormwater management program submitted by a State agency or unit of local government and shall notify the State agency or unit of local government that submitted the program that the program has been approved, approved with modifications, or disapproved. The Commission shall approve a program only if it finds that the standards of the program equal ~~or exceed~~ those of the model program adopted by the Commission pursuant to this section.

...."

SECTION 3.2.(c) No later than January 1, 2016, a State agency or local government that implements a stormwater management program approved pursuant to subsection (d) of G.S. 143-214.7 shall submit its current stormwater management program or a revised stormwater management program to the Environmental Management Commission. No later than July 1, 2016, the Environmental Management Commission shall review and act on each of the submitted stormwater management programs in accordance with subsection (d) of G.S. 143-214.7, as amended by this section.

SECTION 3.2.(d) The Environmental Review Commission, with the assistance of the Department of Environment and Natural Resources, shall review the current status of State statutes, session laws, rules, and guidance documents related to the management of stormwater in the State. The Commission shall specifically examine whether State statutes, session laws, rules, and guidance documents related to the management of stormwater in the State should be recodified or reorganized in order to clarify State law for the management of stormwater. The Commission shall submit legislative recommendations, if any, to the 2016 Regular Session of the 2015 General Assembly.

RIPARIAN BUFFER REFORM

SECTION 3.3.(a) G.S. 143-214.23 reads as rewritten:

"**§ 143-214.23. Riparian Buffer Protection Program: Delegation of riparian buffer protection requirements to local governments.**

(a) Delegation Permitted. – The Commission may delegate responsibility for the implementation and enforcement of the State's riparian buffer protection requirements to units of local government that have the power to regulate land use. A delegation under this section shall not affect the jurisdiction of the Commission over State agencies and units of local government. Any unit of local government that has the power to regulate land use may request that responsibility for the implementation and enforcement of the State's riparian buffer protection requirements be delegated to the unit of local government. To this end, units of local government may adopt ordinances and regulations necessary to establish and enforce the State's riparian buffer protection requirements.

(b) Procedures. – Within 90 days after the Commission receives a complete application requesting delegation of responsibility for the implementation and enforcement of the State's riparian buffer protection requirement, the Commission shall review the application and notify the unit of local government that submitted the application whether the application has been approved, approved with modifications, or disapproved. The Commission shall not approve a delegation unless the Commission finds that local implementation and enforcement of the State's riparian buffer protection requirements will equal implementation and enforcement by the State.

(b1) Deviations from Minimum State Requirements. – The Commission may approve a delegation application proposing a riparian buffer width that deviates from that required by the State for the type of surface body of water and the river basin or basins in which the unit of local government is located only in accordance with the procedures of this section:

(1) Units of local government may request deviations in riparian buffer widths from the Commission when submitting an application under subsection (b) of this section. Deviations in buffer width enforced by units of local government under an existing local ordinance may not be enforced after February 1, 2016, unless the unit of local government has either received approval for a deviation under the procedures set forth in this subsection or has an application for deviation pending with the Commission. Under no circumstances shall any existing local ordinance be enforced after June 1, 2016, unless the Commission has approved the deviation. For purposes of this subdivision, an "existing local ordinance" is a local ordinance approved

prior to August 1, 2015, that includes a deviation in riparian buffer width from that required by the State.

(2) The Commission may consider a request for a deviation in riparian buffer width only if the request is accompanied by a scientific study prepared by or on behalf of the unit of local government that provides a justification for the deviation based on the topography, soils, hydrology, and environmental impacts within the jurisdiction of the unit of local government. The Commission may also require that the study include any other information it finds necessary to evaluate the request for deviation.

(3) The Commission shall grant the request for deviation only if it finds that the need for a deviation in riparian buffer width is established by the scientific evidence presented by the unit of local government requesting the deviation in order to meet the nutrient reduction goal set by the Commission for the basin subject to the riparian buffer rule.

(c) Local Program Deficiencies. – If the Commission determines that a unit of local government is failing to implement or enforce the State's riparian buffer protection requirements, the Commission shall notify the unit of local government in writing and shall specify the deficiencies in implementation and enforcement. If the local government has not corrected the deficiencies within 90 days after the unit of local government receives the notification, the Commission shall rescind delegation and shall implement and enforce the State's riparian buffer protection program. If the unit of local government indicates that it is willing and able to resume implementation and enforcement of the State's riparian buffer protection requirements, the unit of local government may reapply for delegation under this section.

(d) Technical Assistance. – The Department shall provide technical assistance to units of local government in the development, implementation, and enforcement of the State's riparian buffer protection requirements.

(e) Training. – The Department shall provide a stream identification training program to train individuals to determine the existence of surface water for purposes of rules adopted by the Commission for the protection and maintenance of riparian buffers. The Department may charge a fee to cover the full cost of the training program. No fee shall be charged to an employee of the State who attends the training program in connection with the employee's official duties.

(e1) Restriction on Treatment of Buffer by State and Local Governments. – Units of local government shall not treat the land within a riparian buffer as if the land is the property of the State or any of its subdivisions unless the land or an interest therein has been acquired by the State or its subdivisions by a conveyance or by eminent domain. Land within a riparian buffer in which neither the State nor its subdivisions holds any property interest may be used to satisfy any other development-related regulatory requirements based on property size.

(e2) Recordation of Common Area Buffers. – When riparian buffers are included within a lot, units of local governments shall require that the buffer area be denominated on the recorded plat. When riparian buffers are (i) placed outside of lots in portions of a subdivision that are designated as common areas or open space, and (ii) neither the State nor its subdivisions holds any property interest in that riparian buffer area, the unit of local government shall attribute to each lot abutting the riparian buffer area a proportionate share based on the area of all lots abutting the riparian buffer area for purposes of development-related regulatory requirements based on property size.

(e3) Limitation on Local Government Riparian Area Restrictions. – Units of local government may impose restrictions upon the use of riparian areas as defined in 15A NCAC 02B .0202 only within river basins where riparian buffers are required by the State. Units of local government may impose restrictions upon riparian areas to satisfy State riparian buffer

requirements by means of: a zoning district, subdivision or development regulation; comprehensive plan; policy; resolution; or any other act carrying the effect of law. The width of the restricted area and the body of water to which the restrictions apply shall not deviate from State requirements unless the deviation has been approved under subsection (b1) of this section. For purposes of this subsection, the terms "riparian areas" and "riparian buffer areas" shall have the same meaning.

(e4) Exception. – Neither the restrictions in subsection (e3) of this section nor the riparian buffer deviation approval procedures of subsection (b1) of this section shall apply to any local ordinance initially adopted prior to July 22, 1997, and any subsequent modifications that have the following characteristics:

(1) The ordinance includes findings that the setbacks from surface water bodies are imposed for purposes that include the protection of aesthetics, fish and wildlife habitat and recreational use by maintaining water temperature, healthy tree canopy and understory, and the protection of the natural shoreline through minimization of erosion and potential chemical pollution in addition to the protection of water quality and the prevention of excess nutrient runoff.

(2) The ordinance includes provisions to permit under certain circumstances (i) small or temporary structures within 50 feet of the water body and (ii) docks and piers within and along the edge of the water body.

(e5) Definition. – For purposes of this section, "development-related regulatory requirements based on property size" means requirements that forbid or require particular uses, activities, or practices for some percentage of the area of a lot or for lots above or below a particular size, including, but not limited to, perimeter buffers, maximum residential density, tree conservation ordinances, minimum lot size requirements, or nonresidential floor area ratio requirements.

(f) Rules. – The Commission may adopt rules to implement this section."

SECTION 3.3.(b) Part 1 of Article 21 of Chapter 143 of the General Statutes is amended by adding two new sections to read:

"**§ 143-214.18. Exemption to riparian buffer requirements for certain private properties.**

(a) Definition. – For purposes of this section, "applicable buffer rule" refers to any of the following rules that are applicable to a tract of land:

(1) Neuse River Basin. – 15A NCAC 02B .0233, effective August 1, 2000.

(2) Tar-Pamlico River Basin. – 15A NCAC 02B .0259, effective August 1, 2000.

(3) Randleman Lake Water Supply Watershed. – 15A NCAC 02B .0250, effective June 1, 2010.

(4) Catawba River Basin. – 15A NCAC 02B .0243, effective August 1, 2004.

(5) Jordan Water Supply Nutrient Strategy. – 15A NCAC 02B .0268, effective September 1, 2011.

(6) Goose Creek Watershed of the Yadkin Pee-Dee River Basin. – 15A NCAC 02B .0605 and 02B .0607, effective February 1, 2009.

(b) Exemption. – Absent a requirement of federal law or an imminent threat to public health or safety, an applicable buffer rule shall not apply to any tract of land that meets all of the following criteria:

(1) With the exception set forth in subsection (c) of this section, the tract was platted and recorded in the register of deeds in the county where the tract is located prior to the effective date of the applicable buffer rule.

(2) Other than the applicable buffer rule, the use of the tract complies with either of the following:

a. The rules and other laws regulating and applicable to that tract on the effective date for the applicable buffer rule set out in subsection (a) of this section.

b. The current rules, if the application of those rules to the tract was initiated after the effective date for the applicable buffer rule by the unit of local government with jurisdiction over the tract and not at the request of the property owner.

(c) If a tract of land described in subsection (b) of this section is converted to a use that does not comply with subdivision (b)(2) of this section, then the applicable buffer rule shall apply.

(d) The tract of land shall retain an exemption under subsection (b) of this section if either of the following applies:

(1) The tract has been replatted and rerecorded after the effective date for the applicable buffer rule as a result of an eminent domain action and the tract continues to comply with subdivision (b)(2) of this section.

(2) The tract is a recombination exempt from the definition of subdivision under G.S. 160A-376 or G.S. 153A-33 and recorded after the effective date of the applicable buffer rule, and the recombination consists of all, or portions of, parcels meeting the requirements for exemption from the applicable buffer rule set forth in subsection (b) of this section.

(e) For purposes of meeting the requirements of subdivision (b)(2) of this section, the following shall be interpreted to be "complying with the rules and other laws regulating and applicable to that property on the effective date for the applicable buffer rule":

(1) The conversion of a tract of land that was undeveloped prior to the effective date of the applicable buffer rule to a use that was permitted under applicable local ordinances in effect prior to the effective date of the applicable buffer rule, even if the conversion is approved after the effective date of the applicable buffer rule.

(2) The conversion of the tract of land to a use permitted under applicable local rules or ordinances that have been applied to the property since the effective date of the applicable buffer rule as a result of either (i) a change in regulations applied by the unit of local government with jurisdiction over the tract; or (ii) a change in the unit of local government having jurisdiction over the tract which results in the application of regulations to the tract after the effective date of the applicable buffer rule.

(f) An exemption to an applicable buffer rule under this section runs with the land, if notice of the exemption is recorded with the register of deeds at or prior to the next conveyance of the tract or portion of the tract."

"**§ 143-214.19. Delineation of protective riparian buffers for coastal wetlands in the Neuse River and Tar-Pamlico River Basins.**

(a) The following definitions apply in this section:

(1) Coastal wetlands. – Any salt marsh or other marsh subject to regular or occasional flooding by tides, including wind tides (whether or not the tidewaters reach the marshland areas through natural or artificial watercourses), provided this shall not include hurricane or tropical storm tides.

(2) Marshlands. – The term has the same meaning as G.S. 113-229(n).

(b) If State law requires a protective riparian buffer for coastal wetlands in either the Neuse River Basin or the Tar-Pamlico River Basin, the coastal wetlands and marshlands shall not be treated as part of the surface waters but instead shall be included in the measurement of the protective riparian buffer. The protective riparian buffer for any of the coastal wetlands or

marshlands in the Neuse River Basin or the Tar-Pamlico River Basin shall be delineated as follows:

(1) If the coastal wetlands or marshlands extend less than 50 feet from the high normal water level or normal water level, as appropriate, and therefore would not encompass a 50-foot area beyond the appropriate water level, then the protective riparian buffer shall include all of the coastal wetlands and marshlands and enough of the upland footage to equal a total of 50 feet from the appropriate normal high water level or the normal water level measured horizontally on a line perpendicular to the surface water.

(2) If the coastal wetlands or marshlands extend 50 feet or more from the normal high water level or normal water level, as appropriate, then the protective riparian buffer shall be the full width of the marshlands or coastal wetlands up to the landward limit of the marshlands or coastal wetlands but shall not extend beyond the landward limit of the marshlands or coastal wetlands."

SECTION 3.3.(c) Article 21 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"**§ 143-214.27 Riparian Buffer Conditions in Environmental Permits.**

(a) Except as set forth in subsection (b) of this section, the Department may not impose as a condition of any permit issued under this Article riparian buffer requirements that exceed established standards for the river basin within which the activity or facility receiving the permit is located. If no riparian buffer standards have been established for the river basin within which the activity or facility receiving the permit is located, then the Department shall not impose a buffer standard as a condition for a permit that exceeds the standard for the Neuse River Basin set forth in 15A NCAC 02B .0233.

(b) The Department may impose as a condition of any permit issued under this Article a more restrictive riparian buffer requirement than that established for the river basin within which the activity or facility receiving the permit is located, or a riparian buffer requirement in a river basin where no riparian buffer standards have been established as set forth in this subsection. Prior to imposing the riparian buffer permit condition, the Commission must make a finding that the condition is necessary in order to meet the nutrient reduction goals for the river basin within which the activity or facility receiving the permit is located, based on basin-specific evidence compiled through a scientific study prepared by or on behalf of the Department that provides a justification for the permit condition based on the topography, soils, or hydrology of the river basin, the environmental impacts of the activity or facility, and any other information the Commission finds necessary to evaluate the need for the riparian buffer permit condition."

SECTION 3.3.(d) This section becomes effective August 1, 2015.

WILDLIFE SEARCH AND SEIZURE

SECTION 3.4.(a) G.S. 113-136(k) reads as rewritten:

"(k) It is unlawful to refuse to exhibit upon request by any inspector, protector, or other law enforcement officer any item required to be carried by any law or rule as to which inspectors or protectors have enforcement jurisdiction. The items that must be exhibited include boating safety or other equipment or any license, permit, tax receipt, certificate, or identification. It is unlawful to refuse to allow inspectors, protectors, or other law enforcement officers to inspect weapons, equipment, fish, or wildlife ~~that~~if the officer reasonably believes them to be possessed incident to an activity regulated by any law or rule as to which inspectors and protectors have enforcement ~~jurisdiction.~~ jurisdiction and the officer has a reasonable suspicion that a violation has been committed. Except as authorized by G.S. 113-137, nothing in this section gives an inspector, protector, or other law enforcement officer the authority to

inspect weapons, equipment, fish, or wildlife in the absence of a person in apparent control of the item to be inspected."

SECTION 3.4.(b) The Wildlife Resources Commission shall report to the Joint Legislative Oversight Committee on Justice and Public Safety by March 1, 2017, and annually thereafter, on the number of complaints received against Commission law enforcement officers, the subject matter of the complaints, and the geographic areas in which the complaints were filed.

SECTION 3.4.(c) Section 3.4(a) of this section becomes effective December 1, 2015, and applies to offenses committed on or after that date. The remainder of this section is effective when it becomes law.

STUDY FLOOD ELEVATIONS AND BUILDING HEIGHT REQUIREMENTS

SECTION 3.5. The Department of Insurance, the Building Code Council, and the Coastal Resources Commission shall jointly study how flood elevations and building heights for structures are established and measured in the coastal region of the State. The Department, Council, and Commission shall specifically consider how flood elevations and coastal building height requirements affect flood insurance rates and how height calculation methods might be made more consistent and uniform in order to provide flood insurance rate relief. In conducting this study, the Department, Council, and Commission shall engage a broad group of stakeholders, including property owners, local governments, and representatives of the development industry. No later than January 1, 2016, the Department, Council, and Commission shall jointly submit the results of their study, including any legislative recommendations, to the 2015 General Assembly.

PART IV. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 4.1. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 4.2. Except as otherwise provided, this act is effective when it becomes law.

HOUSE BILL 760:
Regulatory Reform Act of 2015

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	April 27, 2015
Introduced by:	Reps. Millis, J. Bell, Riddell	**Prepared by:**	Karen Cochrane-Brown Jeff Hudson Committee Counsel Erika Churchill Staff Attorney
Analysis of:	PCS to First Edition H760-CSSB-7 [v. 8]		

SUMMARY: The Proposed Committee Substitute for House Bill 760 (PCS) would amend a number of State laws related to business regulation, State and local government regulation, and environmental regulation.

BILL ANALYSIS:

PART I. BUSINESS REGULATION

Section 1.1. would amend the law governing criminal history checks for applicants for manufactured home licenses to clarify that only applicants for initial licensure need consent to a criminal history record check. The section also clarifies that an applicant is a person applying for initial licensure as a manufactured home salesperson or a set-up contractor.

Section 1.2. would amend the law governing sanitation requirements for pushcarts and mobile food units to clarify that pushcarts and mobile food units must meet all the sanitation requirements of a permitted commissary or must have a permitted restaurant or commissary that serves as it base of operation. The section also adds certain requirements for pushcarts and mobile food units that operate from a permitted commissary or restaurant located on a facility that contains at least 3,000 permanent seats.

Section 1.3. would amend the definition of the term "employee" under the Workers' Compensation Act to exclude volunteers and officers of certain nonprofit corporations and associations. The new definition applies to nonprofits subject to the following acts: the Unit Ownership Act, the Condominium Act, the Planned Community Act, the Nonprofit Corporation Act, the Uniform Unincorporated Nonprofit Association Act, and any organization which is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. The section applies to persons who receive no remuneration for voluntary service other than reasonable reimbursement for expenses incurred in connection with voluntary service, even if the person was elected or appointed and empowered as an executive officer, director, or committee member under the charter, articles or bylaws of the nonprofit.

Section 1.4. would amend the law governing occupational licensing boards to prohibit a board from contracting with or employing a person licensed by the board to serve as an investigator or inspector, if the person is actively practicing in the profession or occupation over which the board has jurisdiction. The section would not prohibit the board from hiring a licensee for other purposes or if the licensee is not actively working in the field.

PART II. STATE AND LOCAL GOVERNMENT REGULATION

Section 2.1. would require cities to provide density credit or severable development rights for dedicated rights-of-way in the city's zoning ordinance.

Section 2.2.(a) and (b) would amend the process for the periodic review and expiration of existing rules under the Administrative Procedure Act. The section provides that if, during the readoption process, a rule is amended to impose a less stringent burden on regulated persons than the existing rule, the agency is not required to prepare a fiscal note for the rule.

Section 2.3. would direct the Joint Legislative Administrative Procedure Oversight Committee (APO) to review the recommendations contained in the Program Evaluation Division report, entitled "Occupational Licensing Agencies Should Not be Centralized, but Stronger Oversight is Needed", to determine how to improve oversight of occupational licensing boards. The section directs APO to consult with various interested parties in conducting its review and to propose legislation to the 2016 Session of the 2015 General Assembly.

Section 2.4. would allow a unit of local government, when leasing property, including property of a public enterprise, for communications towers, facilities or equipment, to do so for a term up to 25 years without treating the lease as a sale of the property under Article 12 of Chapter 160A. The unit of government would also not be required to provide notice by publication of the intended lease.

Section 2.5.(a) through (g) would authorize the creation of a Government-Nonprofit Contracting Task Force to address problems related to the administration of grants and contracts issued by the State to private charitable nonprofits that provide public services to citizens of the State. The Task Force would be composed of representatives from the legislature, the executive branch, the nonprofit community, and the public. The Task Force would be charged with studying the entire body of law, regulations, policies, etc., to eliminate obsolete, redundant, or unreasonable requirements. The Task Force is required to submit a preliminary report to the Joint Legislative Commission on Governmental Operations by September 30, 2016, including recommendations for changes that can increase the efficiency and effectiveness of the delivery of public services by nonprofits through State grants and contracts. The Task Force must submit a final report by January 31, 2017.

Section 2.6. would amend the statute establishing the Underground Damage Prevention Review Board (Board). The Board is charged with reviewing reports of alleged violations of the Underground Utility Safety Act and recommending penalties for violation of the Act. Section 2.6 would make a number of clarifying changes to the Board's statute, including provisions for length of Board member terms, how vacancies are filled and members removed, quorum, how the Chair of the Board is appointed, and the process for how the Board recommends actions or penalties when violations of the Act occur.

Section 2.7. would allow county and city building inspections departments to rely upon inspections by licensed architects and licensed engineers of building components or elements, provided the licensed architect or licensed engineer certifies the inspection in writing, under seal.

Section 2.8. would specify that a city or county, in the adoption of land use planning ordinances, may not use a definition of bedroom, sleeping unit, or dwelling unit that exceeds any definition of the same in another statute or rule.

PART III. ENVIRONMENTAL AND NATURAL RESOURCES REGULATION

Section 3.1.(a) through (c) would make the following changes to the regulation of isolated wetlands in the State:

- Provide that the only types of isolated wetlands the State will regulate are basin wetlands and bogs and that the State will not regulate isolated man-made ditches or ponds constructed for stormwater management purposes, any other man-made isolated pond, or any other type of isolated wetland.
- Provide that the mitigation requirements for impacts to isolated wetlands apply only to the amount of impact that exceeds the regulatory thresholds of one acre east of I-95 and 1/3 acre west of I-95.
- Provide that impacts to wetlands that aren't isolated wetlands will not be combined with impacts to isolated wetlands to determine whether the regulatory thresholds have been reached.

Section 3.2.(a) through (d) would make the following changes to the regulation of stormwater in the State:

- Extend the deadline for the Environmental Management Commission (EMC) to adopt rules to implement fast-track permitting for stormwater management systems.
- Provide that vegetative buffers adjacent to intermittent streams will be measured from the center of the stream bed.
- Provide that the volume, velocity, and discharge rates of water associated with the one year, 24-hour storm and the difference in stormwater runoff from the predevelopment and postdevelopment conditions for the one year, 24-hour storm must be calculated using an acceptable engineering hydrologic and hydraulic method.
- Provide that development may occur within a vegetative buffer if the stormwater runoff from the development is discharged outside of the buffer and is managed so that it otherwise complies with all applicable State and federal stormwater management requirements.
- Provide that the requirements that apply to development activities within one half mile of and draining to Class SA (shellfish) waters or within one half mile of Class SA waters and draining to unnamed freshwater tributaries will not apply to development activities and associated stormwater discharges that do not occur within one half mile of and draining to Class SA waters or are not within one half mile of Class SA waters and draining to unnamed freshwater tributaries.
- Provide that no later than January 1, 2016, a State agency or local government that implements a stormwater management program must submit its current stormwater management program or a revised stormwater management program to the EMC and that no later than July 1, 2016, the EMC must review and act on each of the submitted stormwater management programs. The EMC may only approve a program if it finds that the standards of the program equal those of the EMC's model program.
- Direct the Environmental Review Commission (ERC), with the assistance of the Department of Environment and Natural Resources to review and consider reorganization of State statutes, session laws, rules and guidance documents related to stormwater management. The ERC must submit any legislative recommendations to the 2016 Regular Session of the General Assembly.

Section 3.3.(a) through (d) would make the following changes to riparian buffer programs in the State effective August 1, 2015:

- Limit local government deviation from State riparian buffer width requirements as follows:

- An existing local government ordinance that includes a deviation from State riparian buffer width requirements may not be enforced after June 1, 2016, unless the Environmental Management Commission (EMC) approves the deviation.
- The EMC may consider a request for a local government deviation from State riparian buffer width requirements only if the request is accompanied by a scientific study that provides a justification for the deviation based on the topography, soils, hydrology, and environmental impacts.
- The EMC will grant the request for deviation only if it finds that the need for a deviation is established by the scientific evidence presented by the local government in order to meet the nutrient reduction goal set by the EMC.

- When riparian buffers are placed in portions of a subdivision that are designated as common areas or open space and neither the State nor its subdivisions holds any property interest in that riparian buffer area, the local government must attribute to each lot abutting the riparian buffer area a proportionate share based on the area of all lots abutting the riparian buffer area for purposes of development related regulatory requirements
- Local governments may impose restrictions upon the use of riparian areas only within river basins where riparian buffers are required by the State. The width of the restricted area and the body of water to which the restrictions apply shall not deviate from State requirements unless the deviation has been approved by the EMC.
- The limitations on local government riparian buffer requirements will not apply to a local ordinance adopted prior to July 22, 1997, that has the following characteristics:
  - The ordinance includes findings that the setbacks are imposed for purposes that include the protection of aesthetics, fish and wildlife habitat and recreational use by maintaining water temperature, healthy tree canopy and understory, and the protection of the natural shoreline through minimization of erosion and potential chemical pollution in addition to the protection of water quality and the prevention of excess nutrient runoff.
  - The ordinance includes provisions to permit under certain circumstances small or temporary structures within 50 feet of the water body and docks and piers within and along the edge of the water body.
- Absent a requirement of federal law or an imminent threat to public health or safety, a river basin buffer rule will not apply to any tract of land that meets all of the following criteria:
  - The tract was platted and recorded in the register of deeds in the county where the tract is located prior to the effective date of the applicable river basin buffer rule.
  - Other than the applicable river basin buffer rule, the use of the tract complies with either of the following:
    - The rules and other laws regulating and applicable to that tract on the effective date for the applicable river basin buffer rule.
    - The current rules, if the application of those rules to the tract was initiated after the effective date for the applicable river basin buffer rule by the unit of local government with jurisdiction over the tract and not at the request of the property owner.
- If State law requires a riparian buffer for coastal wetlands in either the Neuse River Basin or the Tar Pamlico River Basin, the coastal wetlands and marshlands will not be treated as part of the surface waters but instead will be included in the measurement of the protective riparian buffer. The riparian

buffer for any of the coastal wetlands or marshlands in the Neuse River Basin or the Tar Pamlico River Basin will be delineated as follows:

- If the coastal wetlands or marshlands extend less than 50 feet from the high normal water level or normal water level, then the riparian buffer will include all of the coastal wetlands and marshlands and enough of the upland footage to equal a total of 50 feet from the normal high water level or the normal water level.
- If the coastal wetlands or marshlands extend 50 feet or more from the normal high water level or normal water level, then the protective riparian buffer shall be the full width of the marshlands or coastal wetlands up to the landward limit of the marshlands or coastal wetlands but shall not extend beyond the landward limit of the marshlands or coastal wetlands.

- The Department of Environment and Natural Resources may not impose as a condition of a water quality permit a more restrictive riparian buffer requirement than that established for the river basin within which the activity or facility receiving the permit is located unless the EMC finds that the condition is necessary in order to meet the nutrient reduction goals for the river basin based on basin specific evidence compiled through a scientific study that provides a justification for the permit condition based on the topography, soils, or hydrology of the river basin, the environmental impacts of the activity or facility.

Section 3.4.(a) through (c) would prohibit law enforcement officers, including marine fisheries inspectors and wildlife protectors, from inspecting weapons, equipment, fish, or wildlife in the absence of a person in apparent control of the item to be inspected, unless the inspection is incident to an arrest. These sections would also direct the Wildlife Resources Commission to:

- Study whether and under what circumstances reasonable suspicion that a violation has been committed should be required before a wildlife protector, marine fisheries inspector, or other law enforcement officer may inspect weapons, equipment, fish, or wildlife. The Commission must consult with the Division of Marine Fisheries and other law enforcement agencies in the conduct of this study and report the results of this study to the Joint Legislative Oversight Committee on Justice and Public Safety no later than March 1, 2016.
- Report to the Joint Legislative Oversight Committee on Justice and Public Safety no later than March 1, 2016, and annually thereafter, on the number of complaints received against Commission law enforcement officers, the subject matter of the complaints, and the geographic areas in which the complaints were filed.

Section 3.5.(a) through (d) would make several changes to marine fisheries laws as follows:

- Repeal the requirement for logbook reporting of catch and effort statistical data by for-hire coastal recreational fishing licensees voluntary.
- Prohibit the Director of the Division of Marine Fisheries from entering into a Joint Enforcement Agreement (JEA) with the National Marine Fisheries Service (NMFS) allowing marine inspectors to accept delegation of law enforcement powers over matters within the jurisdiction of NMFS.
- Require the Division of Marine Fisheries (Division) to conduct a 12-month process to seek input from stakeholders on:
  - The costs and benefits of a for-hire logbook reporting requirement.
  - The impacts, costs, and benefits of a JEA with NMFS.

  The Division would report to the Environmental Review Commission no later than January 15, 2016.

Section 3.6. would alter the implementation of animal waste management system regulations to provide that:

- A "new animal waste management system" does not include a system that has been abandoned or unused for a period of four years or more and is then put back into service.
- Certain swine waste management system performance standards will not apply to any facility that:
    - Has had no animals on site for five continuous years or more.
    - Notifies the Division of Water Resources in writing at least 60 days prior to bringing any animals back onto the site.
    - Before bringing the animals on the site, has all of the necessary permits from the Division of Water Resources and the permit for the animal waste management system does not allow a level of production, as measured by steady state live weight, greater than the largest production for which the farm has received a permit in the past.

Section 3.7. would direct the Department of Insurance, the Building Code Council, and the Coastal Resources Commission to jointly study how flood elevations and building heights for structures are established and measured in the coastal region of the State. The Department, Council, and Commission would specifically consider how flood elevations and coastal building height requirements affect flood insurance rates and how height calculation methods might be made more consistent and uniform in order to provide flood insurance rate relief. The agencies would jointly report the results of the study to the 2015 General Assembly no later than January 1, 2016.

EFFECTIVE DATE: Except as otherwise provided, the act would become effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H D

HOUSE BILL 760
PROPOSED COMMITTEE SUBSTITUTE H760-CSSB-7 [v.2]

4/20/2015 3:11:03 PM

Short Title: Regulatory Reform Act of 2015. (Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA BY PROVIDING FOR VARIOUS ADMINISTRATIVE REFORMS, BY ELIMINATING CERTAIN UNNECESSARY OR OUTDATED STATUTES AND REGULATIONS AND MODERNIZING OR SIMPLIFYING CUMBERSOME OR OUTDATED REGULATIONS, AND BY MAKING VARIOUS OTHER STATUTORY CHANGES.

The General Assembly of North Carolina enacts:

PART I. BUSINESS REGULATION

MANUFACTURED HOME LICENSE/CRIMINAL HISTORY CHECK

SECTION 1.1. G.S. 143-143.10A(b) reads as rewritten:

"**§ 143-143.10A. Criminal history checks of applicants for licensure.**

(a) Definitions. – The following definitions shall apply in this section:

(1) Applicant. – A person applying for initial licensure as a manufactured home ~~manufacturer, dealer, salesperson,~~salesperson or set-up contractor.

...

(b) All applicants for initial licensure shall consent to a criminal history record check. Refusal to consent to a criminal history record check may constitute grounds for the Board to deny licensure to an applicant. The Board shall ensure that the State and national criminal history of an applicant is checked. Applicants shall obtain criminal record reports from one or more reporting services designated by the Board to provide criminal record reports. Each applicant is required to pay the designated service for the cost of the criminal record report. In the alternative, the Board may provide to the North Carolina Department of Public Safety the fingerprints of the applicant to be checked, a form signed by the applicant consenting to the criminal record check and the use of fingerprints and other identifying information required by the State or National Repositories of Criminal Histories, and any additional information required by the Department of Public Safety. The Board shall keep all information obtained pursuant to this section confidential.

...."

AMEND FOOD PUSHCART REQUIREMENT AND ESTABLISH VARIANCE PROCEDURE FOR PORTABLE OUTDOOR FOOD PREPARATION

SECTION 1.2. G.S. 130A-248(c1) reads as rewritten:

"(c1) The Commission shall adopt rules governing the sanitation of pushcarts and mobile food units. ~~A permitted restaurant or commissary shall serve as a base of operations for a~~

~~pushcart.~~ A pushcart or mobile food unit shall meet all of the sanitation requirements of a permitted commissary or shall have a permitted restaurant or commissary that serves as its base of operation. The Department of Health and Human Services may grant a variance from the rules governing the sanitation of pushcarts, mobile food units, or both for the purpose of expanding portable, outdoor food preparation without enclosure for food service to the public. The Department may impose reasonable and appropriate conditions and safeguards upon any variance it grants."

AMEND DEFINITION OF "EMPLOYEE" UNDER THE WORKERS' COMPENSATION ACT TO EXCLUDE VOLUNTEERS AND OFFICERS OF CERTAIN NONPROFIT CORPORATIONS AND ASSOCIATIONS

SECTION 1.3. G.S. 97-2(2) reads as rewritten:

"**§ 97-2. Definitions.**

When used in this Article, unless the context otherwise requires:

...

(2) Employee. – The term "employee" means every person engaged in an employment under any appointment or contract of hire or apprenticeship, express or implied, oral or written, including aliens, and also minors, whether lawfully or unlawfully employed, but excluding persons whose employment is both casual and not in the course of the trade, business, profession, or occupation of his employer, and as relating to those so employed by the State, the term "employee" shall include all officers and employees of the State, including such as are elected by the people, or by the General Assembly, or appointed by the Governor to serve on a per diem, part-time or fee basis, either with or without the confirmation of the Senate; as relating to municipal corporations and political subdivisions of the State, the term "employee" shall include all officers and employees thereof, including such as are elected by the people. The term "employee" shall include members of the North Carolina National Guard while on State active duty under orders of the Governor and members of the North Carolina State Defense Militia while on State active duty under orders of the Governor. The term "employee" shall include deputy sheriffs and all persons acting in the capacity of deputy sheriffs, whether appointed by the sheriff or by the governing body of the county and whether serving on a fee basis or on a salary basis, or whether deputy sheriffs serving upon a full-time basis or a part-time basis, and including deputy sheriffs appointed to serve in an emergency, but as to those so appointed, only during the continuation of the emergency. The sheriff shall furnish to the board of county commissioners a complete list of all deputy sheriffs named or appointed by him immediately after their appointment and notify the board of commissioners of any changes made therein promptly after such changes are made. Any reference to an employee who has been injured shall, when the employee is dead, include also the employee's legal representative, dependents, and other persons to whom compensation may be payable: Provided, further, that any employee, as herein defined, of a municipality, county, or of the State of North Carolina, while engaged in the discharge of the employee's official duty outside the jurisdictional or territorial limits of the municipality, county, or the State of North Carolina and while acting pursuant to authorization or instruction from any superior officer, shall have the same rights under this Article as if such duty or activity were performed within the territorial boundary limits of their employer.

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

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

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

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

"Employee" shall not include any person performing voluntary service as a ski patrolman who receives no compensation for such services other than meals or lodging or the use of ski tow or ski lift facilities or any combination thereof.

"Employee" shall not include any person performing voluntary service for a nonprofit corporation subject to Chapters 47A, 47C, 47F, 55A, or 59B of the General Statutes, or any organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, provided that the person receives no remuneration for the voluntary service other than reasonable reimbursement for expenses incurred in connection with the voluntary service. A person performing such voluntary service is not an "employee" even if the individual was elected or appointed and empowered as an executive officer, director, or committee member under the charter, articles, or bylaws of a nonprofit corporation subject to Chapters 47A, 47C, 47F, 55A, or 59B of the General Statutes, or any organization exempt from federal tax under section 501(c)(3) of the Internal Revenue Code.

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

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

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

PART II. STATE AND LOCAL GOVERNMENT REGULATION

ZONING DENSITY CREDITS

SECTION 2.1. G.S. 160A-381(a) reads as rewritten:

"(a) For the purpose of promoting health, safety, morals, or the general welfare of the community, any city may adopt zoning and development regulation ordinances. These ordinances may be adopted as part of a unified development ordinance or as a separate ordinance. A zoning ordinance may regulate and restrict the height, number of stories and size of buildings and other structures, the percentage of lots that may be occupied, the size of yards, courts and other open spaces, the density of population, the location and use of buildings, structures and land. The ordinance ~~may~~shall provide density credits or severable development rights for dedicated rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11."

NO FISCAL NOTE REQUIRED FOR LESS STRINGENT RULES

SECTION 2.2.(a) G.S. 150B-21.3A(d) reads as rewritten:

"(d) Timetable. – The Commission shall establish a schedule for the review and readoption of existing rules in accordance with this section on a decennial basis as follows:

...

(2) With regard to the readoption of rules as required by sub-subdivision (c)(2)g. of this section, once the final determination report becomes effective, the Commission shall establish a date by which the agency must readopt the rules. The Commission shall consult with the agency and shall consider the agency's rule-making priorities in establishing the readoption date. The agency may amend a rule as part of the readoption process. If a rule is readopted without substantive ~~change,~~change or if the rule is amended to impose a less stringent burden on regulated persons, the agency is not required to prepare a fiscal note as provided by G.S. 150B-21.4."

SECTION 2.2.(b) This section is effective when it becomes law and applies to periodic review of existing rules occurring pursuant to G.S. 150B-21.3A on or after that date.

APO TO MAKE RECOMMENDATIONS ON OCCUPATIONAL LICENSING BOARD CHANGES

SECTION 2.3. Pursuant to G.S. 120-70.101(3a), the Joint Legislative Administrative Procedure Oversight Committee (APO) shall review the recommendations contained in the Joint Legislative Program Evaluation Oversight Committee's report, entitled

"Occupational Licensing Agencies Should Not be Centralized, but Stronger Oversight is Needed" to determine the best way to accomplish the recommendations contained in the report and to improve oversight of occupational licensing boards. In conducting the review, APO shall consult with occupational licensing boards, licensees, associations representing licensees, the Department of Commerce, and other interested parties. The APO cochairs may establish subcommittees to assist with various parts of the review, including determining whether licensing authority should be continued for the 12 boards identified in the report. The APO shall propose legislation to the 2016 Session of the 2015 General Assembly.

CLARIFY EASEMENT RESERVATION AUTHORITY FOR CITIES CLOSING STREETS AND ALLEYS

SECTION 2.4. G.S. 160A-299 reads as rewritten:

"**§ 160A-299. Procedure for permanently closing streets and alleys.**

...

(f) A city may reserve ~~its~~ a right, title, and interest in any ~~utility improvement~~improvements or ~~easement~~ easements within a street closed pursuant to this section. An easement under this subsection shall include utility, drainage, pedestrian, landscaping, conservation, or other easements considered by the city to be in the public interest. ~~Such~~ The reservation of an easement under this subsection shall be stated in the order of closing. ~~Such~~ The reservation also extends to utility improvements or easements owned by private utilities which at the time of the street closing have a utility agreement or franchise with the city.

...."

REPEAL LICENSING FOR GOING OUT OF BUSINESS/DISTRESS SALES

SECTION 2.5.(a) G.S. 66-77 is repealed.

SECTION 2.5.(b) G.S. 66-80 reads as rewritten:

"**§ 66-80. Continuation of sale or business beyond termination date.**

No person shall conduct a closing-out sale or a sale of goods, wares or merchandise damaged by fire, smoke, water or otherwise or a distress sale beyond the termination date specified for such ~~sale, except as otherwise provided for in subsection (b) of G.S. 66-77;~~sale; nor shall any person, upon conclusion of such sale, continue that business which had been represented as closing out or going out of business under the same name, or under a different name, at the same location, or elsewhere in the same city or town where the inventory for such sale was filed for a period of 12 months; nor shall any person, upon conclusion of such sale, continue business contrary to the designation of such sale. As used in this section, the term "person" includes individuals, partnerships, corporations, and other business entities. If a business entity that is prohibited from continuing a business under this section reformulates itself as a new entity or as an individual, whether by sale, merger, acquisition, bankruptcy, dissolution, or any other transaction, for the purpose of continuing the business, the successor entity or individual shall be considered the same person as the original entity for the purpose of this section. If an individual who is prohibited from continuing a business under this section forms a new business entity to continue the business, that entity shall be considered the same person as the individual for the purpose of this section."

SECTION 2.5.(c) This section becomes effective July 1, 2015.

ELECTRONIC REPORTING FOR COUNTY BOARDS OF ELECTIONS

SECTION 2.6.(a) G.S. 163-232 reads as rewritten:

"**§ 163-232. Certified list of executed absentee ballots; distribution of list.**

The county board of elections shall prepare, or cause to be prepared, a list in at least quadruplicate, of all absentee ballots returned to the county board of elections to be counted,

which have been approved by the county board of elections, and which have been received as of 5:00 p.m. on the day before the election. At the end of the list, the chairman shall execute the following certificate under oath:

"State of North Carolina

County of _____

I, _____, chairman of the _____ County board of elections, do hereby certify that the foregoing is a list of all executed absentee ballots to be voted in the election to be conducted on the _____ day of _____, _____, which have been approved by the county board of elections and which have been returned no later than 5:00 p.m. on the day before the election. I certify that the chairman, member, officer, or employee of the board of elections has not delivered ballots for absentee voting to any person other than the voter, by mail or by commercial courier service or in person, except as provided by law, and have not mailed or delivered ballots when the request for the ballot was received after the deadline provided by law.

This the _____ day of _____, _____

_____

(Signature of chairman of county board of elections)

Sworn to and subscribed before me this _____ day of _____, _____.

Witness my hand and official seal.

_____

(Signature of officer administering oath)

_____

(Title of officer)"

No later than 10:00 a.m. on election day, the county board of elections shall cause one copy of the list of executed absentee ballots, which may be a continuing countywide list or a separate list for each precinct, to be immediately (i) submitted electronically by means of the State Election Information Management System (SEIMS), or its successor system, to the State Board of Elections or (ii) deposited as "first-class" mail to the State Board of Elections. The board shall retain one copy in the board office for public inspection and the board shall cause two copies of the appropriate precinct list to be delivered to the chief judge of each precinct in the county. The county board of elections shall be authorized to call upon the sheriff of the county to distribute the list to the precincts. In addition the county board of elections shall, upon request, provide a copy of the complete list to the chairman of each political party, recognized under the provisions of G.S. 163-96, represented in the county.

The chief judge shall post one copy of the list immediately in a conspicuous location in the voting place and retain one copy until all challenges of absentee ballots have been heard by the county board of elections. Challenges shall be made to absentee ballots as provided in G.S. 163-89.

After receipt of the list of absentee voters required by this section the chief judge shall call the name of each person recorded on the list and enter an "A" in the appropriate voting square on the voter's permanent registration record, or a similar entry on the computer list used at the polls. If such person is already recorded as having voted in that election, the chief judge shall enter a challenge which shall be presented to the county board of elections for resolution by the board of elections prior to certification of results by the board.

All lists required by this section shall be retained by the county board of elections for a period of 22 months after which they may then be destroyed."

SECTION 2.6.(b) G.S. 163-232.1(c) reads as rewritten:

"(c) The board shall post one copy of the most current version of each list in the board office in a conspicuous location for public inspection and shall retain one copy until all

challenges of absentee ballots have been heard by the county board of elections. The county board of elections shall cause one copy of each of the final lists of executed absentee ballots required under subsection (a) and subsection (b) of this section to be (i) submitted electronically by means of the State Election Information Management System (SEIMS), or its successor system, to the State Board of Elections or (ii) deposited as "first-class" mail to the State Board of ~~Elections~~Elections. The final lists shall be electronically submitted or mailed no later than 10:00 a.m. of the next business day following the deadline for receipt of such absentee ballots. Challenges shall be made to absentee ballots as provided in G.S. 163-89. In addition the county board of elections shall, upon request, provide a copy of each of the lists to the chairman of each political party, recognized under the provisions of G.S. 163-96, represented in the county."

PRE-AUDIT CERTIFICATIONS

SECTION 2.7.(a) G.S. 159-28 is amended by adding a new subsection to read:

"(f) This section shall not apply to disbursements for regular payroll and benefits."

SECTION 2.7.(b) This section becomes effective July 1, 2015, and applies to disbursements on or after that date.

PART III. ENVIRONMENTAL AND NATURAL RESOURCE REGULATION

AMEND ISOLATED WETLANDS LAW

SECTION 3.1.(a) For the purposes of implementing Section .1300 of Subchapter 2H of Chapter 2 of Title 15A of the North Carolina Administrative Code (Discharges to Isolated Wetlands and Isolated Waters), the isolated wetlands provisions of Section .1300 shall apply only to a Basin Wetland or Bog and no other wetland types as described in the North Carolina Wetland Assessment User Manual prepared by the North Carolina Wetland Functional Assessment Team, version 4.1 October, 2010, that are not jurisdictional wetlands under the federal Clean Water Act. The isolated wetlands provisions of Section .1300 shall not apply to an isolated man-made ditch or pond constructed for stormwater management purposes, any other man-made isolated pond, or any other type of isolated wetland, and the Department of Environment and Natural Resources shall not regulate such water bodies under Section .1300.

SECTION 3.1.(b) The Environmental Management Commission may adopt rules to amend Section .1300 of Subchapter 2H of Chapter 2 of Title 15A of the North Carolina Administrative Code consistent with Section 3.1(a).

SECTION 3.1.(c) Section 54 of S.L. 2014-120 reads as rewritten:

"**SECTION 54.(a)** Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to Section 54(c) of this act, the Commission and the Department of Environment and Natural Resources shall implement 15A NCAC 02H .1305 (Review of Applications) as provided in Section 54(b) of this act.

"**SECTION 54.(b)** Notwithstanding 15A NCAC 02H .1305 (Review of Applications), all of the following shall apply to the implementation of 15A NCAC 02H .1305:

(1) The amount of impacts of isolated wetlands under 15A NCAC 02H .1305(d)(2) shall be less than or equal to one acre of isolated wetlands east of I-95 for the entire project and less than or equal to 1/3 acre of isolated wetlands west of I-95 for the entire project.

(2) Mitigation requirements for impacts to isolated wetlands shall only apply to the amount of impact that exceeds the thresholds set out in subdivision (1) of this section. The mitigation ratio for impacts ~~of greater than one acre~~exceeding the thresholds for the entire project under 15A NCAC 02H .1305(g)(6) shall be 1:1 and may be located on the same parcel.

~~(3) For purposes of Section 54(b) of this section, "isolated wetlands" means a Basin Wetland or Bog as described in the North Carolina Wetland Assessment User Manual prepared by the North Carolina Wetland Functional Assessment Team, version 4.1 October, 2010, that are not jurisdictional wetlands under the federal Clean Water Act. An "isolated wetland" does not include an isolated man-made ditch or pond constructed for stormwater management purposes or any other man-made isolated pond.~~

(4) Impacts to isolated wetlands shall not be combined with the project impacts to 404 jurisdictional wetlands or streams for the purpose of determining when impact thresholds that trigger a mitigation requirement are met.

"**SECTION 54.(c)** The Environmental Management Commission shall adopt rules to amend 15A NCAC 02H .1300 through 15A NCAC 02H .1305 consistent with Section 54(b) of this act. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this subsection shall be substantively identical to the provisions of Section 54(b) of this act. Rules adopted pursuant to this subsection are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this subsection shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

"**SECTION 54.(d)** The Department of Environment and Natural Resources shall study (i) how the term "isolated wetland" has been previously defined in State law and whether the term should be clarified in order to provide greater certainty in identifying isolated wetlands; (ii) the surface area thresholds for the regulation of mountain bog isolated wetlands, including whether mountain bog isolated wetlands should have surface area regulatory thresholds different from other types of isolated wetlands; and (iii) whether impacts to isolated wetlands should be combined with the project impacts to jurisdictional wetlands or streams for the purpose of determining when impact thresholds that trigger a mitigation requirement are met. The Department shall report its findings and recommendations to the Environmental Review Commission on or before November 1, 2014.

"**SECTION 54.(e)** This section is effective when it becomes law. Section 54(b) of this act expires on the date that rules adopted pursuant to Section 54(c) of this act become effective."

AMEND STORMWATER MANAGEMENT LAW

SECTION 3.2.(a) Section 3 of S.L. 2013-82 reads as rewritten:

"**SECTION 3.** The Environmental Management Commission shall adopt rules implementing Section 2 of this act no later than ~~July 1, 2016.~~November 1, 2016."

SECTION 3.2.(b) G.S. 143-214.7 reads as rewritten:

"**§ 143-214.7. Stormwater runoff rules and programs.**

...

(b2) For purposes of implementing ~~stormwater programs,~~State stormwater programs and local stormwater programs approved pursuant to subsection (d) of this section, all of the following shall apply:

(1) ~~"built-upon area"~~"Built-upon area" means impervious surface and partially impervious surface to the extent that the partially impervious surface does not allow water to infiltrate through the surface and into the subsoil. "Built-upon area" does not include a slatted deck or the water area of a swimming pool.

(2) Vegetative buffers adjacent to intermittent streams shall be measured from the center of the stream bed.

(3) The volume, velocity, and discharge rates of water associated with the one-year, 24-hour storm and the difference in stormwater runoff from the predevelopment and postdevelopment conditions for the one-year, 24-hour

storm shall be calculated using any acceptable engineering hydrologic and hydraulic methods.

(4) Development may occur within a vegetative buffer if the stormwater runoff from the development is discharged outside of the vegetative buffer and is managed so that it otherwise complies with all applicable State and federal stormwater management requirements.

(5) The requirements that apply to development activities within one-half mile of and draining to Class SA waters or within one-half mile of Class SA waters and draining to unnamed freshwater tributaries shall not apply to development activities and associated stormwater discharges that do not occur within one-half mile of and draining to Class SA waters or are not within one-half mile of Class SA waters and draining to unnamed freshwater tributaries."

...

(d) The Commission shall review each stormwater management program submitted by a State agency or unit of local government and shall notify the State agency or unit of local government that submitted the program that the program has been approved, approved with modifications, or disapproved. The Commission shall approve a program only if it finds that the standards of the program equal ~~or exceed~~ those of the model program adopted by the Commission pursuant to this section.

...."

SECTION 3.2.(c) No later than January 1, 2016, a State agency or local government that implements a stormwater management program approved pursuant to subsection (d) of G.S. 143-214.7 shall submit its current stormwater management program or a revised stormwater management program to the Environmental Management Commission. No later than July 1, 2016, the Environmental Management Commission shall review and act on each of the submitted stormwater management programs in accordance with subsection (d) of G.S. 143-214.7, as amended by this section.

SECTION 3.2.(d) The Environmental Review Commission, with the assistance of the Department of Environment and Natural Resources, shall review the current status of State statutes, session laws, rules, and guidance documents related to the management of stormwater in the State. The Commission shall specifically examine whether State statutes, session laws, rules, and guidance documents related to the management of stormwater in the State should be recodified or reorganized in order to clarify State law for the management of stormwater. The Commission shall submit legislative recommendations, if any, to the 2016 Regular Session of the 2015 General Assembly.

RIPARIAN BUFFER REFORM

SECTION 3.3.(a) G.S. 143-214.23 reads as rewritten:

"**§ 143-214.23. Riparian Buffer Protection Program: Delegation of riparian buffer protection requirements to local governments.**

(a) Delegation Permitted. – The Commission may delegate responsibility for the implementation and enforcement of the State's riparian buffer protection requirements to units of local government that have the power to regulate land use. A delegation under this section shall not affect the jurisdiction of the Commission over State agencies and units of local government. Any unit of local government that has the power to regulate land use may request that responsibility for the implementation and enforcement of the State's riparian buffer protection requirements be delegated to the unit of local government. To this end, units of local government may adopt ordinances and regulations necessary to establish and enforce the State's riparian buffer protection requirements.

(b) Procedures. – Within 90 days after the Commission receives a complete application requesting delegation of responsibility for the implementation and enforcement of the State's riparian buffer protection requirement, the Commission shall review the application and notify the unit of local government that submitted the application whether the application has been approved, approved with modifications, or disapproved. The Commission shall not approve a delegation unless the Commission finds that local implementation and enforcement of the State's riparian buffer protection requirements will equal implementation and enforcement by the State.

(b1) Deviations from Minimum State Requirements. – The Commission may approve a delegation application proposing a riparian buffer width that deviates from that required by the State for the type of surface body of water and the river basin or basins in which the unit of local government is located only in accordance with the procedures of this section:

(1) Units of local government may request deviations in riparian buffer widths from the Commission when submitting an application under subsection (b) of this section. Deviations in buffer width enforced by units of local government under an existing local ordinance may not be enforced after February 1, 2016, unless the unit of local government has either received approval for a deviation under the procedures set forth in this subsection or has an application for deviation pending with the Commission. Under no circumstances shall any existing local ordinance be enforced after June 1, 2016, unless the Commission has approved the deviation. For purposes of this subdivision, an "existing local ordinance" is a local ordinance approved prior to August 1, 2015, that includes a deviation in riparian buffer width from that required by the State.

(2) The Commission may consider a request for a deviation in riparian buffer width only if the request is accompanied by a scientific study prepared by or on behalf of the unit of local government that provides a justification for the deviation based on the topography, soils, hydrology, and environmental impacts within the jurisdiction of the unit of local government. The Commission may also require that the study include any other information it finds necessary to evaluate the request for deviation.

(3) The Commission shall grant the request for deviation only if it finds that the need for a deviation in riparian buffer width is established by the scientific evidence presented by the unit of local government requesting the deviation in order to meet the nutrient reduction goal set by the Commission for the basin subject to the riparian buffer rule.

(4) For purposes of this subsection, "existing local ordinance" shall include a zoning district, subdivision or development regulation; comprehensive plan; policy; resolution; or any other act carrying the effect of law.

(c) Local Program Deficiencies. – If the Commission determines that a unit of local government is failing to implement or enforce the State's riparian buffer protection requirements, the Commission shall notify the unit of local government in writing and shall specify the deficiencies in implementation and enforcement. If the local government has not corrected the deficiencies within 90 days after the unit of local government receives the notification, the Commission shall rescind delegation and shall implement and enforce the State's riparian buffer protection program. If the unit of local government indicates that it is willing and able to resume implementation and enforcement of the State's riparian buffer protection requirements, the unit of local government may reapply for delegation under this section.

(d) Technical Assistance. – The Department shall provide technical assistance to units of local government in the development, implementation, and enforcement of the State's riparian buffer protection requirements.

(e) Training. – The Department shall provide a stream identification training program to train individuals to determine the existence of surface water for purposes of rules adopted by the Commission for the protection and maintenance of riparian buffers. The Department may charge a fee to cover the full cost of the training program. No fee shall be charged to an employee of the State who attends the training program in connection with the employee's official duties.

(e1) Restriction on Treatment of Buffer by State and Local Governments. – Units of local government shall not treat the land within a riparian buffer as if the land is the property of the State or any of its subdivisions unless the land or an interest therein has been acquired by the State or its subdivisions by a conveyance or by eminent domain. Land within a riparian buffer in which neither the State nor its subdivisions holds any property interest may be used to satisfy any other development-related regulatory requirements based on property size.

(e2) Recordation of Common Area Buffers. – When riparian buffers are included within a lot, units of local governments shall require that the buffer area be denominated on the recorded plat. When riparian buffers are (i) placed outside of lots in portions of a subdivision that are designated as common areas or open space, and (ii) neither the State nor its subdivisions holds any property interest in that riparian buffer area, the unit of local government shall attribute to each lot abutting the riparian buffer area a proportionate share based on the area of all lots abutting the riparian buffer area for purposes of development-related regulatory requirements based on property size.

(e3) Limitation on Local Government Riparian Area Restrictions. – Units of local government may impose restrictions upon the use of riparian areas as defined in 15A NCAC 02B .0202 only within river basins where riparian buffers are required by the State. Units of local government may impose restrictions upon riparian areas to satisfy State riparian buffer requirements by means of: a zoning district, subdivision or development regulation; comprehensive plan; policy; resolution; or any other act carrying the effect of law. The width of the restricted area and the body of water to which the restrictions apply shall not deviate from State requirements unless the deviation has been approved under subsection (b1) of this section. For purposes of this subsection, the terms "riparian areas" and "riparian buffer areas" shall have the same meaning, and shall include all landward setbacks from a surface water body with State-required riparian buffers.

(e4) Exception. – Neither the restrictions in subsection (e3) of this section nor the riparian buffer deviation approval procedures of subsection (b1) of this section shall apply to any local ordinance initially adopted prior to July 22, 1997, and any subsequent modifications that have the following characteristics:

(1) The ordinance includes findings that the setbacks from surface water bodies are imposed for purposes that include the protection of aesthetics, fish and wildlife habitat and recreational use by maintaining water temperature, healthy tree canopy and understory, and the protection of the natural shoreline through minimization of erosion and potential chemical pollution in addition to the protection of water quality and the prevention of excess nutrient runoff.

(2) The ordinance includes provisions to permit under certain circumstances (i) small or temporary structures within 50 feet of the water body and (ii) docks and piers within and along the edge of the water body.

(e5) Definition. – For purposes of this section, "development-related regulatory requirements based on property size" means requirements that forbid or require particular uses, activities, or practices for some percentage of the area of a lot or for lots above or below a

particular size, including, but not limited to, perimeter buffers, maximum residential density, tree conservation ordinances, minimum lot size requirements, or nonresidential floor area ratio requirements.

(f) Rules. – The Commission may adopt rules to implement this section."

SECTION 3.3.(b) Part 1 of Article 21 of Chapter 143 of the General Statutes is amended by adding two new sections to read:

"**§ 143-214.18. Exemption to riparian buffer requirements for certain private properties.**

(a) Definition. – For purposes of this section, "applicable buffer rule" refers to any of the following rules that are applicable to a tract of land:

(1) Neuse River Basin. – 15A NCAC 02B .0233, effective August 1, 2000.

(2) Tar-Pamlico River Basin. – 15A NCAC 02B .0259, effective August 1, 2000.

(3) Randleman Lake Water Supply Watershed. – 15A NCAC 02B .0250, effective June 1, 2010.

(4) Catawba River Basin. – 15A NCAC 02B .0243, effective August 1, 2004.

(5) Jordan Water Supply Nutrient Strategy. – 15A NCAC 02B .0268, effective September 1, 2011.

(6) Goose Creek Watershed of the Yadkin Pee-Dee River Basin. – 15A NCAC 02B .0605 and 02B .0607, effective February 1, 2009.

(b) Exemption. – Absent a requirement of federal law or an imminent threat to public health or safety, an applicable buffer rule shall not apply to any tract of land that meets all of the following criteria:

(1) With the exception set forth in subsection (c) of this section, the tract was platted and recorded in the register of deeds in the county where the tract is located prior to the effective date of the applicable buffer rule.

(2) Other than the applicable buffer rule, the use of the tract complies with either of the following:

a. The rules and other laws regulating and applicable to that tract on the effective date for the applicable buffer rule set out in subsection (a) of this section.

b. The current rules, if the application of those rules to the tract was initiated after the effective date for the applicable buffer rule by the unit of local government with jurisdiction over the tract and not at the request of the property owner.

(c) If a tract of land described in subsection (b) of this section is converted to a use that does not comply with subdivision (b)(2) of this section, then the applicable buffer rule shall apply.

(d) The tract of land shall retain an exemption under subsection (b) of this section if either of the following applies:

(1) The tract has been replatted and rerecorded after the effective date for the applicable buffer rule as a result of an eminent domain action and the tract continues to comply with subdivision (b)(2) of this section.

(2) The tract is a recombination exempt from the definition of subdivision under G.S. 160A-376 or G.S. 153A-33 and recorded after the effective date of the applicable buffer rule, and the recombination consists of all, or portions of, parcels meeting the requirements for exemption from the applicable buffer rule set forth in subsection (b) of this section.

(e) For purposes of meeting the requirements of subdivision (b)(2) of this section, the following shall be interpreted to be "complying with the rules and other laws regulating and applicable to that property on the effective date for the applicable buffer rule":

(1) The conversion of a tract of land that was undeveloped prior to the effective date of the applicable buffer rule to a use that was permitted under applicable local ordinances in effect prior to the effective date of the applicable buffer rule, even if the conversion is approved after the effective date of the applicable buffer rule.

(2) The conversion of the tract of land to a use permitted under applicable local rules or ordinances that have been applied to the property since the effective date of the applicable buffer rule as a result of either (i) a change in regulations applied by the unit of local government with jurisdiction over the tract; or (ii) a change in the unit of local government having jurisdiction over the tract which results in the application of regulations to the tract after the effective date of the applicable buffer rule.

(f) An exemption to an applicable buffer rule under this section runs with the land, if notice of the exemption is recorded with the register of deeds at or prior to the next conveyance of the tract or portion of the tract."

"**§ 143-214.19. Delineation of protective riparian buffers for coastal wetlands in the Neuse River and Tar-Pamlico River Basins.**

(a) The following definitions apply in this section:

(1) Coastal wetlands. – Any salt marsh or other marsh subject to regular or occasional flooding by tides, including wind tides (whether or not the tidewaters reach the marshland areas through natural or artificial watercourses), provided this shall not include hurricane or tropical storm tides.

(2) Marshlands. – The term has the same meaning as G.S. 113-229(n).

(b) If State law requires a protective riparian buffer for coastal wetlands in either the Neuse River Basin or the Tar-Pamlico River Basin, the coastal wetlands and marshlands shall not be treated as part of the surface waters but instead shall be included in the measurement of the protective riparian buffer. The protective riparian buffer for any of the coastal wetlands or marshlands in the Neuse River Basin or the Tar-Pamlico River Basin shall be delineated as follows:

(1) If the coastal wetlands or marshlands extend less than 50 feet from the high normal water level or normal water level, as appropriate, and therefore would not encompass a 50-foot area beyond the appropriate water level, then the protective riparian buffer shall include all of the coastal wetlands and marshlands and enough of the upland footage to equal a total of 50 feet from the appropriate normal high water level or the normal water level measured horizontally on a line perpendicular to the surface water.

(2) If the coastal wetlands or marshlands extend 50 feet or more from the normal high water level or normal water level, as appropriate, then the protective riparian buffer shall be the full width of the marshlands or coastal wetlands up to the landward limit of the marshlands or coastal wetlands but shall not extend beyond the landward limit of the marshlands or coastal wetlands."

SECTION 3.3.(c) Article 21 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"**§ 143-214.27 Riparian Buffer Conditions in Environmental Permits.**

(a) Except as set forth in subsection (b) of this section, the Department may not impose as a condition of any permit issued under this Article riparian buffer requirements that exceed established standards for the river basin within which the activity or facility receiving the permit is located. If no riparian buffer standards have been established for the river basin within which the activity or facility receiving the permit is located, then the Department shall not

impose a buffer standard as a condition for a permit that exceeds the standard for the Neuse River Basin set forth in 15A NCAC 02B .0233.

(b) The Department may impose as a condition of any permit issued under this Article a more restrictive riparian buffer requirement than that established for the river basin within which the activity or facility receiving the permit is located, or a riparian buffer requirement in a river basin where no riparian buffer standards have been established as set forth in this subsection. Prior to imposing the riparian buffer permit condition, the Commission must make a finding that the condition is necessary in order to meet the nutrient reduction goals for the river basin within which the activity or facility receiving the permit is located, based on basin-specific evidence compiled through a scientific study prepared by or on behalf of the Department that provides a justification for the permit condition based on the topography, soils, or hydrology of the river basin, the environmental impacts of the activity or facility, and any other information the Commission finds necessary to evaluate the need for the riparian buffer permit condition."

SECTION 3.3.(d) This section becomes effective August 1, 2015.

WILDLIFE SEARCH AND SEIZURE

SECTION 3.4.(a) G.S. 113-136(k) reads as rewritten:

"(k) It is unlawful to refuse to exhibit upon request by any inspector, protector, or other law enforcement officer any item required to be carried by any law or rule as to which inspectors or protectors have enforcement jurisdiction. The items that must be exhibited include boating safety or other equipment or any license, permit, tax receipt, certificate, or identification. It is unlawful to refuse to allow inspectors, protectors, or other law enforcement officers to inspect weapons, equipment, fish, or wildlife ~~that~~if the officer reasonably believes them to be possessed incident to an activity regulated by any law or rule as to which inspectors and protectors have enforcement ~~jurisdiction.~~ jurisdiction and the officer has a reasonable suspicion that a violation has been committed. Except as authorized by G.S. 113-137, nothing in this section gives an inspector, protector, or other law enforcement officer the authority to inspect weapons, equipment, fish, or wildlife in the absence of a person in apparent control of the item to be inspected."

SECTION 3.4.(b) The Wildlife Resources Commission shall report to the Joint Legislative Oversight Committee on Justice and Public Safety by March 1, 2017, and annually thereafter, on the number of complaints received against Commission law enforcement officers, the subject matter of the complaints, and the geographic areas in which the complaints were filed.

SECTION 3.4.(c) Section 3.4(a) of this section becomes effective December 1, 2015, and applies to offenses committed on or after that date. The remainder of this section is effective when it becomes law.

REPEAL FOR-HIRE LICENSE LOGBOOK REQUIREMENT; REPEAL AUTHORITY OF THE DIVISION OF MARINE FISHERIES TO ENTER INTO A JOINT ENFORCEMENT AGREEMENT; DIRECT THE DIVISION OF MARINE FISHERIES TO STUDY THE LOGBOOK REQUIREMENT AND THE JOINT ENFORCEMENT AGREEMENT

SECTION 3.5.(a) G.S. 113-174.3(e) is repealed.

SECTION 3.5.(b) G.S. 113-224 reads as rewritten:

"**§ 113-224. Cooperative agreements by Department.**

(a) ~~The~~ Except as otherwise provided in this section, the Department is empowered to enter into cooperative agreements with public and private agencies and individuals respecting the matters governed in this Subchapter. Pursuant to such agreements the Department may expend funds, assign employees to additional duties within or without the State, assume

additional responsibilities, and take other actions that may be required by virtue of such agreements, in the overall best interests of the conservation of marine and estuarine resources.

(b) The Fisheries Director or a designee of the Fisheries Director may not enter into an agreement with the National Marine Fisheries Service of the United States Department of Commerce allowing Division of Marine Fisheries inspectors to accept delegation of law enforcement powers over matters within the jurisdiction of the National Marine Fisheries Service.'

SECTION 3.5.(c) G.S. 128-1.1(c2) is repealed.

SECTION 3.5.(d) The Division of Marine Fisheries shall conduct a 12-month process to seek input from stakeholders on the following issues:

(1) The costs and benefits of a logbook requirement similar to that repealed by subection (a) of this section, and whether such a requirement should be reenacted.

(2) the impacts, costs, and benefits of a joint enforcement agreement similar to that prohibited by subsection (b) of this section, and whether the authorization to enter into such an agreement should be reenacted.

The process shall also include the establishment of a stakeholder advisory group that includes persons who are for-hire license holders representing all major recreational fishing areas on the North Carolina coast, other recreational fishing interests, and relevant advocacy groups. The Division shall review and provide a written response to any issues raised by the advisory group, and shall report to the Environmental Review Commission no later than October 15, 2016 its conclusions, including any recommendations for legislation.

STUDY FLOOD ELEVATIONS AND BUILDING HEIGHT REQUIREMENTS

SECTION 3.6. The Department of Insurance, the Building Code Council, and the Coastal Resources Commission shall jointly study how flood elevations and building heights for structures are established and measured in the coastal region of the State. The Department, Council, and Commission shall specifically consider how flood elevations and coastal building height requirements affect flood insurance rates and how height calculation methods might be made more consistent and uniform in order to provide flood insurance rate relief. In conducting this study, the Department, Council, and Commission shall engage a broad group of stakeholders, including property owners, local governments, and representatives of the development industry. No later than January 1, 2016, the Department, Council, and Commission shall jointly submit the results of their study, including any legislative recommendations, to the 2015 General Assembly.

PART IV. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 4.1. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 4.2. Except as otherwise provided, this act is effective when it becomes law.

Attachment 7

#1

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 760

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

H760-ATD-18 [v.3]

Amends Title [NO]
PCS to First Edition

Date _____,2015

Representative Hager

moves to amend the bill on page 21, lines 34-35, by inserting between the lines:

"PART IIIB. UTILITY REGULATION

AMEND CONTRACTS FOR QUALIFYING FACILITIES AND CLARIFY AVOIDED COST REQUIREMENTS

SECTION 3B.1.(a) G.S. 62-3(27a) reads as rewritten:

"(27a) "Small power producer" means a person or corporation owning or operating an electrical power production facility with a power production capacity which, together with any other facilities located at the same site, does not exceed 80 megawatts of electricity and which depends upon renewable resources for its primary source of energy. For the purposes of this section, renewable resources shall mean: hydroelectric ~~power.~~power, solar electric, solar thermal, wind, geothermal, ocean current, wave energy resources, and biomass derived from agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, liquids, or gases not derived from fossil fuel, energy crops, or landfill methane. A small power producer shall not include persons primarily engaged in the generation or sale of electricity from other than small power production facilities."

SECTION 3B.1.(b) G.S. 62-156 reads as rewritten:

"**§ 62-156. Power sales by small power producers to public utilities.**

(a) In the event that a small power producer and an electric utility are unable to mutually agree to a contract for the sale of electricity or to a price for the electricity purchased by the electric utility, the commission shall require the utility to purchase the power, under rates and terms established as provided in ~~subsection (b) of~~ this section.

(b) No later than March 1, 1981, and at least every two years thereafter, the ~~commission~~ Commission shall determine the rates to be paid by electric utilities for power purchased from small power producers, according to the following standards:

(1) Term of Contract. – The Commission shall approve standard contracts for the purchase of power from small power producers and shall require electric utilities to provide standard contracts to small power facilities that do not exceed 100 kilowatts of capacity. Long-term contracts for the purchase of electricity by the utility from small power producers shall be encouraged in order to enhance the economic feasibility of small power production

~~facilities.~~facilities, but the term of a contract may not be for a period of greater than 15 years.

(2) Avoided Cost ~~of Energy~~ to the Utility. – The rates paid by a utility to a small power producer shall not exceed, over the term of the purchase power contract, the incremental cost to the electric utility of the electric energy which, but for the purchase from a small power producer, the utility would generate or purchase from another source. A determination of the avoided ~~energy~~ costs to the utility shall include a consideration of the following factors over the term of the power contracts: the known and measurable expected costs of the additional or existing generating capacity which could be displaced, the known and measurable expected cost of fuel and other operating expenses of electric energy production which a utility would otherwise incur in generating or purchasing power from another source, and the expected security of the supply of fuel for the utilities' alternative power sources.

(3) Availability and Reliability of Power. – The rates to be paid by electric utilities for power purchased from a small power producer shall be established with consideration of the reliability and availability of the power.

(4) Avoided Cost of Capacity. – The standard contract shall not require payment for capacity during the years in which the electric utility lacks a capacity need, as demonstrated through the electric public utility's most recent integrated resource plan approved by the Commission under G.S. 62-110.1(c)."

SECTION 3B.1.(c) This section becomes effective July 1, 2015, and applies to rates approved by the Commission on or after that date.

AMEND COST CAPS FOR REPS COMPLIANCE

SECTION 3B.2.(a) G.S. 62-133.8(h)(4) reads as rewritten:

"(4) An electric power supplier shall be allowed to recover the incremental costs incurred to comply with the requirements of subsections (b), (c), (d), (e), and (f) of this section and fund research as provided in subdivision (1) of this subsection through an annual rider not to exceed the following per-account annual charges:

			~~2015 and thereafter~~
Customer Class	**2008-2011**	**2012-~~2014~~and thereafter**	
Residential per account	$10.00	$12.00	~~$34.00~~
Commercial per account	$50.00	$150.00	~~$150.00~~
Industrial per account	$500.00	$1,000.00	~~$1,000.00~~"

SECTION 3B.2.(b) ~~SECTION 4.~~ Incremental costs incurred by an electric power supplier prior to July 1, 2015, to comply with the requirements of G.S. 62-133.8 may be recovered as provided in G.S. 62-133.8(h), as amended by this section. For the purposes of cost recovery under this act, costs incurred prior to July 1, 2015, include all of the following:

(1) Costs under purchase contracts for renewable energy entered into prior to July 1, 2015, for the purpose of complying with REPS requirements repealed or amended by this act.

(2) The costs of renewable energy facilities built by a public utility for which a certificate of public convenience and necessity has been issued by the Commission prior to July 1, 2015, for the purpose of complying with REPS requirements repealed or amended by this act.

(3) Other costs the Utilities Commission determines are reasonable and prudent costs incurred prior to July 1, 2015, to comply with the REPS requirements repealed or amended by this act.

SECTION 3B.2.(C) This section becomes effective July 1, 2015, and applies to cost recovery proceedings that occur on or after that date.

STUDY OF THE COSTS AND BENEFITS OF DISTRIBUTED GENERATION

SECTION 3B.3.(a) No later than May 1, 2016, the Energy Policy Council shall provide to the Joint Legislative Commission on Governmental Operations and the North Carolina Utilities Commission a comprehensive assessment of known and measurable costs and benefits to the electrical grid of distributed generation, including the comprehensive costs of and benefits of net metering from distributed solar generation in this State. The Energy Policy Council may contract with a consultant to perform the assessment.

The assessment shall include an analysis of, and recommendations with respect to, the following:

(1) The impact of current and future nondispatchable distributed generation on the affordability, reliability, resiliency, and safety of North Carolina's electric grid.

(2) Whether changes to existing State law, regulations, policies, and incentives are appropriate considering the cost and operational impacts of current and future nondispatchable distributed generation on North Carolina's electric grid.

(3) Whether standby, generation, transmission, or other charges and credits are necessary to recognize the costs and benefits associated with nondispatchable distributed generation to ensure the protection of North Carolina electric customers.

(4) The costs and benefits of distributed solar generation to the State, customer-generators who participate in net metering, customers of a utility who do not participate in net metering, and each utility that offers net metering. The costs and benefits of solar distributed generation considered in the study shall include all of the following to the extent they are known and measurable:

a. Value of energy at the time of generation.

b. Market price effects on other fuel sources for energy production.

c. Effects on utility delivery systems, generation capacity, transmission capacity, and transmission and distribution line losses.

d. Environmental impacts of energy production.
e. Effects on reliability of the electric system.
f. Any fixed distribution costs that the utility recovers from its customers on a volumetric basis.
g. Any other costs or benefits the Energy Policy Council believes are appropriate.

SECTION 3B.3.(b) Each public utility, electric membership corporation, and municipality that distributes electricity in this State shall to the fullest extent possible cooperate with the Energy Policy Council and furnish the Energy Policy Council with any information it requests in the course of completing the assessment provided for in this act.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

#2

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 760

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

H760-ASB-26 [v.3]

Amends Title [NO]
H760-CSSB-7 [v.8]

Date _____ ,2015

Representative Millis

moves to amend the bill on page 15, lines 4 through 34,
by rewriting the lines to read:

"(b1) Exceeding Minimum State Requirements. – The Commission may approve a delegation application proposing a riparian buffer width that exceeds that required by the State for the type of surface body of water and the river basin or basins in which the unit of local government is located only in accordance with the procedures of this section:

(1) Units of local government may request exceedances in riparian buffer widths from the Commission when submitting an application under subsection (b) of this section. Exceedances in buffer width enforced by units of local government under an existing local ordinance may not be enforced after February 1, 2016, unless the unit of local government has either received approval for an exceedance under the procedures set forth in this subsection or has an application for an exceedance pending with the Commission. Under no circumstances shall any existing local ordinance be enforced after June 1, 2016, unless the Commission has approved the exceedance. For purposes of this subdivision, an "existing local ordinance" is a local ordinance approved prior to August 1, 2015, that includes an exceedance in riparian buffer width from that required by the State.

(2) The Commission may consider a request for an exceedance in riparian buffer width only if the request is accompanied by a scientific study prepared by or on behalf of the unit of local government that provides a justification for the exceedance based on the topography, soils, hydrology, and environmental impacts within the jurisdiction of the unit of local government. The Commission may also require that the study include any other information it finds necessary to evaluate the request for the exceedance.

(3) The Commission shall grant the request for an exceedance only if it finds that the need for the exceedance in riparian buffer width is established by the scientific evidence presented by the unit of local government requesting the exceedance in order to meet the nutrient reduction goal set by the Commission for the basin subject to the riparian buffer rule.

(4) For purposes of this subsection, "existing local ordinance" shall include a zoning district, subdivision or development regulation; comprehensive plan; policy; resolution; or any other act carrying the effect of law."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

#2
Millis

#3

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 760

AMENDMENT NO. 1
(to be filled in by Principal Clerk)

H760-ASB-30 [v.2]

Amends Title [NO]
H760-CSSB-7 [v.8]

Date _____, 2015

Representative _____

moves to amend the bill on page 18, lines 17 through 35, by rewriting the lines to read:

"(b) If State law requires a protective riparian buffer for coastal wetlands in either the Neuse River Basin or the Tar-Pamlico River Basin, the protective riparian buffer for any of the coastal wetlands or marshlands in the Neuse River Basin or the Tar-Pamlico River Basin shall be delineated from the normal high water level or the normal water level as appropriate."".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

failed
Harrison
#3

#4

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 760

Harrison

AMENDMENT NO. #3
(to be filled in by
Principal Clerk)

H760-ASB-29 [v.2]

Amends Title [NO]
H760-CSSB-7 [v.8]

Date _____,2015

Representative _____

moves to amend the bill on page 17, lines 13 through 27,
by rewriting the lines to read:

"(b) Exemption. – Absent a requirement of federal law, including compliance with an approved Total Maximum Daily Load developed pursuant to 40 CFR Part 130, or an imminent threat to public health or safety, an applicable buffer rule shall not apply to any tract of land that meets all of the following criteria:

(1) With the exception set forth in subsection (c) of this section, an approved residential subdivision plat was recorded in the register of deeds in the county where the tract is located prior to the effective date of the applicable buffer rule.

(2) The owner of the tract has vested rights to develop the tract under ordinances, rules, and laws applicable to the tract on the effective date for the applicable buffer rule set out in subsection (a) of this section.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

withdrawn

#5

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 760

AMENDMENT NO. #2
(to be filled in by
Principal Clerk)

H760-ASB-27 [v.2]

Amends Title [NO]
H760-CSSB-7 [v.8]

Date _____,2015

Representative _____

moves to amend the bill on page 16, lines 17 through 19,
by rewriting the lines to read:

"(e3) Limitation on Local Government Riparian Area Restrictions. – Units of local ".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

withdrawn
5 amend.
Harrison

4

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 760

Mills #2

AMENDMENT NO. _____
(to be filled in by Principal Clerk)

H760-AST-49 [v.4]

Amends Title [NO]
First Edition

Date _____,2015

Representative Millis

moves to amend the bill on page 12, lines 11-12, by inserting the following between those lines:

"**SECTION 2.9(a)** G.S. 153A-349.4 reads as rewritten:

"**§ 153A-349.4. Developed property ~~must contain certain number of acres; criteria;~~ permissible durations of agreements.**

(a) A local government may enter into a development agreement with a developer for the development of property as provided in this ~~Part, provided the property contains 25 acres or more of developable property (exclusive of wetlands, mandatory buffers, unbuildable slopes, and other portions of the property which may be precluded from development at the time of application).~~Part. Development agreements shall be of a reasonable term specified in the ~~agreement, provided they may not be for a term exceeding 20 years.~~agreement.

~~(b) Notwithstanding the acreage requirements of subsection (a) of this section, a local government may enter into a development agreement with a developer for the development of property as provided in this Part for developable property of any size (exclusive of wetlands, mandatory buffers, unbuildable slopes, and other portions of the property which may be precluded from development at the time of application), if the developable property that would be subject to the development agreement is subject to an executed brownfields agreement pursuant to Part 5 of Article 9 of Chapter 130A of the General Statutes. Development agreements shall be of a term specified in the agreement, provided they may not be for a term exceeding 20 years.~~"

SECTION 2.9.(b) G.S. 160A-400.23 reads as rewritten:

"**§ 160A-400.23. Developed property ~~must contain certain number of acres;~~criteria; permissible durations of agreements.**

(a) A local government may enter into a development agreement with a developer for the development of property as provided in this ~~Part, provided the property contains 25 acres or more of developable property (exclusive of wetlands, mandatory buffers, unbuildable slopes, and other portions of the property which may be precluded from development at the time of application).~~ Part. Development agreements shall be of a reasonable term specified in the ~~agreement, provided they may not be for a term exceeding 20 years.~~agreement.

~~(b) Notwithstanding the acreage requirements of subsection (a) of this section, a local government may enter into a development agreement with a developer for the development of~~

~~property as provided in this Part for developable property of any size (exclusive of wetlands, mandatory buffers, unbuildable slopes, and other portions of the property which may be precluded from development at the time of application), if the developable property that would be subject to the development agreement is subject to an executed brownfields agreement pursuant to Part 5 of Article 9 of Chapter 130A of the General Statutes. Development agreements shall be of a term specified in the agreement, provided they may not be for a term exceeding 20 years.~~"

SECTION 2.9.(c) G.S. 153A-249.3 reads as rewritten:

"**§ 153A-349.3. Local governments authorized to enter into development agreements; approval of governing body required.**

(a) A local government may establish procedures and requirements, as provided in this Part, to consider and enter into development agreements with developers. A development agreement must be approved by the governing body of a local government by ordinance.

(b) The development agreement may, by ordinance, be incorporated, in whole or in part, into any planning, zoning, or subdivision ordinance adopted by the local government."

SECTION 2.9.(d) G.S. 160A-400.22 reads as rewritten:

"**§ 160A-400.22. Local governments authorized to enter into development agreements; approval of governing body required.**

(a) A local government may establish procedures and requirements, as provided in this Part, to consider and enter into development agreements with developers. A development agreement must be approved by the governing body of a local government by ordinance.

(b) The development agreement may, by ordinance, be incorporated, in whole or in part, into any planning, zoning, or subdivision ordinance adopted by the local government."

SECTION 2.9.(e) This section becomes effective October 1, 2015, and applies to development agreements entered into on or after that date."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE

HB **742** Clarify PE Licensure.

Draft Number:	None
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Arp

TOTAL REPORTED: 1

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL

HB **705** Amend Septic Tank Requirements.

Draft Number:	H705-PCS40436-MH-9
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Brody

TOTAL REPORTED: 1

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL

HB **760** Regulatory Reform Act of 2015.

Draft Number:	H760-PCS40434-SB-7
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Millis

TOTAL REPORTED: 1

House Committee on Regulatory Reform
Tuesday, April 28, 2015
Room 544, Legislative Office Building
Representatives Bell, Millis, Riddell - Co-chairs

MINUTES

The House Committee on Regulatory Reform met at 10:00 AM on Tuesday, April 28, 2015 in Room 544 of the Legislative Office Building. Attending were Representatives: Bell, Millis, Riddell, Goodman, Speciale, Blackwell, Bradford, Brody, Catlin, Cunningham, Dixon, Hager, Harrison, Jones, McElraft, Queen, Stevens. See Attachment 3

Representative Chris Millis, Chair, presided

Representative Millis recognized the staff, sergeant at arms, and pages.

The following bills were considered:

HB 763 Task Force on Regulatory Reform (Representatives Millis, Bell, Riddell)
Representative Riddell explained the bill. The bill was discussed and debated. Representative Stevens and Representative Jones made the motion for a favorable report for the bill. The vote was called and the motion passed. See Attachment 4

HB 706 Building Codes/Rustic Cabins (Representatives McGrady, Whitmire, Jordan, Harrison)
Representative McGrady explained the bill. There was no discussion. Representative Harrison made the motion for a favorable report. The vote was called and passed unanimously. See attachment 5

HB 812 Grant Recipients Posted on Grantor Web Site (Representatives Riddell, Saine, Bradford, Bishop)
After discussion and debate, Representative Dixon moved for a favorable report. The vote was called and passed unanimously. See attachment 6

The meeting adjourned at 11:00 AM.

Attachment 1 – Meeting Notice
Attachment 2- Agenda
Attachment 3 – Membership
Attachment 4 – HB 763
Attachment 5 – HB 706
Attachment 6 – HB706
Attachment 7 – Committee Report
Attachment 8 – Membership List

Representative Chris Millis
Co-chair, presiding

Vivian Sherrell, Committee Clerk 6/1/15

Attachment 1

Vivian Sherrell (Rep. Chris Millis)

From: Dianne Russell (House Legislative Assistant Director)
Sent: Monday, April 27, 2015 07:30 PM
To: Rep. Chris Millis; Rep. John Bell; Rep. Dennis Riddell; Rep. Pricey Harrison; Rep. Chuck McGrady; Rep. Jonathan Jordan; Rep. Chris Whitmire; Rep. Jason Saine; Rep. John Bradford; Rep. Dan Bishop; Rep. Bill Brawley
Cc: Vivian Sherrell (Rep. Chris Millis); Susan West Horne (Rep. John Bell); Polly Riddell (Rep. Dennis Riddell); Sue Osborne (Rep. Pricey Harrison); Laura Bone (Rep. Chuck McGrady); Kevin King (Rep. Jonathan Jordan); Janet Crain (Rep. Chris Whitmire); Megan Kluttz (Rep. Chris Whitmire); Laura Puryear (Rep. Jason Saine); Anita Spence (Rep. John Bradford); David Larson (Rep. Dan Bishop); Lynn Taylor (Rep. Bill Brawley)
Subject: <NCGA> House Regulatory Reform Committee Meeting Notice for Tuesday, April 28, 2015 at 10:00 AM - CORRECTED #2
Attachments: Add Meeting to Calendar_LINC_.ics

Corrected #2: Remove HB 863

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Tuesday, April 28, 2015
TIME: **10:00 AM**
LOCATION: **544 LOB**
COMMENTS: **Rep. Millis is Chairing**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 763	Task Force on Regulatory Reform.	Representative Millis Representative J. Bell Representative Riddell
HB 706	Building Code/Rustic Cabins.	Representative McGrady Representative Whitmire Representative Jordan Representative Harrison
[redacted]B 812	Grant Recipients Posted on Grantor Web Site.	Representative Riddell Representative Saine Representative Bradford

Attachment 2-

AGENDA

Date: April 28, 2015
Room: 544 LOB
Time: 10:00 a.m.
Presiding: Representative Chris Millis, Co-Chair

AGENDA ITEMS

BILL NO.	SHORT TITLE	SPONSORS
HB 763	Task Force on Regulatory Reform	Representative Millis Representative J. Bell Representative Riddell
HB 706	Building Code/Rustic Cabins	Representative McGrady Representative Whitmire Representative Jordan Representative Harrison
HB 812	Grant Recipients Posted on Grantor Web Site	Representative Riddell Representative Saine Representative Bradford Representative Bishop

Attachment 3

ATTENDANCE

House Committee on Regulatory Reform

2015 Session

DATES		4/28														
BELL, John	CHAIR	X														
MILLIS, Chris	CHAIR	X														
RIDDELL, Dennis	CHAIR	X														
GOODMAN, Ken	VICE CHAIR	X														
JORDAN, Jonathan	VICE CHAIR															
SPECIALE, Michael	VICE CHAIR	X														
BISHOP, Dan																
BLACKWELL, Hugh		X														
BRADFORD, John		X														
BRISSON, William																
BRODY, Mark		X														
BRYAN, Rob																
CATLIN, Rick		X														
COTHAM, Tricia																
CUNNINGHAM, Carla		X														
DIXON, Jimmy		X														
DOLLAR, Nelson																
HAGER, Mike		X														
HALL, Larry																
HARRISON, Pricey		X														
JONES, Bert		X														
McELRAFT, Pat		X														
MEYER, Graig																
MOORE, Rodney																
QUEEN, Joe Sam		X														
SCHAFFER, Jacqueline																

STAM, Paul															
STEVENS, Sarah	X														
WHITMIRE, Chris															
BROWN, Karen Cochrane	X														
HUDSON, Jeff	X														
HORNE, Susan	X														
RIDDELL, Polly															
SHERRILL, Vivian	X														

Attachment 4

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

HOUSE BILL 763

Short Title:	Task Force on Regulatory Reform.	(Public)
Sponsors:	Representatives Millis, J. Bell, and Riddell (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE NORTH CAROLINA JOINT LEGISLATIVE TASK FORCE ON REGULATORY REFORM.

The General Assembly of North Carolina enacts:

SECTION 1. There is established the North Carolina Joint Legislative Task Force on Regulatory Reform (Task Force). The purpose of the Task Force is to solicit, review, and recommend proposals provided by owners and managers of businesses, economic development professionals, employers, employees, independent contractors, consumers, and citizens from across the State on ways to improve the regulatory climate of North Carolina. In conducting its review, the Task Force shall consider all of the following:

(1) Methods to eliminate ineffective or overly burdensome regulation.
(2) Options to streamline implementation and reduce the cost of complying with certain State regulations.
(3) Avenues to quickly identify and review disproportionately misinterpreted or challenged regulations.
(4) Other ideas for improving the regulatory climate of the State.

SECTION 2. The Task Force shall consist of 12 members, appointed as follows:

(1) Six members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives; one of whom shall be a member of the House of Representatives, two of whom shall be at-large public members, and three of whom shall be appointed based upon their active participation and expertise in one of the following industries or economic sectors:
   a. Business Services.
   b. Environmental Services.
   c. Education and Workforce Development.
(2) Six members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate; one of whom shall be a member of the Senate, two of whom shall be at-large public members, and three of whom shall be appointed based upon their active participation and expertise in one of the following industries or economic sectors:
   a. Information Technology.
   b. Health care.
   c. Construction.

SECTION 3. The Task Force shall have two cochairs, one designated by the Speaker of the House of Representatives and one designated by the President Pro Tempore of the Senate. The cochairs shall convene the first meeting as soon as practicable after appointments have been made. The Task Force shall meet upon the call of the chair. A majority of the Task Force members shall constitute a quorum for the transaction of business.

SECTION 4. While in the discharge of its official duties, the Task Force may exercise all powers provided for under Article 5 of Chapter 120 of the General Statutes. The Task Force may contract for professional, clerical, or consultant services, as provided by G.S. 120-32.02.

SECTION 5. Task Force members shall receive no compensation for their service but shall be paid per diem, subsistence, and travel expenses in accordance with G.S. 120-3.1, 138-5, and 138-6, as applicable.

SECTION 6. The Legislative Services Commission shall allocate from a portion of the funds appropriated to the General Assembly for each fiscal year for expenses of the Task Force.

SECTION 7. The Task Force may meet at various locations around the State in order to promote greater public participation in its deliberations. The Legislative Services Commission shall grant adequate meeting space to the Task Force in the State Legislative Building or the Legislative Office Building.

SECTION 8. The Task Force shall submit a final report on the results of its study, including any proposed legislation, to the members of the General Assembly on or before December 31, 2016, by filing a copy of the report with the Offices of the Speaker of the House of Representatives and the President Pro Tempore of the Senate. The Task Force shall terminate on December 31, 2016, or upon the filing of its final report, whichever occurs first.

SECTION 9. This act is effective when it becomes law.

HOUSE BILL 763:
Task Force on Regulatory Reform

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	April 27, 2015
Introduced by:	Reps. Millis, J. Bell, Riddell	**Prepared by:**	Karen Cochrane-Brown
Analysis of:	First Edition		Committee Counsel

SUMMARY: ***House Bill 763 would create the North Carolina Joint Legislative Task Force on Regulatory Reform to solicit, review, and recommend proposals on ways to improve the regulatory climate of North Carolina.***

BILL ANALYSIS:

House Bill 763 establishes a Task Force to study ways to improve the regulatory climate in the State. In conducting its review, the Task Force is directed to consider:

- Methods to eliminate ineffective or overly burdensome regulation.
- Options to streamline implementation and reduce compliance costs.
- Avenues to quickly identify and review disproportionately misrepresented or challenged regulations.

The Task Force would be composed of 12 members; six appointed by the Speaker of the House and six appointed by the President Pro Tempore of the Senate. Only two of the Task Force members would be legislators, four would be at-large public members, and six would be representatives from specified industries or economic sectors.

The Task Force would be authorized to meet at various locations around the State to promote greater public participation in its deliberations.

The Task Force is directed to submit a final report to the leaders of both chambers on the results of its study, including any proposed legislation by December 31, 2016, after which the Task Force will terminate.

EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director

* H 7 6 3 - S M R O - 2 3 E 1 - V 1 *

Research Division
(919) 733-2578

Attachment 5

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H 1

HOUSE BILL 706

Short Title:	Building Code/Rustic Cabins.	(Public)
Sponsors:	Representatives McGrady, Whitmire, Jordan, and Harrison (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE BUILDING CODE COUNCIL TO AMEND THE NORTH CAROLINA BUILDING CODE TO EXEMPT OPEN AIR CAMP CABINS FROM CERTAIN REQUIREMENTS OF THE CODE.

The General Assembly of North Carolina enacts:

SECTION 1. Definitions. – As used in this act, "Council" means the Building Code Council, "Code" means the 2012 North Carolina Building Code, and "open air camp cabin" means a single-story structure that (i) has three walls consisting of at least twenty percent (20%) screened openings no more than 44 inches above the floor; (ii) has no heating or cooling system; (iii) is occupied for no more than 150 days within any rolling 365-day time span; and (iv) accommodates 36 or fewer persons.

SECTION 2. New Code amendment. – Until the effective date of the Code amendment that the Council is required to adopt pursuant to Section 4 of this act, the Council and local governments enforcing the Code shall follow the provisions of Section 3 of this act with respect to open air camp cabins.

SECTION 3. Implementation. – Notwithstanding any provision of the Code to the contrary, the Council shall not enforce any requirements more stringent than the following for open air camp cabins:

(1) The open air camp cabin shall have at least two remote unimpeded exits, but lighted exit signs shall not be required.

(2) The open air camp cabin shall not be required to have plumbing or electrical systems, but if the cabin has these systems, then the provisions of the Code otherwise applicable to those systems shall apply.

(3) Smoke detectors and handheld fire extinguishers may be required as otherwise provided in the Code, but no requirement for a sprinkler system shall be imposed.

SECTION 4. Rule-making authority. – Notwithstanding G.S. 150B-19(4), the Commission shall adopt rules establishing a new residential occupancy category under Section 310 of the Code for open air camp cabins that are substantively identical to the provisions of Section 3 of this act.

SECTION 5. Sunset. – Section 3 of this act expires on the date that rules adopted pursuant to Section 4 of this act become effective.

SECTION 6. This act is effective when it becomes law.

HOUSE BILL 706:
Building Code/Rustic Cabins

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	April 28, 2015
Introduced by:	Reps. McGrady, Whitmire, Jordan, Harrison	**Prepared by:**	Jeff Hudson Committee Counsel
Analysis of:	First Edition		

SUMMARY: House Bill 706 would require the Building Code Council to modify certain Building Code requirements with respect to open air camp cabins.

BILL ANALYSIS:

House Bill 706 would modify the regulation of open air camp cabins under the North Carolina Building Code. The bill defines "open air camp cabin" to mean a single-story structure that (i) has three walls consisting of at least twenty percent (20%) screened openings no more than 44 inches above the floor; (ii) has no heating or cooling system; (iii) is occupied for no more than 150 days within any rolling 365-day time span; and (iv) accommodates 36 or fewer persons.

The bill provides that for open air camp cabins, the Building Code Council must not enforce requirements more stringent than the following:

- The open air camp cabin must have at least two remote unimpeded exits, but lighted exit signs are not required.
- The open air camp cabin will not be required to have plumbing or electrical systems, but if the cabin has these systems, then the provisions of the Building Code otherwise applicable to those systems apply.
- Smoke detectors and handheld fire extinguishers may be required as otherwise provided in the Building Code, but no requirement for a sprinkler system may be imposed.

The Building Code Council must amend the Building Code to be consistent with these provisions.

EFFECTIVE DATE: This act would become effective when it becomes law.

Attachment 6

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H 1

HOUSE BILL 812

Short Title:	Grant Recipients Posted on Grantor Web Site.	(Public)
Sponsors:	Representatives Riddell, Saine, Bradford, and Bishop (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO ENSURE THAT INFORMATION ON GRANT FUNDS AWARDED BY STATE AGENCIES IS READILY AVAILABLE ON STATE AGENCY WEB SITES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143C-2-5 reads as rewritten:

"**§ 143C-2-5. Grants and contracts database.**

(a) The Director of the Budget shall require the Office of State Budget and Management, with the support of the Office of Information Technology Services, to build and maintain a database and Web site for providing a single, searchable Web site on State spending for grants and contracts to be known as NC OpenBook.

(b) ~~Each head of a principal department listed in G.S. 143B-6~~ The head of each State institution, department, bureau, agency, or commission shall conduct a review monthly of all State contracts and grants administered by that ~~principal department.~~agency.

(c) All State institutions, departments, bureaus, agencies, or commissions ~~subject to the authority of the Director of the Budget~~ that maintain a Web site shall be required to include an access link to the NC OpenBook Web site on the home page of the agency Web site. Each agency shall also prominently display a search engine on the agency Web site home page to allow for ease of searching for information, including contracts and grants, on the agency's Web site."

SECTION 2. The State Chief Information Officer, through the Digital Commons Project, shall ensure that the data on grants or awards of public funds to non-State entities that is available on the NC OpenBook Web site is displayed in a consistent and easily accessible manner on the Web sites of all State institutions, departments, bureaus, agencies, and commissions.

The State Chief Information Officer shall fully implement this act by December 31, 2015.

The State Chief Information Officer shall report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division prior to August 1, 2015, on a time line for implementing this act.

SECTION 3. This act is effective when it becomes law.

HOUSE BILL 812:
Grant Recipients Posted on Grantor Web Site

2015-2016 General Assembly

Committee:	House Regulatory Reform	**Date:**	April 27, 2015
Introduced by:	Reps. Riddell, Saine, Bradford, Bishop	**Prepared by:**	Karen Cochrane-Brown
Analysis of:	First Edition		Committee Counsel

SUMMARY: ***House Bill 812 would amend the law that authorizes NC OpenBook, the State's searchable website on spending for grants and contracts, to ensure that information on grant funds awarded by State agencies is readily available on the agencies' websites. The bill also directs the State Chief Information Officer to ensure that the information is displayed on all agency websites in a consistent and accessible manner by December 31, 2015.***

CURRENT LAW: The Office of State Budget and Management, with support from the Office of Information Technology Services, maintains a database and website which provides a single searchable site on State spending on grants and contracts, known as NC OpenBook.

Under current law, the heads of the principal departments of State government are required to conduct a monthly review of all the grants and contracts administered by their departments. The principal departments are the Governor's cabinet agencies and the Community College System. In addition, all State government entities that are subject to the authority of the Director of the Budget and have a website are required to include an access link to the NC OpenBook website on their home page.

BILL ANALYSIS: House Bill 812 amends the law to require that all State institutions, departments, bureaus, agencies, or commissions conduct the monthly review of their State grants and contracts, not just the principal departments.

Section 2 of the bill directs the State Chief Information Officer to ensure that information on grants and contracts is displayed in a consistent and accessible manner on all State entity websites by December 31, 2015. The State Chief Information Officer is also directed to report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division before August 1, 2015, on a time line for implementing the act.

.EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director

* H 8 1 2 - S M R O - 2 4 E 1 - V 1 *

Research Division
(919) 733-2578

Attachment 1

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE

HB **706** Building Code/Rustic Cabins.

Draft Number:	None
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	McGrady

HB **763** Task Force on Regulatory Reform.

Draft Number:	None
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Riddell

HB **812** Grant Recipients Posted on Grantor Web Site.

Draft Number:	None
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Riddell

TOTAL REPORTED: 3

CMR273-V-1

Attachment 8

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM
Name of Committee

04-28-2015
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Nahale F Khalfas	NCBOE SCPA
[signature]	D.J. A + Associates —
Andy Chase	KMA
Will Culpepper	MVA
Cody [illegible]	NC Lumbee Nation
[signature] Eyes	" "
David Heinen	NC Center for Nonprofits
[signature]	
Henry M Lancaster III	LCA
Ben Popken	DOI
BARRY GUPTON	NCDOI

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM — 04-28-2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
JERRY SCHILL	NCFA
Jim Johnson	BSA
JGoodman	NC Chamber
Will Parry-Hill	NCHFA
Kelli Kuhlman	Duke Energy
Doug Lassiter	NCSTA
Tim Keint	NC Beer & Wine
C Thomas	Farm Central
[illegible]	Duke Energy
Ken Melton	K M A.
Preston Howard	NCMA

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM — 04-28-2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Doug Hovey	NCPCM
	MWC
Phoebe Landon	Brooks Pierce
Penny Huffman	School Bd.
Meghan Cook	OITS
Hugh Johnson	NCAFC
George Everett	Duke Energy
Carol Kuie	MVA
	NCREC
Lexi Morgan	NCRMA

VISITOR REGISTRATION SHEET

COMM ON REGULATORY REFORM
Name of Committee

04-28-2015
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Tim Norman	NCBEEC
Rod Fountain	self

House Committee on Regulatory Reform
Monday, June 8, 2015
Room 544, Legislative Office Building
Representatives Bell, Millis, Riddell - Co-chairs

MINUTES

The House Committee on Regulatory Reform met at 3:00 p.m. Monday, June 8, 2015 in Room 544 of the Legislative Office Building. Attending were Representatives; Bell, Millis, Riddell, Goodman, Speciale, Bishop, Blackwell, Bradford, Brody, Bryan, Cunningham, Dixon, Dollar, Hager, Harrison, Jones, McElraft, Meyer, Moore, Stam, Stevens, Whitmire. (See Attachment 3)

Representative Chris Millis, Co-chair, presided

Representative Millis recognized the staff, sergeant at arms, and the clerk working the committee, Vivian Sherrell.

The following bills were considered:

SB 25 Zoning/Design & Aesthetic Controls (See attachment 4).

Senator Gunn presented the bill and explained it in detail. After much discussion and questions from the committee, Representative Meyer offered an amendment, (See attachment 5). Representative Brawley presented the amendment with input from Erin Wynia from the League of Municipalities speaking in favor of the amendment. Mike Carpenter of the Homebuilders Association spoke against the amendment.
Representatives Hager, Riddell, Bell, Dollar, Speciale, Stam, and McElraft spoke asking for the members to vote against the amendment. A voice vote was taken and the amendment failed. Rep. Millis went back to the original bill. Rep. Hager made a motion for a favorable report to the original bill. A vote was taken and the bill passed.

HB 805 Measurability Assessments (For Discussion Only) See attachment 6.

Representative Blackwell and Representative Avila presented the bill and explained it in detail. There were questions from several members on the committee.

Rep. Millis adjourned the meeting at 4:15 p.m.

See Attachments Below:

Attachment 1 – Meeting Notice
Attachment 2- Agenda
Attachment 3 – Membership
Attachment 4 – SB 25

Attachment 5 Amendment to HB 25
Attachment 6 –HB 805
Attachment 7 – Committee Report
Attachment 8 – Visitor Registration List

Representative Chris Millis
Co-chair, presiding

Vivian Sherrell, Committee Clerk

Attachment 1

Corrected #1:

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Monday, June 8, 2015
TIME: **3:00 PM**
LOCATION: **544 LOB**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
SB 25	Zoning/Design & Aesthetic Controls.	Senator Gunn Senator Apodaca Senator Tarte
HB 805	Measurability Assessments. For Discussion Only	Representative Blackwell Representative Avila

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 7:54 AM on Monday, June 15, 2015.

___ Principal Clerk
___ Reading Clerk – House Chamber

Vivian Sherrell (Committee Assistant)

Attachment 2

AGENDA

Date: June 8, 2015
Room: 544 LOB
Time: 3:00 p.m.
Presiding: Representative Chris Millis, Co-chair

AGENDA ITEMS:

BILL NUMBER	SHORT TITLE
SPONSORS	
SB 25	Zoning/Design & Aesthetic Controls
Senator Gunn	
Senator Apodaca	
Senator Tarte	
HB 805	Measurability Assessments.
Representative Blackwell	(For Discussion Only)
Representative Avila	

Adjournment

Attachment 2 Continued

House Regulatory Reform
Notes for Agenda Items
June 8, 2015, 3:00 p.m.
Rep. Chris Millis, presiding Chair

Welcome and Opening Remarks

Introduction of Chairs, Staff

Rep. John Bell, Co Chair
Rep. Dennis Riddell, Co Chair

Karen Cochrane Brown, Staff
Jeff Hudson, Staff

Vivian Sherrell, Committee Assistant

***introduce Sergeant-at-Arms and Pages**

SB25 Zoning/Design & Aesthetic Controls (NO PCS)
Senators Gunn, Apodaca, Tarte

HB 805 Measurability Assessments. (For Discussion Only) NO PCS
Representatives Blackwell, Avila

Adjournment

Attachment 3

ATTENDANCE

HOUSE COMMITTEE ON REGULATORY REFORM

2015-1016 SESSION

DATES	6-8-15														
BELL, John CHAIR	✓														
MILLIS, Chris CHAIR	✓														
RIDDELL, Dennis CHAIR	✓														
GOODMAN, Ken VICE-CHAIR	✓														
JORDAN, Jonathan VICE-CHAIR															
SPECIALE, Michael VICE-CHAIR	✓														
BISHOP, Dan	✓														
BLACKWELL, Hugh	✓														
BRADFORD, John	✓														
BRISSON, William															
BRODY, Mark	✓														
BRYAN, Rob	✓														
CATLIN, Rick															
COTHAM, Tricia															
CUNNINGHAM, Carla	✓														
DIXON, Jimmy	✓														
DOLLAR, Nelson	✓														
HAGER, Mike	✓														
HALL, Larry															
HARRISON, Pricey	✓														
HOLLEY, Yvonne Lewis													✓		
JONES, Bert	✓														
McELRAFT, Pat	✓														
MOORE, Rodney (Meyer Proxy Craig)	✓														
QUEEN, Joe Sam															
SCHAFFER, Jaqueline															

STAM, Paul	✓														
STEVENS, Sarah	✓														
WHITMIRE, Chis	✓														

Attachment 4

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S 1

SENATE BILL 25

Short Title:	Zoning/Design & Aesthetic Controls.	(Public)
Sponsors:	Senators Gunn, Apodaca, Tarte (Primary Sponsors); Brock, Clark, Daniel, Ford, Hise, B. Jackson, Krawiec, Lee, Pate, Randleman, Smith, Soucek, and Tucker.	
Referred to:	Rules and Operations of the Senate.	

February 4, 2015

A BILL TO BE ENTITLED

AN ACT TO CLARIFY WHEN A COUNTY OR MUNICIPALITY MAY ENACT ZONING ORDINANCES RELATED TO DESIGN AND AESTHETIC CONTROLS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-381 is amended by adding new subsections to read:

"(h) Any zoning and development regulation ordinance relating to building design elements adopted under this Part, under Part 2 of this Article, or under any recommendation made under G.S. 160A-452(6)c. may not be applied to any structures subject to regulation under the North Carolina Residential Code for One- and Two-Family Dwellings except under one or more of the following circumstances:

(1) The structures are located in an area designated as a local historic district pursuant to Part 3C of Article 19 of Chapter 160A of the General Statutes.

(2) The structures are located in an area designated as a historic district on the National Register of Historic Places.

(3) The structures are individually designated as local, State, or national historic landmarks.

(4) The regulations are directly and substantially related to the requirements of applicable safety codes adopted under G.S. 143-138.

(5) Where the regulations are applied to manufactured housing in a manner consistent with G.S. 160A-383.1 and federal law.

(6) Where the regulations are adopted as a condition of participation in the National Flood Insurance Program.

Regulations prohibited by this subsection may not be applied, directly or indirectly, in any zoning district, special use district, conditional use district, or conditional district unless voluntarily consented to by the owners of all the property to which those regulations may be applied as part of and in the course of the process of seeking and obtaining a zoning amendment or a zoning, subdivision, or development approval, nor may any such regulations be applied indirectly as part of a review pursuant to G.S. 160A-383 of any proposed zoning amendment for consistency with an adopted comprehensive plan or other applicable officially adopted plan. For the purposes of this subsection, the phrase "building design elements" means exterior building color; type or style of exterior cladding material; style or materials of roof structures or porches; exterior nonstructural architectural ornamentation; location or architectural styling of windows and doors, including garage doors; the number and types of rooms; and the interior layout of rooms. The phrase "building design elements" does not include any of the following: (i) the height, bulk, orientation, or location of a structure on a

zoning lot; (ii) the use of buffering or screening to minimize visual impacts, to mitigate the impacts of light and noise, or to protect the privacy of neighbors; or (iii) regulations adopted pursuant to this Article governing the permitted uses of land or structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings.

(i) Nothing in subsection (h) of this section shall affect the validity or enforceability of private covenants or other contractual agreements among property owners relating to building design elements."

SECTION 2. G.S. 153A-340 is amended by adding new subsections to read:

"(l) Any zoning and development regulation ordinance relating to building design elements adopted under this Part, under Part 2 of this Article, or under any recommendation made under G.S. 160A-452(6)c. may not be applied to any structures subject to regulation under the North Carolina Residential Code for One- and Two-Family Dwellings except under one or more of the following circumstances:

(1) The structures are located in an area designated as a local historic district pursuant to Part 3C of Article 19 of Chapter 160A of the General Statutes.

(2) The structures are located in an area designated as a historic district on the National Register of Historic Places.

(3) The structures are individually designated as local, State, or national historic landmarks.

(4) The regulations are directly and substantially related to the requirements of applicable safety codes adopted under G.S. 143-138.

(5) Where the regulations are applied to manufactured housing in a manner consistent with G.S. 153A-341.1 and federal law.

(6) Where the regulations are adopted as a condition of participation in the National Flood Insurance Program.

Regulations prohibited by this subsection may not be applied, directly or indirectly, in any zoning district, special use district, conditional use district, or conditional district unless voluntarily consented to by the owners of all the property to which those regulations may be applied as part of and in the course of the process of seeking and obtaining a zoning amendment or a zoning, subdivision, or development approval, nor may any such regulations be applied indirectly as part of a review pursuant to G.S. 153A-341 of any proposed zoning amendment for consistency with an adopted comprehensive plan or other applicable officially adopted plan. For the purposes of this subsection, the phrase "building design elements" means exterior building color; type or style of exterior cladding material; style or materials of roof structures or porches; exterior nonstructural architectural ornamentation; location or architectural styling of windows and doors, including garage doors; the number and types of rooms; and the interior layout of rooms. The phrase "building design elements" does not include any of the following: (i) the height, bulk, orientation, or location of a structure on a zoning lot; (ii) the use of buffering or screening to minimize visual impacts, to mitigate the impacts of light and noise, or to protect the privacy of neighbors; or (iii) regulations adopted pursuant to this Article governing the permitted uses of land or structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings.

(m) Nothing in subsection (l) of this section shall affect the validity or enforceability of private covenants or other contractual agreements among property owners relating to building design elements."

SECTION 3. This act is effective when it becomes law. The act clarifies and restates the intent of existing law and applies to ordinances adopted before, on, and after the effective date.

Attachment 4 (continued)

SENATE BILL 25: Zoning/Design & Aesthetic Controls

2013-2014 General Assembly

Committee:	House Regulatory Reform	**Date:**	June 8, 2015
Introduced by:	Sens. Gunn, Apodaca, Tarte	**Prepared by:**	Karen Cochrane-Brown
Analysis of:	First Edition		Committee Counsel

SUMMARY: Senate Bill 25 would prohibit cities and counties from adopting zoning ordinances that regulate building design elements of structures subject to regulation under the North Carolina Residential Code for One- and Two-Family Dwellings.

[As introduced, this bill was identical to H36, as introduced by Reps. Dollar, Brawley, Jordan, Glazier, which is currently in House Local Government.]

CURRENT LAW: Municipalities (Chapter 160A) and counties (153A) may adopt zoning ordinances and subdivision regulation ordinances. Subdivision regulation ordinances may be as part of a unified development ordinance or as a separate subdivision ordinance to regulate the subdivision of land within the territorial jurisdiction of the county or city. A zoning ordinance may regulate and restrict the height, number of stories and size of buildings and other structures, the percentage of lots that may be occupied, the size of yards, courts and other open spaces, the density of population, and the location and use of buildings, structures, and land for trade, industry, residence, or other purposes.

Municipalities and counties may also create a "special appearance commission" pursuant to G.S. 160A-451, and confer upon that commission the authority to formulate and recommend the adoption of ordinances that will enhance the appearance of the municipality or county.

BILL ANALYSIS: Senate Bill 25 would prohibit cities and counties from adopting regulations controlling building design elements for one- and two-family dwellings.

The phrase "building design elements" means any of the following:

- Exterior building color.
- Type or style of exterior cladding materials.
- Style or materials of roof structure or porches.
- Exterior nonstructural architectural ornamentation.
- Location and architectural styling of windows or doors.
- Number, type and interior layout of rooms.

The phrase "building design elements" specifically excludes setback provisions, use of buffering or screening to minimize visual impacts or impact of light and noise, or regulations governing permitted uses of land.

Cities or counties could adopt ordinances regulating building design elements under the following circumstances:

- If the structures are located in historic districts, or if the structures are designated as historic landmarks.

- If regulation is directly and substantially related to applicable safety codes.
- Where regulations apply to manufactured housing, consistent with State and federal law.
- Where regulations are a condition of participation in the National Flood Insurance Program.

The provisions would not impact the enforcement or validity of restrictive covenants.

EFFECTIVE DATE: The act would be effective when it becomes law, and, because it clarifies and restates the intent of existing law, it would apply to ordinances adopted before, on, and after that date.

Wendy Graf Ray, counsel to Senate Commerce, substantially contributed to this summary.

attachment 5

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 25

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

S25-AST-85 [v.4]

Amends Title [NO]
First Edition

Date _____,2015

Representative ~~Brawley~~ Meyer

moves to amend the bill on page 1, lines 6-10 by rewriting those lines to read:

"(h) Except as limited by this subsection, a city may adopt zoning and development regulation ordinances related to building design elements under this Part, Part 2 of this Article, or upon recommendations made pursuant to G.S. 160A-452(6)c. With respect to single-family detached structures in zoning districts with densities of four or fewer dwellings per acre, such ordinances may be applied only if one or more of the following circumstances apply:";

and on page 1, lines 22-23, by inserting the following between those lines:

"(7) Where the regulations are applied to new construction, or expansions or additions to existing structures, occurring on a property that meets either of the following criteria:

a. Is three acres or smaller in size and at least seventy-five percent (75%) of the properties within 500 feet of the property that the new construction, expansion or addition is located on are developed lots of one acre or less.

b. Is in a zoning district where at least seventy-five percent (75%) of the improved properties are at least 20 years old and no private covenants or other contractual arrangements amongst the property owners in that zoning district relating to building design elements exist.

(8) Where the regulations are imposed as conditions, consented to by all of the property owners to which those regulations may apply, relating to the allowance of density bonuses or modifications of open space, setbacks or required yards, lot coverage, lot size, buffering or screening, or regulations otherwise generally applicable in a zoning district.";

and on page 1, line 23, by deleting "prohibited" and substituting "not authorized";

and on page 1, line 33, by deleting "doors, including";

and on page 1, line 34, by deleting "rooms; and the interior layout of rooms." and substituting "rooms, not including kitchens.";

and on page 1, line 35, by inserting "principal or accessory" before "structure" on that line;

and on page 2, lines 3-4 by deleting "structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings." and substituting "single-family detached structures.";

and on page 2, lines 46-48, by rewriting those lines to read:

"**SECTION 3.** This act is effective when it becomes law, and applies to initial approvals of proposed development granted on or after that date. This act does not apply to subsequent development approvals for a proposed development that prior to the effective date of this act received approval of a preliminary plat, site-specific, or phased development plan, other required site plan, conditional rezoning, or any other development approval for which statutory or common law vested rights have been established.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

Attachment 6

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H 1

HOUSE BILL 805

Short Title:	Measurability Assessments.	(Public)
Sponsors:	Representatives Blackwell and Avila (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR MEASURABILITY ASSESSMENTS OF STATE PROGRAMS.

The General Assembly of North Carolina enacts:

SECTION 1. The North Carolina General Statutes are amended by adding a new Chapter to read:

"**Chapter 143E.**

"**The North Carolina Measurability Assessment Act of 2015.**

"**§ 143E-1. Title.**

This Chapter shall be known and may be cited as the "North Carolina Measurability Assessment Act of 2015."

"**§ 143E-2. Request for measurability assessment.**

The General Assembly may require a measurability assessment of any proposed or existing State program to determine whether the program is or will be capable of reporting performance and return on investment.

"**§ 143E-3. Definition of measurability assessment.**

(a) A measurability assessment is an independent evaluation conducted on a new or existing State program.

(b) A measurability assessment must include or determine all of the following:

(1) Whether and to what degree the program is unique and does not duplicate or negate results of another public or private program or enterprise.

(2) The local, regional, or statewide problems or needs that the program is intended to address.

(3) Whether there is a program design portrayed by a logic model as defined by the Logic Model Development Guide by the W.K. Kellogg Foundation, including an evaluation of that logic model.

(4) Whether there is evidence that the program produces results attributable to the program to remedy the problem or need.

a. For a proposed program, whether the evidence stems from a formative evaluation of proposed activities through a field trial using a valid and reliable instrument or method to measure changes in a randomized control group that was not subjected to the proposed activities to changes in a randomized group that did receive the proposed activities.

b. For an existing program asserting existence of evidence, whether the evidence stemmed from a post-program summative evaluation using an experimental or quasi-experimental research design.

c. For both proposed and existing programs, if the evidence had been subjected to alternative interpretations and peer review.

(5) The capacity of the administering entity to expand the program based upon existing evidence or results.

(6) How the program proposes to engage in strategic planning.

(7) How the program proposes to measure performance, including measurement of:

a. Total costs of program services with costs separately reported for each activity associated with each service.

b. Outputs or counts of units of services and for individual activities associated with each service.

c. Costs per unit of service and for individual activities associated with each service.

d. Outcomes or results attributable to each program service including results upon completion of program service; results still evident one, two, and three years after completion; ultimate or permanent results; and when and how permanent results will be determined by the program.

e. Customer or client satisfaction with program services.

f. Statewide impacts of program outcomes as evidenced by census data or other statewide data.

g. Performance compared to standards and what standards the program intends to use.

(8) How the program will continuously improve quality of program services and consistency with the strategic plan.

(9) Whether the administering entity has conducted an assessment to identify financial and legal risks to the entity or the State and has plans for minimizing risk exposure.

(10) Whether the program conducts five-year forecasts of annual recurring costs and sources of funding for each year.

(11) Whether the program proposes to share costs with primary beneficiaries through a fee-for-service, co-payment, or tuition basis and the extent to which any expected cost-sharing is or will be means-tested and by what method.

(12) How program staffing requirements are determined and an evaluation of those requirements.

(13) Whether the program has or proposes to have a financial accounting system capable of accounting for all assets, liabilities, receipts, and disbursements.

(14) Whether the program is or will be postaudited and if there are any potential impediments to audits or evaluations by the State Auditor, agency internal auditors, or the Program Evaluation Division of the General Assembly.

(c) The assessor must submit a written report containing the results of the measurability assessment to the Office of State Budget and Management (OSBM) at a time and in a format required by OSBM.

"**§ 143E-4. Administration of Measurability Assessment Process.**

(a) OSBM must use a competitive process to prequalify independent measurability assessors. The assessors will be independent contractors compensated through a uniform fee system established by OSBM, and there will be no guarantee that any prequalified assessor will

receive assessment assignments. OSBM shall not assign an assessor to a measurability assessment if the assessor has been employed by or contracted with the entity within five years preceding the assessment.

(b) OSBM shall establish standards for assessor qualifications, independence, and for conducting and reporting measurability assessments. Individuals who do not meet the qualifications may not be used to conduct measurability assessments.

(c) Whenever a measurability assessment is required, OSBM shall select the assessor and require the agency or institution to reimburse OSBM for the assessor's costs and for a share of OSBM costs for administering the measurability assessment program."

SECTION 2. This act becomes effective October 1, 2015.

Attachment 7

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT
Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE

SB **25** Zoning/Design & Aesthetic Controls.

Draft Number:	None
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Millis

TOTAL REPORTED: 1

Attachment 8
5 pages

VISITOR REGISTRATION SHEET

HOUSE COMM ON REGULATORY REFORM — 06-08-2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Courtney Lockamy	Randolph Clod & Assoc.
Robert E. Clod	R. Clod & assoc.
Tim Gauss	Town of Mooresville
Val Hoyle	LOLLC
Betsy McCorkle	NCSEA
Drew Elliot	Jones + Blount
Rhonda Toda	DOA
Dana Fenton	City of Charlotte
William D Totman	MWCLLC
Diane Price	Sierra Club
Starnes	Treasurer

VISITOR REGISTRATION SHEET

HOUSE COMM ON REGULATORY REFORM 06-08-2015

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Crawford	AIANC
AJ Wolf	NCSEA
NICHOLAS SERRANO	NCASLA
Susan Vick	Duke Energy
Ryan Minto	Gov's Office
Erin Wynia	NCLM
Rose Williams	NCLM
Julie White	NCMMC
Jackie Lovett	NSS
Jack Cogort	NSS
Betsy Bailey	CAGC

VISITOR REGISTRATION SHEET

HOUSE COMM ON REGULATORY REFORM 06-08-2015

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Elizabeth Bise	Brooks Pierce

VISITOR REGISTRATION SHEET

HOUSE COMM ON REGULATORY REFORM 06-08-2015

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	[illegible]
Isabel Williamson	NCTA
Jason Bales	Brubaker & Assoc.
ANDY WALSH	SMITH ANDERSON
Seth Palmer	NCAR
Will Pannell	NCHFA
Natalie Hoban	NCHFA
[illegible]	BCI
RICH TURNER	PLY GEM
Meghan Cook	OITS
Matt Coulter	NC Cop Conn
CINDY THOMAS	[illegible]

VISITOR REGISTRATION SHEET

HOUSE COMM ON REGULATORY REFORM — 06-08-2015

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Johanna Reese	NCACC
Sam Skinner	NCACC
Hugh Johnson	NCACC
Heather Jarman	BASF
David Heinen	NC Center for Nonprofits
BRUCE THOMPSON	PARKER POE
Michelle Frazier	NFIB
Nathan Bates	NCBA
MIKE CARPENTER	NCBA
Steven Wright	NCBA
Andy Ellen	NCPA
Elizabeth Robbins	NCPA

House Committee on Regulatory Reform
Thursday, August 13, 2015 at 8:30 AM
Room 423 LOB

MINUTES

The House Committee on Regulatory Reform met at 8:30 AM on August 13, 2015 in Room 423 LOB. Representatives Bell, Blackwell, Bradford, Brody, Bryan, Catlin, Cotham, Cunningham, Dixon, Goodman, Harrison, Jones, Meyer, Riddell, and Speciale attended.

Representative Riddell, Chair, presided.

Representative Riddell recognized the staff and sergeant at arms.

The following bills were considered:

HB 805 Measurability Assessments (Representatives Blackwell, Avila)
Representative Blackwell explained the bill. There was a short discussion. Representative Dixon made the motion for a favorable report for the bill. The vote was called and the motion passed. See Attachment 3.

At this time Chairman Riddell handed the gavel over to Representative Bell.

HB 813 Results First Framework (Representatives Riddell, Blackwell, Blust, Collins)
Representative Riddell explained the bill. There was a short discussion. Representative Dixon made the motion for a favorable report. The vote was called and passed. See Attachment 4.
Representative Riddell provided material on Results First by Gary VanLandingham. See Attachment 5.

The meeting adjourned at 9:12 AM.

Representative Dennis Riddell,
Presiding

Polly Riddell, Committee Clerk

Addendum to August 13 Minutes

At this point, Representative Bell presided.

HB 813

Representative Bell made a motion for the Committee to adopt the proposed committee substitute which passed by voice vote. Representative Riddell explained the bill.

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Thursday, August 13, 2015
TIME: **8:30 AM**
LOCATION: **423 LOB**
COMMENTS: **Rep. Dennis Riddell will preside.**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 805	Measurability Assessments.	Representative Blackwell Representative Avila
HB 813	NC Accountability.	Representative Riddell Representative Blackwell Representative Blust Representative Collins

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:20 PM on Tuesday, August 11, 2015.

___ Principal Clerk
___ Reading Clerk – House Chamber

Polly Riddell (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **August 13, 2015**
Room: **423 LOB**
Time: **8:30 a.m.**
Presiding: **Representative Dennis Riddell, Co-Chair**

AGENDA ITEMS

HB 805 **MEASURABILITY ASSESSMENTS**
Representative Blackwell, Sponsor
Representative Avila, Sponsor

HB 813 **RESULTS FIRST FRAMEWORK**
Representative Riddell, Sponsor
Representative Blackwell, Sponsor
Representative Blust, Sponsor
Representative Collins, Sponsor

ADJOURNMENT

ATTACHMENT 1

Committee Sergeants at Arms

NAME OF COMMITTEE House Comm. on Reg. Reform

DATE: 08/13/15 Room: 423/424

House Sgt-At Arms:

1. Name: Warren Hawkins
2. Name: Charles Godwin
3. Name: David Leighton
4. Name: Rey Cooke
5. Name:

Senate Sgt-At Arms:

1. Name:
2. Name:
3. Name:
4. Name:
5. Name:

ATTACHMENT 2

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform — 08/13/15

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Brad Knott	DENR
[illegible]	[illegible]
Doug Lassiter	NCSTA
Maggie Craven	OSHR
Sarah Koonce	NCDOL
Jeff White	BEST NC
Lexi Arthur	NCRMA
Amanda Horace	TSS
Andy Chase	KMA
Jonathan Kappler	UNC GA
Drew Moretz	UNC GA

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform 08/13/15

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
ANDY WALSH	SA
Elizabeth Biser	Brooks Pierce
Heather Robinson	NCHMA
Tim Minton	NC Home Builders ASSN
Chris McClure	Brooks Pierce
Cory Horne	NFIB
T J Bryhel	NP
Annalise Walpole	DL

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform 08/13/15

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Clara Townsend	Gov. office
MJillian D Tilman	MUC LLC
Flint Benson	SEANC
Hugh Johnson	NCACC
Ryan Merwald	WM
Miller Nichols	Jordan Price 1951 Clark Ave
Julie White	NCNHC
Joe Coletti	OSBM
Kasey Ginsberg	Governor's Office
Jay Hicks	NCDA&CS
Paul Sherman	NCFB
Tom Beason	EDF, NCSEA
Paul Collins	SEANC

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform 08/13/15

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Chris Agnew	DOT
Isabel Villarreal Garcia	NC-AIZ
Dave Foster	CLT
Kelli Kulana	Duke Energy
Mark Blue	NCBIA

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform 08/13/15

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
JULIE KOWAL	BEST NC

ATTACHMENT 3

HOUSE BILL 805: Measurability Assessments

2015-2016 General Assembly

Committee:	House Regulatory Reform; Serial referral to House Appropriations	**Date:**	August 13, 2015
Introduced by:	Representatives Blackwell and Avila	**Prepared by:**	Jeff Hudson Committee Counsel
Analysis of:	PCS to First Edition H805-CSSB-16[v.3]		

SUMMARY: The Proposed Committee Substitute for House Bill 805 (PCS) would establish the North Carolina Measurability Assessment Act of 2015 to provide for assessments of State programs.

BILL ANALYSIS:

Section 1 would establish the North Carolina Measurability Act of 2015 to provide for assessments of State programs as follows:

- The General Assembly may require a measurability assessment of any proposed or existing State program to determine whether the program is or will be capable of reporting performance and return on investment.
- A measurability assessment is an independent evaluation that must include or determine among other things:
    - Whether and to what degree the program is unique and does not duplicate or negate results of another public or private program or enterprise.
    - The local, regional, or statewide problems or needs that the program is intended to address.
    - Whether there is a program design portrayed by a logic model as defined by the Logic Model Development Guide by the W.K. Kellogg Foundation.
    - Whether there is evidence that the program produces results attributable to the program to remedy the problem or need.
    - The capacity of the administering entity to expand the program based upon existing evidence or results.
    - How the program proposes to engage in strategic planning.
    - How the program proposes to measure performance.
    - How the program will continuously improve quality of program services and consistency with the strategic plan.
    - Whether the administering entity has conducted an assessment to identify financial and legal risks to the entity or the State and has plans for minimizing risk exposure.
    - Whether the program conducts five-year forecasts of annual recurring costs and sources of funding for each year.

  - Whether the program proposes to share costs with primary beneficiaries through a fee-for-service, co-payment, or tuition basis and the extent to which any expected cost-sharing is or will be means tested and by what method.
  - How program staffing requirements are determined and an evaluation of those requirements.
  - Whether the program has or proposes to have a financial accounting system capable of accounting for all assets, liabilities, receipts, and disbursements.
  - Whether the program is or will be postaudited and if there are any potential impediments to audits or evaluations by the State Auditor, agency internal auditors, or the Program Evaluation Division of the General Assembly (PED).
- The assessor must submit a written report containing the results of the measurability assessment to the Office of State Budget and Management (OSBM) and PED.
- OSBM, in consultation with PED, would identify independent measurability assessors as follows:
  - OSBM must use a competitive process to prequalify independent measurability assessors.
  - OSBM, in consultation with PED, will establish standards for assessor qualifications, independence, and for conducting and reporting measurability assessments.
  - Whenever a measurability assessment is required, OSBM, in consultation with PED, will select the assessor and require the agency or institution to reimburse OSBM for the assessor's costs and for a share of OSBM costs for administering the measurability assessment program.

Section 2 would appropriate $75,000 to the Office of State Budget and Management for the 2015-2016 fiscal year for the implementation of the act.

EFFECTIVE DATE: This act would become effective October 1, 2015.

HOUSE BILL 805

Short Title:	Measurability Assessments.	(Public)
Sponsors:	Representatives Blackwell and Avila (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR MEASURABILITY ASSESSMENTS OF STATE PROGRAMS.

The General Assembly of North Carolina enacts:

SECTION 1. The North Carolina General Statutes are amended by adding a new Chapter to read:

"**Chapter 143E.**

"**The North Carolina Measurability Assessment Act of 2015.**

"**§ 143E-1. Title.**

This Chapter shall be known and may be cited as the "North Carolina Measurability Assessment Act of 2015."

"**§ 143E-2. Request for measurability assessment.**

The General Assembly may require a measurability assessment of any proposed or existing State program to determine whether the program is or will be capable of reporting performance and return on investment.

"**§ 143E-3. Definition of measurability assessment.**

(a) A measurability assessment is an independent evaluation conducted on a new or existing State program.

(b) A measurability assessment must include or determine all of the following:

(1) Whether and to what degree the program is unique and does not duplicate or negate results of another public or private program or enterprise.

(2) The local, regional, or statewide problems or needs that the program is intended to address.

(3) Whether there is a program design portrayed by a logic model as defined by the Logic Model Development Guide by the W.K. Kellogg Foundation, including an evaluation of that logic model.

(4) Whether there is evidence that the program produces results attributable to the program to remedy the problem or need.

a. For a proposed program, whether the evidence stems from a formative evaluation of proposed activities through a field trial using a valid and reliable instrument or method to measure changes in a randomized control group that was not subjected to the proposed activities to changes in a randomized group that did receive the proposed activities.

b. For an existing program asserting existence of evidence, whether the evidence stemmed from a post-program summative evaluation using an experimental or quasi-experimental research design.

c. For both proposed and existing programs, if the evidence had been subjected to alternative interpretations and peer review.

(5) The capacity of the administering entity to expand the program based upon existing evidence or results.

(6) How the program proposes to engage in strategic planning.

(7) How the program proposes to measure performance, including measurement of:

a. Total costs of program services with costs separately reported for each activity associated with each service.

b. Outputs or counts of units of services and for individual activities associated with each service.

c. Costs per unit of service and for individual activities associated with each service.

d. Outcomes or results attributable to each program service including results upon completion of program service; results still evident one, two, and three years after completion; ultimate or permanent results; and when and how permanent results will be determined by the program.

e. Customer or client satisfaction with program services.

f. Statewide impacts of program outcomes as evidenced by census data or other statewide data.

g. Performance compared to standards and what standards the program intends to use.

(8) How the program will continuously improve quality of program services and consistency with the strategic plan.

(9) Whether the administering entity has conducted an assessment to identify financial and legal risks to the entity or the State and has plans for minimizing risk exposure.

(10) Whether the program conducts five-year forecasts of annual recurring costs and sources of funding for each year.

(11) Whether the program proposes to share costs with primary beneficiaries through a fee-for-service, co-payment, or tuition basis and the extent to which any expected cost-sharing is or will be means-tested and by what method.

(12) How program staffing requirements are determined and an evaluation of those requirements.

(13) Whether the program has or proposes to have a financial accounting system capable of accounting for all assets, liabilities, receipts, and disbursements.

(14) Whether the program is or will be postaudited and if there are any potential impediments to audits or evaluations by the State Auditor, agency internal auditors, or the Program Evaluation Division of the General Assembly.

(c) The assessor must submit a written report containing the results of the measurability assessment to the Office of State Budget and Management (OSBM) at a time and in a format required by OSBM.

"**§ 143E-4. Administration of Measurability Assessment Process.**

(a) OSBM must use a competitive process to prequalify independent measurability assessors. The assessors will be independent contractors compensated through a uniform fee system established by OSBM, and there will be no guarantee that any prequalified assessor will

receive assessment assignments. OSBM shall not assign an assessor to a measurability assessment if the assessor has been employed by or contracted with the entity within five years preceding the assessment.

(b) OSBM shall establish standards for assessor qualifications, independence, and for conducting and reporting measurability assessments. Individuals who do not meet the qualifications may not be used to conduct measurability assessments.

(c) Whenever a measurability assessment is required, OSBM shall select the assessor and require the agency or institution to reimburse OSBM for the assessor's costs and for a share of OSBM costs for administering the measurability assessment program."

SECTION 2. This act becomes effective October 1, 2015.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H D

HOUSE BILL 805
PROPOSED COMMITTEE SUBSTITUTE H805-CSSB-16 [v.3]

8/11/2015 10:53:24 AM

Short Title: Measurability Assessments. (Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR MEASURABILITY ASSESSMENTS OF STATE PROGRAMS.

The General Assembly of North Carolina enacts:

SECTION 1. The North Carolina General Statutes are amended by adding a new Chapter to read:

"**Chapter 143E.**

"**The North Carolina Measurability Assessment Act of 2015.**

"**§ 143E-1. Title.**

This Chapter shall be known and may be cited as the "North Carolina Measurability Assessment Act of 2015."

"**§ 143E-2. Request for measurability assessment.**

The General Assembly may require a measurability assessment of any proposed or existing State program to determine whether the program is or will be capable of reporting performance and return on investment.

"**§ 143E-3. Definition of measurability assessment.**

(a) A measurability assessment is an independent evaluation conducted on a new or existing State program.

(b) A measurability assessment must include or determine all of the following:

(1) Whether and to what degree the program is unique and does not duplicate or negate results of another public or private program or enterprise.

(2) The local, regional, or statewide problems or needs that the program is intended to address.

(3) Whether there is a program design portrayed by a logic model as defined by the Logic Model Development Guide by the W.K. Kellogg Foundation, including an evaluation of that logic model.

(4) Whether there is evidence that the program produces results attributable to the program to remedy the problem or need. The information required by this subsection shall include the following, as applicable:

a. For a proposed program, whether the evidence stems from a formative evaluation of proposed activities through a field trial using a valid and reliable instrument or method to measure changes in a randomized control group that was not subjected to the proposed activities to changes in a randomized group that did receive the proposed activities.

b. For an existing program asserting existence of evidence, whether the evidence stemmed from a post-program summative evaluation using an experimental or quasi-experimental research design.

c. For both proposed and existing programs, if the evidence had been subjected to alternative interpretations and peer review.

(5) The capacity of the administering entity to expand the program based upon existing evidence or results.

(6) How the program proposes to engage in strategic planning.

(7) How the program proposes to measure performance, including measurement of:

a. Total costs of program services with costs separately reported for each activity associated with each service.

b. Outputs or counts of units of services and for individual activities associated with each service.

c. Costs per unit of service and for individual activities associated with each service.

d. Outcomes or results attributable to each program service including results upon completion of program service; results still evident one, two, and three years after completion; ultimate or permanent results; and when and how permanent results will be determined by the program.

e. Customer or client satisfaction with program services.

f. Statewide impacts of program outcomes as evidenced by census data or other statewide data.

g. Performance compared to standards and what standards the program intends to use.

(8) How the program will continuously improve quality of program services and consistency with the strategic plan.

(9) Whether the administering entity has conducted an assessment to identify financial and legal risks to the entity or the State and has plans for minimizing risk exposure.

(10) Whether the program conducts five-year forecasts of annual recurring costs and sources of funding for each year.

(11) Whether the program proposes to share costs with primary beneficiaries through a fee-for-service, co-payment, or tuition basis and the extent to which any expected cost-sharing is or will be means-tested and by what method.

(12) How program staffing requirements are determined and an evaluation of those requirements.

(13) Whether the program has or proposes to have a financial accounting system capable of accounting for all assets, liabilities, receipts, and disbursements.

(14) Whether the program is or will be postaudited and if there are any potential impediments to audits or evaluations by the State Auditor, agency internal auditors, or the Program Evaluation Division of the General Assembly.

(c) The assessor must submit a written report containing the results of the measurability assessment to the Office of State Budget and Management (OSBM) and the Program Evaluation Division of the General Assembly (Program Evaluation Division) at a time and in a format required by OSBM.

"**§ 143E-4. Administration of Measurability Assessment Process.**

(a) OSBM must use a competitive process to prequalify independent measurability assessors. The assessors will be independent contractors compensated through a uniform fee

system established by OSBM, and there will be no guarantee that any prequalified assessor will receive assessment assignments. OSBM shall not assign an assessor to a measurability assessment if the assessor has been employed by or contracted with the entity within five years preceding the assessment.

(b) OSBM, in consultation with the Program Evaluation Division, shall establish standards for assessor qualifications, independence, and for conducting and reporting measurability assessments. Individuals who do not meet the qualifications may not be used to conduct measurability assessments.

(c) Whenever a measurability assessment is required, OSBM, in consultation with the Program Evaluation Division, shall select the assessor and require the agency or institution to reimburse OSBM for the assessor's costs and for a share of OSBM costs for administering the measurability assessment program."

SECTION 2. There is appropriated from the General Fund to the Office of State Budget and Management the sum of seventy-five thousand dollars ($75,000) for the 2015-2016 fiscal year for the implementation of this act.

SECTION 3. This act becomes effective October 1, 2015.

ATTACHMENT #4

HOUSE BILL 813:
Results First Framework

2015-2016 General Assembly

Committee:	House Reg. Reform, Serial Referral To Appropriations Added	**Date:**	August 12, 2015
Introduced by:	Reps. Riddell, Blackwell, Blust, Collins	**Prepared by:**	Karen Cochrane-Brown Committee Counsel
Analysis of:	PCS to First Edition H813-CSRO		

SUMMARY: The Proposed Committee Substitute for House Bill 813 would authorize the Office of State Budget and Management to participate in the Pew-MacArthur Results First Initiative and direct the Office to develop a framework for providing uniform, program-level accountability information in State Government. The bill would also require State agencies and certain no-state entities to develop, implement, and maintain information systems that provide program-level accountability information regarding the programs operated by those agencies or entities.

[As introduced, this bill was identical to S603, as introduced by Sens. Stein, B. Jackson, which is currently in Senate Information Technology. If fav, re-ref to Appropriations/Base Budget.]

BILL ANALYSIS:

PART I. RESULTS FIRST PROJECT.

Section 1 of the PCS for HB 813 authorizes the Office of State Budget and Management to consult and work with the Pew-MacArthur Results First Initiative to implement a cost-benefit analysis model for use in crafting policy and budget decisions. OSBM is directed to file an interim report on implementing the cost-benefit analysis model with the Joint Legislative Commission on Governmental Operations, the Joint Legislative Oversight Committee on General Government, and the Joint Legislative Program Evaluation Oversight Committee by April 8, 2016, and a final report by October 1, 2016.

The section also appropriates the sum of $100,000 for the fiscal year 2015-2016 to the Office of State Budget and Management to implement this Part.

PART II. RESULTS FIRST FRAMEWORK.

Section 2.1 enacts a new Article in Chapter 143 entitled "Results First Framework". OSBM is directed to design and establish, in consultation with the State Auditor, the State Controller, the State Chief Information Officer, and the Office of State Human Resources, a framework for providing uniform, program-level accountability information in State government. The Article applies to any State agency in the executive branch and also to any non-State entity that receives State funds.

The framework must provide a way for each State agency and each non-State entity to provide specified information relating to the agency's or entity's mission, programs, purpose, revenues, organization, and contact information. The information must be provided in a uniform manner and be accessible through the main State government website.

Once OSBM establishes the framework and all standards, policies, and procedures, it must notify the agencies and non-State entities and allow a period of at least 30 days after notification for comments. OSBM must review and consider all comments before finalizing the framework.

OSBM must publish an annual report by January 1 of each year setting out the standards, policies, and procedures to be used by agencies in providing and maintaining information required by the Article. The report must be sent to each State agency, and non-State entity, and to the Program Evaluation Division and the Fiscal Research Division of the General Assembly.

State agencies and non-State entities are required to establish a system that provides the required information within the framework established by OSBM using existing resources allocated for computers and computer maintenance. The information must be updated on a timely basis and be easily accessible to citizens. The head of each agency or non-Sate entity is responsible for ensuring that the agency or entity complies with the requirements of the Article. Except as provided by a policy adopted by OSBM, each agency and non-State entity must list its employees in the directory available through the main State government website.

The Office of State Human Resources is directed to adopt rules setting standards and format for the agencies' and entities' organizational charts. OSBM, the Office of Human Resources, and the Office of Information Technology shall provide technical assistance and software to agencies and entities to assure uniformity.

Section 2.2 amends the Administrative Procedure Act so that OSBM is fully exempted from the requirements of the Act, including the requirements for rulemaking, review of contested cases by the Office of Administrative Hearings, and judicial review of administrative decisions.

OSBM must finalize the framework and associated standards, policies, and procedures by April 8, 2016, and file the initial annual report by January 1, 2017.

EFFECTIVE DATE: G.S. 143-47.35 (Required State agency and non-State entity information) as enacted by Section 2.1 of this act, becomes effective with respect to all State agencies and non-State entities subject to this act on January 1, 2017. Except as otherwise provided, the act is effective when it becomes law.

HOUSE BILL 813*

Short Title:	NC Accountability.	(Public)
Sponsors:	Representatives Riddell, Blackwell, Blust, and Collins (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Regulatory Reform.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE STATE AGENCIES AND CERTAIN NON-STATE ENTITIES TO DEVELOP, IMPLEMENT, AND MAINTAIN INFORMATION SYSTEMS THAT PROVIDE UNIFORM, PROGRAM-LEVEL ACCOUNTABILITY INFORMATION REGARDING THE PROGRAMS OPERATED BY THOSE AGENCIES.

The General Assembly of North Carolina enacts:

PART I. TAXPAYER INVESTMENT ACCOUNTABILITY INFORMATION FRAMEWORK.

SECTION 1. Chapter 143 of the General Statutes is amended by adding a new Article to read:

"Article 2E.

"Accountability for Taxpayer Investment Act.

"**§ 143-47.30. Definitions.**

The following definitions apply in this Article:

(1) Benchmarks. – A broad societal indicator used for gauging ultimate outcomes of programs, such as U.S. Census data. Multiple programs among several agencies may be benchmarked to the same indicator.

(2) Board. – The Taxpayer Investment Accountability Board established by this Article.

(3) Efficiency. – The verifiable total direct and indirect cost per output and per outcome.

(4) Evidence-based. – Having had multiple-site random controlled trials across heterogeneous populations that demonstrate that a program or practice is effective for the populations.

(5) Non-State entity. – Any of the following that is not a State agency and that must be discretely presented as a component unit in the State Comprehensive Annual Financial Report by the Governmental Accounting Standards Board: an individual, a firm, a partnership, an association, a corporation, or any other organization or group acting as a unit. The term does not include a local government unit or any other non-State entity that is subject to the audit and other requirements of the Local Government Commission.

(6) Outcome. – The verifiable quantitative effects or results attributable to a program compared to a performance standard.

(7) Output. – The verifiable number of units of services or activities provided by a program.
(8) Performance standards. – The metrics based upon best practices, generally recognized standards, or comparisons with relevant peer entities in other states or regions for gauging achievement of efficiency, output, and outcomes.
(9) Program. – An activity or set of activities intended to achieve an outcome that benefits the public.
(10) Promising practices. – Practices that present, based upon preliminary information, potential for becoming research-based.
(11) Principal executive officer. – Executive head of a State agency or non-State entity.
(12) Research-based. – Having some research demonstrating effectiveness that does not yet meet the standard for being evidence-based.
(13) State agency. – Any department, institution, board, commission, committee, division, bureau, board, council, or other entity for which the State has oversight responsibility, including The University of North Carolina, the Community College System, and any mental or specialty hospital.
(14) Taxpayer. – Any person subject to taxation by the State or by a unit of local government.

"**§ 143-47.31. Purpose; scope.**

(a) The purpose of this Article is to require uniform, program-level accountability information in State government.

(b) This Article applies to any State agency in the executive branch of State government. This Article also applies to any non-State entity that receives State funds.

"**§ 143-47.32. Taxpayer Investment Accountability Board – creation, membership, staffing and support; meetings; compensation.**

(a) There is established the Taxpayer Investment Accountability Board. The members of the Board shall be as follows:
(1) The Director of the Office of State Budget and Management, or the Director's designee.
(2) The State Controller, or the Controller's designee.
(3) The State Chief Information Officer, or the Officer's designee.
(4) The Director of the Office of State Human Resources, or the Director's designee.
(5) The State Auditor, or the Auditor's designee, who shall serve as a nonvoting member.

(b) The Director of the Office of State Budget and Management shall be the Chair of the Board.

(c) The management division of the Office of State Budget and Management shall provide staff and adequate meeting space to the Board and shall provide any other type of support required by the Board.

(d) The Board shall meet at least four times a year and may meet as often as necessary on call of the Chair. A majority of the members of the Board constitutes a quorum for the transaction of business. The affirmative vote of a majority of the members present at a meeting of the Board is required for action to be taken by the Board.

(e) The Board members shall receive no salary or other monetary compensation for serving on the Board.

"**§ 143-47.33. Taxpayer Investment Accountability Board – information framework.**

(a) The Board shall design and establish a framework for providing the citizens of North Carolina uniform, program-level accountability information in State government. As part

of the framework, the Board shall adopt comprehensive standards, policies, and procedures, including recurring oversight procedures, to implement the framework's use.

(b) The framework shall provide a way for each State agency and each non-State agency to provide the following information in a uniform manner on a Web site:

(1) The mission, responsibilities, and activities of the State agency or non-State entity.

(2) An inventory of programs administered by the State agency or non-State entity, consisting of a title and a summary description of each program.

(3) For each program, a clear description of the problem the program is seeking to remedy or the public service the program is seeking to provide.

(4) For each program, a description of the sources of program resources, total resources invested, activities and processes, outputs, and outcomes. This information may include an identification of impediments to the program's success and a description of the ways the State agency or non-State entity plans to address them.

(5) Revenues by source and expenditures by purchasing category aligned with each program individually.

(6) For each program, a statement identifying the program as evidence-based, research-based, based on promising practices, or, if none of these apply, a statement describing the basis for the program and the reasons why the program is expected or perceived to be successful.

(7) Performance measures for each program sufficient for a citizen to determine the outcome, output, and efficiency of the program, including a description of any benchmarks used in evaluating the program.

(8) Organization charts and manager-to-employee ratios in the format specified by the Office of State Human Resources under G.S. 143-47.38. In addition to a comprehensive chart, the Board shall require each State agency and non-State entity to have separate charts for each organizational division and in turn for each subordinate division or work unit in sufficient detail that a citizen may determine the organizational location of every employee position.

(9) A listing of employees. The Board may require the listing to contain the following fields for each employee: last name; first name; job title; and, as appropriate, organizational division and program. The Board may also require the directory to have a search feature to enable searching or listing by field.

(10) At least one telephone number that complies with the requirements of G.S. 143-162.1 that members of the public may use to contact the State agency or non-State entity for service or information.

(11) A list of the reports required by law to be prepared and submitted by the State agency or non-State entity, organized by recipient and by due date.

(12) Any additional information deemed necessary or appropriate by the Board.

(c) The standards, policies, and procedures adopted by the Board shall include all of the following:

(1) Policies and standards to determine when a non-State entity may limit the information required under this Article to those programs and activities for which the non-State entity received State funds.

(2) A policy allowing State agencies and non-State entities to withhold or redact information about individual employees, including telephone listings, when the disclosure of the information would foreseeably result in harm to the

employee, when required by law or a court order, or for other good cause described in the policy.

(d) The Board shall design the framework to ensure that the information required in subsection (b) of this section is accessible through the main State government Web site. The framework shall require each State agency and non-State entity to include in its information system a Web-based dashboard that uses a uniform format and reports all required performance information in a graphical format. The format shall be sufficient to inform a citizen how the State is investing money consistent with purposes described in subsection (b) of this section.

(e) The Board shall provide an explanation in clear, simple language of key terms to be used by State agencies.

"**§ 143-47.34. Taxpayer Accountability Board – opportunity for State agency and non-State entity comments on proposed framework.**

After the Board completes its initial framework design and draft of implementing standards, policies, and procedures, the Board shall cause the framework design and draft standards, policies, and procedures to be posted on the Web site of the Office of State Budget and Management. The Board shall then notify each State agency and each non-State agency subject to this Article of the posting. The notification may be sent to (i) the principal executive officer of a State agency or the principal executive officer of a non-State entity, (ii) the State agency's rule-making coordinator, or (iii) another individual designated by the State agency or non-State entity. The Board shall allow a period of at least 30 days after the notice required in this subsection is sent for a State agency or non-State entity to comment, and the Board shall review and consider all comments received before finalizing the framework and the standards, policies, and procedures. The Board in its discretion may allow other opportunities for comment.

"**§ 143-47.35. Taxpayer Accountability Board – report.**

The Board shall publish an annual report by January 1 of each year setting out the standards, policies, and procedures to be used by agencies in providing and maintaining the information required by this Article within the framework established by the Board. The Board shall provide a copy of the report to each State agency and each non-State entity subject to this Article and to the Program Evaluation and Fiscal Research Divisions of the General Assembly.

"**§ 143-47.36. Required State agency and non-State entity information.**

(a) Each State agency shall establish, implement, and maintain within that State agency a system that provides the information required under G.S. 143-47.33 within the framework established by the Board. Each non-State entity, as a condition of receiving State funds, shall establish, implement, and maintain within that non-State entity a system that provides the information required pursuant to G.S. 143-47.33 within the framework established by the Board. The system shall comply with the framework design and the standards, policies, and procedures established by the Board.

The information shall be updated on a timely basis. Each information system shall be readily and easily accessible to the citizens of North Carolina.

(b) The principal executive officer of each State agency and the principal executive officer of each non-State entity are responsible for ensuring that the State agency or non-State entity, as appropriate, complies with the requirements of this Article.

(c) Except as permitted under a policy adopted by the Board under G.S. 143-47.33(c)(2), each State agency and non-State entity subject to this Article shall also list its employees in the directory available through the main State government Web site.

"**§ 143-47.37. Verification of compliance by State Auditor; statement of compliance.**

(a) Internal auditors in State agencies required to have auditors pursuant to Article 79 of Chapter 143 of the General Statutes shall conduct annual audits for compliance with the requirements of this Article. The internal auditor shall submit an audit report annually to the State Auditor and the Director of the Office of State Budget and Management no later than April 1.

(b) Every other State agency, and each non-State entity that must comply with this Article, shall submit annually to the State Auditor and the Director of the Office of State Budget and Management no later than July 1 of each year a statement that the State agency or non-State entity has reviewed the information provided by it as required by G.S. 143-47.36 and that it is in compliance with the Article requirements. The statement shall be signed by the principal executive officer of each State agency or the principal executive officer of each non-State entity, as applicable.

(c) The State Auditor may verify compliance with this Article by each State agency and each non-State entity on an annual basis. Upon the determination of the State Auditor that a State agency or non-State entity has failed to substantially comply with the provisions of this Article, the State Auditor shall report the noncompliance to the Board, the Governor, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division of the General Assembly.

"**§ 143-47.38. Availability of technical assistance from the Office of State Human Resources, the Office of State Budget and Management, and the Office of Information Technology.**

(a) The Office of State Human Resources shall adopt rules setting the standards and format for the organization charts and manager-to-employee ratios required by G.S. 143-47.33. The Office of State Human Resources also shall provide templates and technical assistance to State agencies and non-State entities as needed to assure the uniformity required by this Article.

(b) The Office of State Budget and Management, the Office of the State Controller, and the Office of Information Technology shall also provide technical assistance and software to State agencies and non-State entities as needed to assure the uniformity required by this Article.

"**§ 143-47.39. Remedy for noncompliance.**

(a) Any taxpayer may bring a civil action in the superior court requesting the entry of a judgment that a State agency or a non-State entity, as appropriate, has failed to comply with this Article. Specific performance compelling the State agency or non-State entity to comply with this Article shall be the available remedy. The taxpayer need not allege or prove special damage different from that suffered by the public at large.

(b) Upon the presentation by the taxpayer plaintiff of a prima facie case that a State agency or non-State entity has failed to comply with this Article, the burden shall be on the State agency or non-State entity, as appropriate, to show that it is in compliance with this Article.

(c) No State agency or non-State entity shall be held in noncompliance with this Article if it establishes that it has made a good-faith effort to comply with the provisions of this Article.

(d) In any action brought pursuant to this section in which a party successfully compels compliance, the court shall allow the plaintiff to recover the plaintiff's reasonable attorneys' fees. Any attorneys' fees assessed against a State agency or non-State entity under this section shall be charged against the operating expenses of the State agency or non-State entity, as appropriate.

(e) If the court determines that an action brought pursuant to this section was filed in bad faith or was frivolous, the court shall assess reasonable attorneys' fees against the person instituting the action and award it to the State agency or non-State entity, as appropriate, as part of the costs."

SECTION 2. G.S. 150B-1(c) is amended by adding a new subdivision to read:

"(9) The Taxpayer Investment Accountability Board established in G.S. 143-47.32."

SECTION 3. Each State agency or a non-State entity subject to this act shall, if necessary, revise its information system to comply with this act. Each State agency, whether implementing a new information system or revising an existing system to bring it into

compliance with the provisions of this act, shall use the State agency's existing resources allocated for computers and computer maintenance to comply with this act.

SECTION 4.(a) The Taxpayer Information Accountability Board established under G.S. 143-47.32, as enacted by Section 1 of this act, shall finalize the framework and associated standards, policies, and procedures required under G.S. 143-47.33, as enacted by Section 1 of this act, no later than March 1, 2016.

SECTION 4.(b) This act becomes effective with respect to the Department of Health and Human Services and the Department of Public Instruction on January 1, 2017. This act becomes effective with respect to all other State agencies and non-State entities subject to this act on January 1, 2018. Each State agency and non-State entity subject to this act shall file its first report under G.S. 143-47.37 by April 1 or July 1, as applicable, following the effective date that applies to it.

PART II. NORTH CAROLINA ACCOUNTABILITY REPORT.

SECTION 5. G.S. 120-36.12 is amended by adding a new subdivision to read as follows:

"**§ 120-36.12. Duties of Program Evaluation Division.**

The Program Evaluation Division of the Legislative Services Commission has the following powers and duties:

...

(11) To create and maintain the North Carolina Accountability Report, as required by G.S. 120-36.19."

SECTION 6. Article 7C of Chapter 120 of the General Statutes is amended by adding a new section to read as follows:

"**§ 120-36.19. North Carolina Accountability Report.**

(a) The Program Evaluation Division shall create and maintain the North Carolina Accountability Report. The report shall be published in a publically available Web-based format. The report shall list the inventory of programs in each State department and State agency and a profile of each program. The profile shall (i) describe why it exists, how it is funded, and what current issues exist and (ii) include references to pertinent information, including technical studies, audit reports, Program Evaluation Division reports, and similar research. The report shall be easily searchable and shall be indexed by categories defined by the Program Evaluation Division.

(b) Each program profile shall contain an accountability rating based on the degree of compliance with the standards established by the Taxpayer Investment Accountability Board and a categorization of the program as one of the following:

(1) Evidence-based.

(2) Research-based.

(3) Based on promising practices.

(4) Presenting no evidence of effectiveness.

(c) The definitions in G.S. 143-47.30 apply to this section."

SECTION 7. The Program Evaluation Division shall complete the initial North Carolina Accountability Report required under G.S. 120-36.19, as enacted by Section 6 of this act, no later than July 1, 2018. The Division shall establish a schedule for ongoing review and update of the Report.

SECTION 8. The Governor shall include in the Governor's Recommended Budget for the 2019-2020 biennium the accountability rating established by the Program Evaluation Division for each program and a list of programs by department or agency in the following order: evidence-based, research-based, based on promising practices, and other programs.

PART III. EFFECTIVE DATE.

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

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H D

HOUSE BILL 813*
PROPOSED COMMITTEE SUBSTITUTE H813-CSMN-7 [v.10]

7/28/2015 6:11:27 PM

Short Title: Results First Framework. (Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE OFFICE OF STATE BUDGET AND MANAGEMENT TO PARTICIPATE IN THE PEW-MACARTHUR RESULTS FIRST INITIATIVE AND TO REQUIRE STATE AGENCIES AND CERTAIN NON-STATE ENTITIES TO DEVELOP, IMPLEMENT, AND MAINTAIN INFORMATION SYSTEMS THAT PROVIDE UNIFORM, PROGRAM-LEVEL ACCOUNTABILITY INFORMATION REGARDING THE PROGRAMS OPERATED BY THOSE AGENCIES.

The General Assembly of North Carolina enacts:

PART I. RESULTS FIRST PROJECT.

SECTION 1.1. The General Assembly finds and declares that a nationally recognized cost-benefit analysis model will allow the General Assembly to direct public resources to cost-effective programs that deliver the best outcomes for residents. The Office of State Budget and Management shall receive periodic updates that incorporate new research and enhancements identified through work in participating states and practical technical assistance to implement this cutting-edge approach for identifying policy and budget options. The General Assembly also intends to provide necessary assistance for State agencies to align their individual efforts and resources to achieve Statewide priority outcomes.

SECTION 1.2. The Office of State Budget and Management may consult and work with staff from the Pew-MacArthur Results First Initiative to implement a cost-benefit analysis model for use in crafting policy and budget decisions. The goal of the project is to obtain a model that will help the State invest in policies and programs that can be shown to work.

The Office of State Budget and Management shall take the model into account in developing the framework required by G.S. 143-47.32, as enacted in Section 2.1 of this act, to the extent the model has relevance to that framework.

SECTION 1.3. The Office of State Budget and Management shall file an interim report with the Joint Legislative Commission on Governmental Operations, the Joint Legislative Oversight Committee on General Government, and the Joint Legislative Program Evaluation Oversight Committee by April 8, 2016, on progress in implementing the cost-benefit analysis model, and a final report by October 1, 2016. The reports may include recommendations for legislation.

SECTION 1.4. There is appropriated from the General Fund to the Office of State Budget and Management for the fiscal year 2015-2016 the sum of one hundred thousand dollars ($100,000) to implement the provisions of this Part.

PART II. RESULTS FIRST FRAMEWORK.

SECTION 2.1. Chapter 143 of the General Statutes is amended by adding a new Article to read:

"Article 2E.
"Results First Framework.

"**§ 143-47.30. Definitions.**

The following definitions apply in this Article:

(1) Benchmarks. – A broad societal indicator used for gauging ultimate outcomes of programs, such as U.S. Census data. Multiple programs among several agencies may be benchmarked to the same indicator.

(2) Efficiency. – The verifiable total direct and indirect cost per output and per outcome.

(3) Evidence-based. – Having had multiple-site random controlled trials across heterogeneous populations that demonstrate that a program or practice is effective for the populations.

(4) Non-State entity. – Any of the following that is not a State agency and that must be discretely presented as a component unit in the State Comprehensive Annual Financial Report by the Governmental Accounting Standards Board: an individual, a firm, a partnership, an association, a corporation, or any other organization or group acting as a unit. The term does not include a local government unit or any other non-State entity that is subject to the audit and other requirements of the Local Government Commission.

(5) OSBM. – The Office of State Budget and Management.

(6) Outcome. – The verifiable quantitative effects or results attributable to a program compared to a performance standard.

(7) Output. – The verifiable number of units of services or activities provided by a program.

(8) Performance standards. – The metrics based upon best practices, generally recognized standards, or comparisons with relevant peer entities in other states or regions for gauging achievement of efficiency, output, and outcomes.

(9) Program. – An activity or set of activities intended to achieve an outcome that benefits the public.

(10) Promising practices. – Practices that present, based upon preliminary information, potential for becoming research-based.

(11) Principal executive officer. – Executive head of a State agency or non-State entity.

(12) Research-based. – Having some research demonstrating effectiveness that does not yet meet the standard for being evidence-based.

(13) State agency. – Any department, institution, board, commission, committee, division, bureau, board, council, or other entity for which the State has oversight responsibility, including The University of North Carolina, the Community College System, and any mental or specialty hospital.

"**§ 143-47.31. Purpose; scope.**

(a) The purpose of this Article is to require uniform, program-level accountability information in State government that is readily accessible to the citizens of North Carolina.

(b) This Article applies to any State agency in the executive branch of State government. This Article also applies to any non-State entity that receives State funds.

"**§ 143-47.32. Information framework.**

(a) OSBM shall design and establish a framework for providing the citizens of North Carolina uniform, program-level accountability information in State government. As part of the framework, OSBM shall adopt comprehensive standards, policies, and procedures, including recurring oversight procedures, to implement the framework's use. OSBM shall consult and

coordinate with the State Auditor, the State Controller, the State Chief Information Officer, and the Office of State Human Resources in designing and establishing the framework.

(b) The framework shall provide a way for each State agency and each non-State entity to provide the following information in a uniform manner on a Web site:

(1) The mission, responsibilities, and activities of the State agency or non-State entity.

(2) An inventory of programs administered by the State agency or non-State entity, consisting of a title and a summary description of each program.

(3) For each program, a clear description of the problem the program is seeking to remedy or the public service the program is seeking to provide.

(4) For each program, a statement identifying the program as evidence-based, research-based, based on promising practices, or, if none of these apply, a statement describing the basis for the program and the reasons why the program is expected or perceived to be successful.

(5) Revenues by source and expenditures by purchasing category aligned with each program individually.

(6) Organization charts in the format specified by the Office of State Human Resources under G.S. 143-47.36. In addition to a comprehensive chart, OSBM shall require each State agency and non-State entity to have separate charts for each organizational division and in turn for each subordinate division or work unit in sufficient detail that a citizen may determine the organizational location of every employee position.

(7) At least one telephone number that complies with the requirements of G.S. 143-162.1 that members of the public may use to contact the State agency or non-State entity for service or information.

(8) A list of the reports required by law to be prepared and submitted by the State agency or non-State entity, organized by recipient and by due date.

(9) Any additional information deemed necessary or appropriate by OSBM.

(c) The standards, policies, and procedures adopted by OSBM shall include all of the following:

(1) Policies and standards to determine when a non-State entity may limit the information required under this Article to those programs and activities for which the non-State entity received State funds.

(2) A policy allowing State agencies and non-State entities to withhold or redact information about individual employees, including telephone listings, when the disclosure of the information would foreseeably result in harm to the employee, when required by law or a court order, or for other good cause described in the policy.

(d) OSBM shall design the framework to ensure that the information required in subsection (b) of this section is accessible through the main State government Web site. The framework shall require each State agency and non-State entity to include in its information system a Web-based dashboard that uses a uniform format and reports all required performance information in a graphical format. The format shall be sufficient to inform a citizen how the State is investing money consistent with purposes described in subsection (b) of this section.

(e) OSBM shall provide an explanation in clear, simple language of key terms to be used by State agencies.

"**§ 143-47.33. Opportunity for State agency and non-State entity comments on proposed framework.**

After OSBM completes its initial framework design and draft of implementing standards, policies, and procedures, OSBM shall cause the framework design and draft standards, policies, and procedures to be posted on its Web site. OSBM shall then notify each State agency and

each non-State entity subject to this Article of the posting. The notification may be sent to (i) the principal executive officer of a State agency or the principal executive officer of a non-State entity, (ii) the State agency's rule-making coordinator, or (iii) another individual designated by the State agency or non-State entity. OSBM shall allow a period of at least 30 days after the notice required in this subsection is sent for a State agency or non-State entity to comment, and OSBM shall review and consider all comments received before finalizing the framework and the standards, policies, and procedures. OSBM in its discretion may allow other opportunities for comment.

"**§ 143-47.34. Report.**

OSBM shall publish an annual report by January 1 of each year setting out the standards, policies, and procedures to be used by agencies in providing and maintaining the information required by this Article within the framework established by OSBM. OSBM shall provide a copy of the report to each State agency and each non-State entity subject to this Article and to the Program Evaluation and Fiscal Research Divisions of the General Assembly.

"**§ 143-47.35. Required State agency and non-State entity information.**

(a) Each State agency shall establish, implement, and maintain within that State agency a system that provides the information required under G.S. 143-47.32 within the framework established by OSBM. Each non-State entity, as a condition of receiving State funds, shall establish, implement, and maintain within that non-State entity a system that provides the information required pursuant to G.S. 143-47.32 within the framework established by OSBM. The system shall comply with the framework design and the standards, policies, and procedures established by OSBM.

The information shall be updated on a timely basis. Each information system shall be readily and easily accessible to the citizens of North Carolina.

(b) The principal executive officer of each State agency and the principal executive officer of each non-State entity are responsible for ensuring that the State agency or non-State entity, as appropriate, complies with the requirements of this Article.

(c) Except as permitted under a policy adopted by OSBM under G.S. 143-47.32(c)(2), each State agency and non-State entity subject to this Article shall also list its employees in the directory available through the main State government Web site.

"**§ 143-47.36. Availability of technical assistance from OSBM, the Office of State Human Resources, and the Office of Information Technology.**

(a) The Office of State Human Resources shall adopt rules setting the standards and format for the organization charts required by G.S. 143-47.32. The Office of State Human Resources also shall provide templates and technical assistance to State agencies and non-State entities as needed to assure the uniformity required by this Article.

(b) OSBM, the Office of State Human Resources, and the Office of Information Technology shall also provide technical assistance and software to State agencies and non-State entities as needed to assure the uniformity required by this Article.

SECTION 2.2. G.S. 150B-1(c) is amended by adding a new subdivision to read:

"(9) The Office of State Budget and Management with respect to acts pursuant to the Article 2E of Chapter 143 of the General Statutes."

SECTION 2.3. Each State agency or a non-State entity subject to this act shall, if necessary, revise its information system to comply with this act. Each State agency, whether implementing a new information system or revising an existing system to bring it into compliance with the provisions of this act, shall use the State agency's existing resources allocated for computers and computer maintenance to comply with this act.

SECTION 2.4.(a) The Office of State Budget and Management shall finalize the framework and associated standards, policies, and procedures required under G.S. 143-47.32, as enacted by Section 2.1 of this act, no later than April 8, 2016, and shall file the initial report required by G.S. 143-47.34, as enacted in Section 2.1 of this act, by January 1, 2017.

SECTION 2.4.(b) G.S. 143 47.35, as enacted by Section 2.1 of this act, becomes effective with respect to all State agencies and non-State entities subject to this act on January 1, 2017.

PART III. EFFECTIVE DATE.

SECTION 3. Except as otherwise provided, this act is effective when it becomes law.

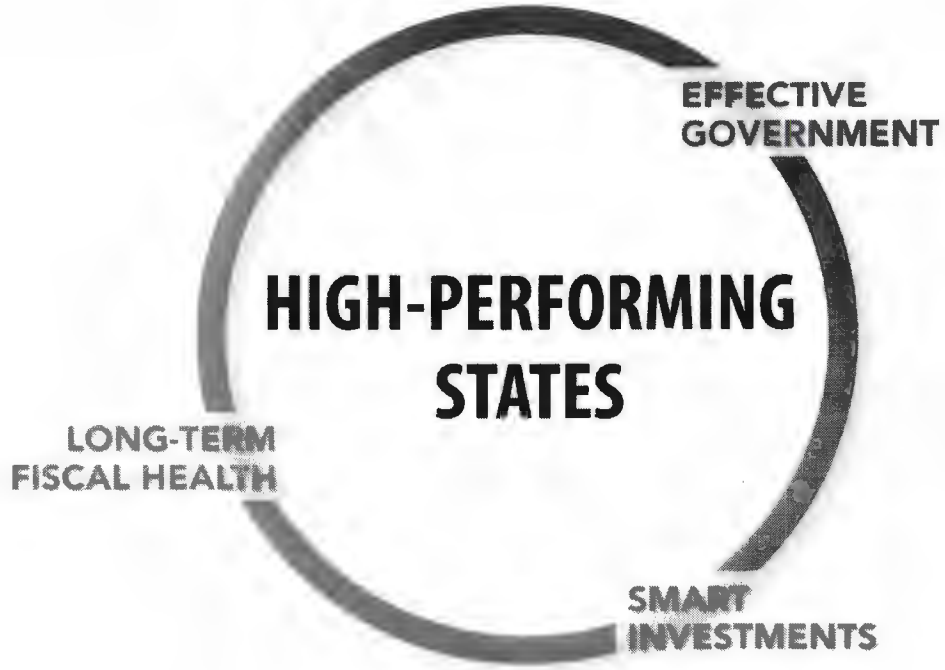
ATTACHMENT 5

THE
PEW
CENTER ON THE STATES

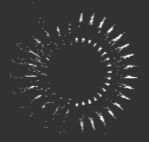
Results First – strengthening state policymaking through cost-benefit analysis

Gary VanLandingham
Director, Results First

The Pew Center on the States



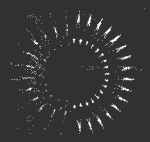
Cost benefit analysis is critical...now



THE PEW CENTER ON THE STATES

- States are facing incredible fiscal pressures
  - Budget gaps of $401 billion since start of Great Recession
  - Over $80 billion in gaps this fiscal year
  - Out years also look challenging -$30 billion shortfall already predicted for next year

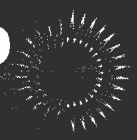
Tough fiscal times increase need for



THE PEW CENTER ON THE STATES

- Identifying and prioritizing proven sound investments
- Reducing or eliminating unsuccessful programs instead of relying on across-the-board cuts
- Cost-benefit analysis models can be a valuable tool in making these decisions

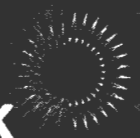
Results First brings these tools to states



THE PEW CENTER ON THE STATES

- Pew is helping states implement cutting-edge cost-benefit analysis models that analyze key policy areas, including those critical for working families
- Models enable states to analyze a wide range of policy choices and identify options that improve outcomes AND reduce costs

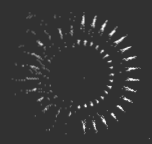
Based on Washington State work



THE PEW CENTER ON THE STATES

- Models developed by the Washington State Institute for Public Policy (WSIPP)
- Washington State has used this approach for many years to help reduce costs and achieve better outcomes
  - Example: Avoided $1.3 billion per biennium in criminal justice costs AND achieved lower crime rate

Approach in a nutshell



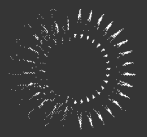
THE PEW CENTER ON THE STATES

1. Models aggregate best national research to identify evidence-based programs that work
2. Apply research estimates of program impact to state population
3. Use state fiscal data to estimate total costs and benefits for each program
4. Models predict return on investment for both individual programs and combinations

Example model outputs	Change In Crime	Benefits less costs, per-person, life cycle (Probability: you lose $)
Adult Offenders		
Cognitive-Behavioral Treatment	-7%	$12,037 (<1%)
Adult Drug Courts	-9%	$6,264 (<1%)
Prison Education	-8%	$13,555 (<1%)
Drug Treatment in Prison	-6%	$9,588 (<1%)
IST: surveillance	-2%	-$2,174 (≈82%)
ISP: treatment	-18%	$15,079 (≈11%)
Juvenile Offenders		
Functional Family Therapy	-18%	$32,021 (<1%)
Multisystemic Therapy	-13%	$18,120 (<1%)
Aggression Replacement	-9%	$15,257 (<1%)
Family Transitions	-10%	$29,721 (≈5%)
Therapeutic Foster Care	-18%	$64,486 (<1%)
*Prevention**		
Pre-School* (low income)	-17%	$+++* (n/a)
Nurse Family Partnership*	-16%	$+++* (n/a)

* Programs have a number of other non-crime benefits; only crime-reduction reported here.

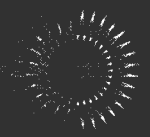
Policy areas in model



THE PEW CENTER ON THE STATES

- Criminal justice
- K-12 education
- Child welfare
- Substance abuse
- Mental health
- Health
- Public assistance
- Housing
- Teen birth

Results First



THE PEW CENTER ON THE STATES

- Provides models to states
- Trains staff in using cost-benefit analysis
- Provides technical assistance in getting the models up and running
- Helps interpret cost benefit analysis results
- Helps states share lessons learned and strengthen policymaking
- Periodically updates models

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED

HB **805** Measurability Assessments.

Draft Number:	H805-PCS10431-SB-16
Serial Referral:	**APPROPRIATIONS**
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Blackwell

HB **813** NC Accountability.

Draft Number:	H813-PCS10432-MN-7
Serial Referral:	**APPROPRIATIONS**
Recommended Referral:	None
Long Title Amended:	Yes
Floor Manager:	Riddell

TOTAL REPORTED: 2

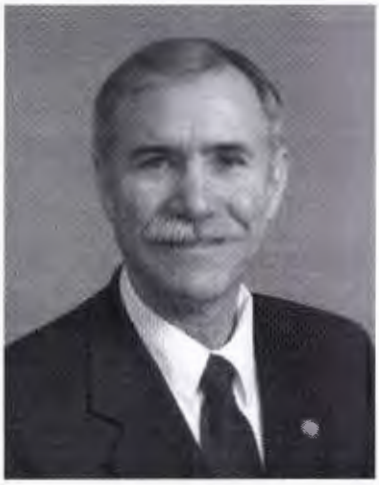
House Committee on Regulatory Reform

2016 SESSION

Clerks: Susan Horne, John Ganem, Polly Riddell

Rep. John Bell
Co-Chair

Rep. Chris Millis
Co-Chair

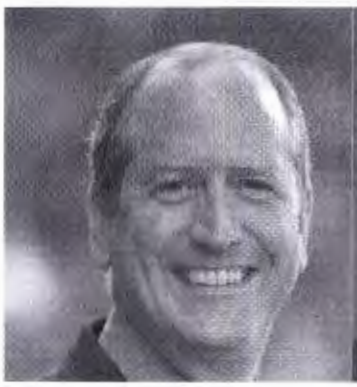


Rep. Dennis Riddell
Co-Chair

Rep. Ken Goodman
Vice-Chair

Rep. Jonathan Jordan
Vice-Chair

Rep. Michael Speciale
Vice-Chair



Rep. Dan Bishop

Rep. Hugh Blackwell

Rep. John Bradford III

Rep. William D. Brisson

Rep. Mark Brody | Rep. Rob Bryan | Rep. Rick Catlin | Rep. Tricia Ann Cotham

Sen. Carla Cunningham | Rep. Jimmy Dixon | Rep. Nelson Dollar | Rep. Mike Hager

Rep. Larry D. Hall | Rep. Pricey Harrison | Rep. Burt Jones | Rep. Pat McElraft

Rep. Graig Meyer | Rep. Rodney Moore | Rep. Joe Sam Queen | Rep. Paul Stam

Rep. Sarah Stevens **Rep. Chris Whitmire**

HOUSE COMMITTEE ON REGULATORY REFORM

2016 Session

MEMBER		ASSISTANT	PHONE	OFFICE	SEAT
BELL, John	Co-Chair	Susan Horne Committee Asst.	715-3017	419-B	27
MILLIS, Chris	Co-Chair	John Ganem Committee Asst.	715-9664	609	87
RIDDELL, Dennis	Co-Chair	Polly Riddell Committee Asst.	733-5905	533	99
GOODMAN, Ken	Vice Chair	Judy Veorse	733-5823	542	47
JORDAN, Jonathan	Vice Chair	Emma Benson	733-7727	420	42
SPECIALE, Michael	Vice Chair	Hazel Speciale	733-5853	1008	52
BISHOP, Dan		David Larson	715-3009	607	86
BLACKWELL, Hugh		Dixie Riehm	733-5805	541	102
BRADFORD III, John		Anita Spence	733-5828	2123	85
BRISSON, William D.		Caroline Stirling	733-5772	405	23
BRODY, Mark		Neva Helms	715-3029	2219	64
BRYAN, Rob		Kevin Wilkinson	733-5607	419-A	74
CATLIN, Rick		Laura Holt Kabel	733-5830	638	55
COTHAM, Trisha Ann		Carol Erichsen	715-0706	402	33
CUNNINGHAM, Carla		Sherrie Burnette	733-5807	1109	59
DIXON, Jimmy		Michael Wiggins	715-3021	416-B	19
DOLLAR, Nelson		Candace Slate	715-0795	307-B	4
HAGER, Mike		Baxter Knight	733-5749	301-F	30

HALL, Larry D.	Theresa Wright-Bryant	733-5872	506	69
HARRISON, Pricey	Sue Osborne	733-5771	1218	82
JONES, Bert	Brenda Olls	733-5779	416-A	54
McELRAFT, Pat	Nancy Fox	733-6275	634	9
MEYER, Graig R.	Daphne Quinn	715-3019	1111	117
MOORE, Rodney	Charmey Morgan	733-5606	1219	36
QUEEN, Joe Sam	Grayson Keating	715-3005	1017	103
STAM, Paul	Rita Dorry	733-2962	612	5
STEVENS, Sarah	Lisa Brown	715-1883	635	13
WHITMIRE, Chris	Megan Kluttz	715-4466	537	100

ATTENDANCE

House Committee on Regulatory Reform

2016 Session

DATES		June 8		June 14		June 15		June 23							
BELL, John	CHAIR	X				X		X							
MILLIS, Chris	CHAIR	X				X		X							
RIDDELL, Dennis	CHAIR	X		X		X									
GOODMAN, Ken	VICE CHAIR	X		X		X									
JORDAN, Jonathan	VICE CHAIR	X		X		X									
SPECIALE, Michael	VICE CHAIR	X		X		X		X							
BISHOP, Dan		X		X		X		X							
BLACKWELL, Hugh		X		X		X									
BRADFORD, John		X		X		X		X							
BRISSON, William															
BRODY, Mark		X		X		X		X							
BRYAN, Rob						X									
CATLIN, Rick		X				X									
COTHAM, Tricia						X									
CUNNINGHAM, Carla				X		X									
DIXON, Jimmy		X				X		X							
DOLLAR, Nelson				X											
HAGER, Mike		X				X		X							
HALL, Larry		X													
HARRISON, Pricey		X				X									
JONES, Bert		X		X		X									
McELRAFT, Pat		X				X		X							
MEYER, Graig		X		X		X									
MOORE, Rodney		X						X							
QUEEN, Joe Sam		X		X		X		X							

STAM, Paul		X		X		X		X							
STEVENS, Sarah		X		X		X		X							
WHITMIRE, Chris		X		X		X		X							
CHURCHILL, Erika		X				X									
COCHRANE BROWN, Karen				X		X									
CUMMINGS, Layla		X													
DARDEN, Amy				X		X		X							
HUDSON, Jeff		X		X		X		X							
McGINNIS, Jennifer		X				X									
MUNDT, Jennifer		X				X		X							
SAUNDERS, Chris				X		X		X							
HORNE, SUSAN		X		X		X		X							
GANEM, JOHN		X		X		X		X							
RIDDELL, POLLY				X											

House Committee on Regulatory Reform
Wednesday, June 8, 2016
8:30 a.m.
Room 643 Legislative Office Building
Representatives J. Bell, Millis, Riddell – Co-Chairs

MINUTES

The House Committee on Regulatory Reform met at 8:30 A.M. on Wednesday, June 8, 2016 in Room 643 of the Legislative Office Building. The following Committee Members were present: Representatives J. Bell, Millis, Riddell, Goodman, Jordan, Speciale, Bishop, Blackwell, Bradford, Brody, Catlin, Dixon, Hager, L. Hall, Harrison, Jones, McElraft, Meyer, R. Moore, Queen, Stam, Stevens, and Whitmire.

Representative John Bell, Chair, called the meeting to order at 8:35 A.M. He introduced the Sergeant-at-Arms staff and Pages.

The following bill was considered:

House Bill 1069 2016 Employee Protection Act
(Representatives Cleveland, Conrad, Millis, Whitmire)
Representative Cleveland explained the bill. Doug Miskew who represents the N.C. Sheriffs Association noted the Association opposes Section 2 of the bill. Representative Stevens asked Mr. Miskew if the Association is concerned about the creditability of these documents. Mr. Miskew responded there are concerns and removing Section 2 takes away the discretion of an officer to make a determination to identify an individual. Representative Blackwell asked Mr. Miskew how a fake identification helps establish someone's identity. Mr. Miskew responded that an officer wouldn't use this form of identification as a positive source to determine the person's identity. Representative Blackwell asked if an officer would take a person in if their identification was questionable. Mr. Miskew responded individuals with unapproved forms of identification would be taken in to establish their true identity. After further discussion, Representative Jones made a motion for a favorable report to re-refer the bill to Appropriations. The motion passed by voice vote. (Attachment 4)

Senate Bill 303 Protection Safety/Well-Being of NC Citizens
PCS Regulatory Act of 2016
(Senators Barefoot, J. Davis, Hise)
Representative Hager made a motion for the Committee to adopt the proposed committee substitute which passed by voice vote. Representative Millis explained the first portion of the proposed committee substitute (Pages 1-11, Parts I-II, sections 1.1-2.15). Representative Riddell continued to explain the rest of the proposed committee substitute (Pages 11-38, Parts III-V, sections 3.1-5.2). (Attachment 5)

The following amendments were considered: (Attachment 6)

Amendment #1 was introduced by Representative Brody. After discussion, the Chair made a motion to adopt the amendment and it passed by voice vote.

Amendment #2 was introduced by Representative Brody. After discussion, the amendment was withdrawn for consideration; therefore, no action was taken on the amendment.

Amendment #3 was introduced by Representative Catlin. After discussion, the Chair made a motion to adopt the amendment and it passed by voice vote.

Amendment #4 was introduced by Representative Hager. Chris Ayers, Executive Director (for public staff) for the N.C. Utilities Commission explained the amendment which would keep customer's personal information (name, address and telephone number) withheld from a public records request. Staff member Layla Cummings further noted this occurs often. Representative Meyer asked Mr. Ayers if there had been misuse of this information that has led to this request change. Mr. Ayers responded there have been requests specifically for names and addresses which was thought to be potentially a misuse of personal information. After discussion, the Chair made a motion to adopt the amendment and it passed by voice vote.

During the discussion, staff member Jennifer Mundt stated there was no change to current law regarding the permitting process of wind energy facilities. After discussion, Representative Hager made a motion for a favorable report to the proposed committee substitute as amended with a referral to House Committee on Finance, unfavorable to the original bill. The motion passed by voice vote.

The meeting adjourned at 9:50 A.M.

John R. Bell, IV
Presiding Co-Chair

Susan W. Horne
Susan Horne
Committee Clerk

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Wednesday, June 8, 2016
TIME: **8:30 AM**
LOCATION: **643 LOB**
COMMENTS: **SB 303 PCS Regulatory Reform Act of 2016**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 1069	2016 NC Employee Protection Act.	Representative Cleveland Representative Conrad Representative Millis Representative Whitmire
SB 303	Protect Safety/Well-Being of NC Citizens.	Senator Barefoot Senator J. Davis Senator Hise

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 11:00 AM on Tuesday, June 07, 2016.

___ Principal Clerk
___ Reading Clerk – House Chamber

Susan W. Horne (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **June 8, 2016**
Room: **643 LOB**
Time: **8:30 a.m.**
Presiding: **Representative John Bell, Co-Chair**

AGENDA ITEMS

HB 1069 2016 NC EMPLOYEE PROTECTION ACT
Representative Cleveland, Sponsor
Representative Conrad, Sponsor
Representative Millis, Sponsor
Representative Whitmire, Sponsor

SB 303 PROTECT SAFETY/WELL-BEING OF NC CITIZENS
Senator Barefoot, Sponsor
Senator J. Davis, Sponsor
Senator Hise, Sponsor

****SB 303 PCS REGULATORY REFORM ACT OF 2016**

ADJOURNMENT

Committee Sergeants at Arms

NAME OF COMMITTEE House Comm. on Reg. Reform

DATE: 06/08/16 Room: 643

House Sgt-At Arms:

1. Name: Young Bae
2. Name: Jim Moran
3. Name: Martha Gadison
4. Name: Rex Foster
5. Name: _____

Senate Sgt-At Arms:

1. Name: _____
2. Name: _____
3. Name: _____
4. Name: _____
5. Name: _____

Please admit the following House Pages to the Regulatory Reform committee meeting:

Sam Ellington, Buncombe County

Sophie Dyson, Mecklenburg County

Ann Wood, Nash County

Jordan Trakas, Mecklenburg County

Thank you,

Carol Waer

Substitute House Page Supervisor

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform 06/08/16

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Lexi Arthur	NCRMA
Elizabeth Robinson	NCRMA
Paul Sherman	NCFB
Angel Sams	WCSR
Laura DeVivo	WCSR
CATHERINE HARWARD	NCFB
JAKE PARKER	NCFB
Bill Scoggin	TI
Gary Salamido	NC Chamber
[illegible]	CGA
Daniel Baum	Troutman Sanders

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform — 06/08/16

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Laura Purvear	Lolle
TJ Bugbee	NP
Amy Elle	NCR
Preston Howard	NCMA
Doug Lassiter	NCSTA
Allen Hardison	NCSWANA
Sarah Bales	Brubaker & Assoc.
Tim Minton	NCHBA
Steven Wyatt	
	Duke
Penny Burleson	SOG
Rebecca Eskalis	CFSA

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform — 06/08/16

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Weldon Cox	American Petroleum
Doug Plisken	PSG
Aaron Overdime	DACS
Allison Pitts	NCDA & CS
Joy Hicks	NCDA&CS
Erin Wynia	NCLM
Sarah Collins	NCLM
Kathy Kingsbury	BP
Phoebe Landon	muse
Ruran Menard	NLM
Rob Lamm	[illegible]

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform — 06/08/16

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kendall Bourdon & Bradley Hicks	NCIC
Jackson Stankul	CCS
Jay Rouse	NCAEC
Andy Chase	KMA
Jennifer Haywood	NCDOL
Sarah Beth Rance	NCDOL
Rachel Nixon	NCDOL
Jake Coslin	NCC
Lisa Martin	Cap. Ad
Deanna Downey	PSNCNC
Chris Agos	PSNCNC

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform — 06/08/16

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Fred Bone	Bone Assoc
Mark Thompson	Weyerhaeuser
Dana Sipe	SA
Cara Mc	MVA

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform — 06/08/16

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Katie Todd	NCLCV
[illegible]	NCCN
Meredith Frenchmeyer	NCCN
Cassie Gavin	Sierra Club
Molly Diggins	Sierra Club
Johanna Reese	NCACC
Dominique Walker	NCACC
Caroline Thomas	DEQ
Brooks Rainey Pearson	SELC
Meg Wade-Ashby	SELC
Tim KENT	NC Beer & Wine

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform 06/08/16

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[signature]	MWC
[signature]	NC Press Assn.

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform 06/08/16

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
ANDY WALSH	SA
CHRIS McCLURE	BROOKS PIERCE
Caroline Daly	Governors office
Hannah Tedder	DHHS
Meggie Clark	NCSEA
Chris Agner	NCDOT
Illegible Smithson	EP
BRUCE THOMPSON	PARKER POE
Matt Gross	NCPC
Jesse Way	NCLCV
DAN CRAWFORD	NCLCV

VISITOR REGISTRATION SHEET

House Comm. on Reg. Reform — 06/08/16

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Sarah Preston	ACLU-NC
Susanna Birdsong	ACLU-NC
Hugh Johnson	NAACP
CHRIS DILLON	WARF
RON WOODARD	NC LISTEN
Cameron Nieters	KTS
Scott Lassen	SSGNC
Sharon McQueen	SSGNC
Kate Woomer-Deters	NC Justice Center
David Heinen	NC Center for Nonprofits
Geneva Holmes	NC Center for Nonprofits

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H 1

HOUSE BILL 1069

Short Title:	2016 NC Employee Protection Act.	(Public)
Sponsors:	Representatives Cleveland, Conrad, Millis, and Whitmire (Primary Sponsors). *For a complete list of sponsors, refer to the North Carolina General Assembly web site.*	
Referred to:	Regulatory Reform, if favorable, Appropriations	

May 11, 2016

A BILL TO BE ENTITLED

AN ACT TO AMEND VARIOUS STATUTES RELATED TO IMMIGRATION.

Whereas, as originally filed, House Bill 318, 2015 Regular Session, would have amended the definition of "employee" in the State E-Verify statutes to exclude farm workers, independent contractors, or certain individuals who provide domestic services; and

Whereas, as originally filed, House Bill 318, 2015 Regular Session, would have amended the definition of "employer" in the State E-Verify statutes to include persons who employ five or more employees in this State; and

Whereas, as originally filed, House Bill 318, 2015 Regular Session, would have prohibited the use of consular documents and certain other identity documents by government officials without exception; and

Whereas, certain elements of the law enforcement community argued that law enforcement would be less effective if an exception were not included in the bill that would allow law enforcement to use those documents to determine the identity or residency of a person when they are the only documents providing an indication of identity or residency available to the law enforcement officer at the time; and

Whereas, the General Assembly sought to balance the aims of House Bill 318 as originally filed with the needs of the law enforcement community by including such an exception in the bill; and

Whereas, in the wake of the enactment of House Bill 318, what was meant to be a narrow exception to accommodate law enforcement has been exploited by various groups who have held ID drives and launched other efforts to entice individuals to obtain the forms of identification whose use was meant to be largely prohibited under House Bill 318; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 64-25 reads as rewritten:

"**§ 64-25. Definitions.**

The following definitions apply in this Article:

(1) Commissioner. – The North Carolina Commissioner of Labor.

(2) Employ. – Hire an employee.

(3) Employee. – Any individual who provides services or labor for an employer in this State for wages or other remuneration. ~~The term does not include an individual whose term of employment is less than nine months in a calendar year.~~The term does not include a farm worker, an independent contractor, or an individual who provides domestic service in a private home that is sporadic, irregular, or intermittent.

(4) Employer. – Any person, business entity, or other organization that transacts business in this State and that employs ~~25~~five or more employees in this State. This term does not include State agencies, counties, municipalities, or other governmental bodies.

(5) E-Verify. – The federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law.

(5a) Farm worker. – An individual who maintains farms, crops, or livestock by doing physical labor or operating machinery under the supervision of a farmer, rancher, or other agricultural manager. The term includes those who perform tasks related to growing and harvesting grains, fruits, vegetables, nuts, Christmas trees, and other agricultural crops but does not include those who merely plant, transplant, or transport trees.

(5b) Independent contractor. – Any individual or entity who carries on independent business, contracts to do a piece of work according to the individual's or entity's own means and methods, and is subject to control only as to results. Whether an individual or entity is an independent contractor, regardless of what the individual or entity calls itself, shall be determined on a case-by-case basis. Factors to be considered in that determination include, but are not limited to, whether the individual or entity supplies the tools or materials; makes services available to the general public; works for a number of clients at the same time; has an opportunity for profit or loss as a result of labor or services provided; invests in the facilities for work; directs the order or sequence in which the work is to be done; and determines the hours during which the work is to be done.

(6) Unauthorized alien. – As defined in 8 U.S.C. § 1324a(h)(3)."

SECTION 2. G.S. 15A-311(c) is repealed.

SECTION 3. The Department of Labor shall include on labor law posters printed pursuant to G.S. 95-9 information regarding employers' responsibilities under G.S. 64-26 and G.S. 143-133.3. This notice shall also include contact information for individuals wishing to file a complaint alleging a violation of G.S. 64-26 or G.S. 143-133.3.

SECTION 4. There is appropriated from the General Fund to the Department of Labor the sum of ten thousand dollars ($10,000) for the 2016-2017 fiscal year to produce the labor law posters required by Section 3 of this act.

SECTION 5. Section 3 of this act becomes effective July 1, 2016. The remainder of this act becomes effective October 1, 2016.

HOUSE BILL 1069:
2016 NC Employee Protection Act.

2016-2017 General Assembly

Committee:	House Regulatory Reform. If favorable, re-refer to Appropriations	**Date:**	June 8, 2016
Introduced by:	Reps. Cleveland, Conrad, Millis, Whitmire	**Prepared by:**	Ben Stanley Staff Attorney
Analysis of:	First Edition		

SUMMARY: The bill would make various changes to the State E-Verify statutes and to a recently-enacted statute that governs State and local acceptance of certain forms of identification.

CURRENT LAW: Article 2 of Chapter 64 of the General Statutes requires those who employ 25 or more employees in this State to use the federal E-Verify system to verify the work authorization of all newly hired employees. Current law provides that individuals who work for less than 9 months in a calendar year do not have to be counted for purposes of determining whether or not a particular employer employs 25 or more employees.

G.S. 15A-311 prohibits the acceptance by State and local officials of forms of identification not specifically authorized to be used for that purpose by the General Assembly. Subsection (c) of that section, however, creates an exception to this prohibition for law enforcement officers when the prohibited forms of identification are the only documents providing an indication of identity or residency of a person available to the law enforcement officer at the time.

BILL ANALYSIS: **Section 1** of the bill would reduce from 25 to 5 the number of employees an employer must have in this State before the employer is required to use E-Verify to verify the work authorization of the employer's newly hired employees.

Section 1 of the bill would also change which employees have to be counted for purposes of determining whether or not a particular employer employs 25 or more employees in this State. Specifically, it would make the following changes:

- It would repeal the exemption for those who work 9 months or less during a calendar year.
- It would establish an exemption for farm workers, independent contractors, and individuals who provide domestic services in a private home that is sporadic, irregular, or intermittent.

Section 1 would define "independent contractors" in a manner that is nearly identical to a definition of that term contained in the federal statutes that govern the employment of aliens (8 U.S.C. 274a.1). That section would define "farm worker" in a manner that is very similar to the description of agricultural workers maintained by the U.S. Department of Labor's Bureau of Labor Statistics. The exemption that **Section 1** would create for certain domestic services mirrors a similar exemption to a definition of employment contained in federal law (8 U.S.C. 274a.1(h)).

Section 2 of the bill would eliminate the law enforcement exemption to G.S. 15A-311.

Section 3 of the bill requires the Department of Labor to include information about employers' E-Verify obligations on labor law posters printed by the Department. **Section 4** would appropriate $10,000 in the 2016-2017 fiscal year for this purpose.

Kory Goldsmith
Director

H1069-SMMD-39-E1-V-3

Legislative Drafting
919-733-6660

EFFECTIVE DATE: Section 5 of the bill would make the appropriation contained in **Section 4** of the bill effective July 1, 2016. The remainder of the bill would become effective October 1, 2016.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S 3

SENATE BILL 303
Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/22/15
Third Edition Engrossed 4/23/15

Short Title: Protect Safety/Well-Being of NC Citizens. (Public)

Sponsors:

Referred to:

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO PROTECT THE SAFETY AND WELL-BEING OF CITIZENS FROM REGULATORY OVERREACH BY: (1) PROHIBITING THE ENVIRONMENTAL MANAGEMENT COMMISSION AND THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES FROM ISSUING RULES IMPLEMENTING FEDERAL STANDARDS FOR WOOD HEATERS OR ENFORCING SUCH RULES, AND BY FORBIDDING THE COMMISSION AND THE DEPARTMENT FROM ENFORCING AIR EMISSIONS STANDARDS LIMITING FUEL SOURCES PROVIDING HEAT OR HOT WATER TO A RESIDENCE OR BUSINESS; AND (2) REQUIRING THE ENVIRONMENTAL MANAGEMENT COMMISSION TO AFFIRMATIVELY ADOPT AIR QUALITY MANAGEMENT RULES PROMULGATED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY.

The General Assembly of North Carolina enacts:

PROHIBIT IMPLEMENTATION AND ENFORCEMENT OF FEDERAL STANDARDS FOR WOOD HEATERS AND FOR FUEL SOURCES THAT PROVIDE HEAT OR HOT WATER TO A RESIDENCE OR BUSINESS

SECTION 1.(a) G.S. 143-215.107 reads as rewritten:

"**§ 143-215.107. Air quality standards and classifications.**

(a) Duty to Adopt Plans, Standards, etc. – The Commission is hereby directed and empowered, as rapidly as possible within the limits of funds and facilities available to it, and subject to the procedural requirements of this Article and Article 21:

...

(10) ~~To~~ Except as provided in subsections (h) and (i) of this section, to develop and adopt standards and plans necessary to implement requirements of the federal Clean Air Act and implementing regulations adopted by the United States Environmental Protection Agency.

...

(h) With respect to any regulation adopted by the United States Environmental Protection Agency limiting emissions from wood heaters and adopted after May 1, 2014, neither the Commission nor the Department shall do any of the following:

(1) Issue rules limiting emissions from wood heaters to implement the federal regulations described in this subsection.

(2) Enforce against a manufacturer, distributor, or consumer the federal regulations described in this subsection.

(i) Neither the Commission nor the Department shall enforce any federal air emissions standard adopted by the United States Environmental Protection Agency after May 1, 2014, that would jeopardize the health, safety, or economic well-being of a citizen of this State through the regulation of fuel combustion that is used directly or indirectly to provide (i) hot water or comfort heating to a residence or (ii) comfort heating to a business."

SECTION 1.(b) G.S. 143-213 is amended by adding a new subdivision to read:

"(31) "Wood heater" means a fireplace, wood stove, pellet stove, wood-fired hydronic heater, wood-burning forced-air furnace, or masonry wood heater or other similar appliance designed for heating a residence or business or for heating water for use by a residence through the combustion of wood or products substantially composed of wood."

AMEND PROCESS FOR STATE ADOPTION OF FEDERAL AIR QUALITY STANDARDS

SECTION 2.(a) 15A NCAC 02D .0524(c) (New Source Performance Standards). – Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to Section 2(c) of this act, the Commission and the Department of Environment and Natural Resources shall implement 15A NCAC 02D .0524(c) (New Source Performance Standards) as provided in Section 2(b) of this act.

SECTION 2.(b) Implementation. – Notwithstanding 15A NCAC 02D .0524(c) (New Source Performance Standards), the Commission shall not adopt a new source performance standard promulgated in Part 60 of Title 40 of the Code of Federal Regulations except by a three-fifths vote of the Commission. If the Commission adopts new source performance standards promulgated in Part 60 of Title 40 of the Code of Federal Regulations as provided in this section, those rules shall be subject to legislative review as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 2.(c) Additional Rule-Making Authority. – The Environmental Management Commission shall adopt a rule to amend 15A NCAC 02D .0524(c) (New Source Performance Standards) consistent with Section 2(b) of this act. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of Section 2(b) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 2.(d) Sunset. – Section 2(b) of this act expires on the date that the rule adopted pursuant to Section 2(c) of this act becomes effective.

SECTION 3.(a) 15A NCAC 02D .1111(c) (Maximum Achievable Control Technology). – Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to Section 3(c) of this act, the Commission and the Department of Environment and Natural Resources shall implement 15A NCAC 02D .1111(c) (Maximum Achievable Control Technology) as provided in Section 3(b) of this act.

SECTION 3.(b) Implementation. – Notwithstanding 15A NCAC 02D .1111(c) (Maximum Achievable Control Technology), the Commission shall not adopt maximum achievable control technology standards promulgated in Part 63 of Title 40 of the Code of Federal Regulations except by a three-fifths vote of the Commission. If the Commission adopts maximum achievable control technology standards promulgated in Part 63 of Title 40 of the Code of Federal Regulations as provided in this section, those rules shall be subject to

legislative review as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 3.(c) Additional Rule-Making Authority. – The Environmental Management Commission shall adopt a rule to amend 15A NCAC 02D .1111(c) (Maximum Achievable Control Technology) consistent with Section 3(b) of this act. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of Section 3(b) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 3.(d) Sunset. – Section 3(b) of this act expires on the date that the rule adopted pursuant to Section 3(c) of this act becomes effective.

SECTION 4.(a) 15A NCAC 02D .1110(b) (National Emissions Standards for Hazardous Air Pollutants). – Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to Section 4(c) of this act, the Commission and the Department of Environment and Natural Resources shall implement 15A NCAC 02D .1110(b) (National Emissions Standards for Hazardous Air Pollutants) as provided in Section 4(b) of this act.

SECTION 4.(b) Implementation. – 15A NCAC 02D .1110(b) (National Emissions Standards for Hazardous Air Pollutants), the Commission shall not adopt national emissions standards for hazardous air pollutants promulgated in Part 61 of Title 40 of the Code of Federal Regulations except by a three-fifths vote of the Commission. If the Commission adopts national emissions standards for hazardous air pollutants promulgated in Part 61 of Title 40 of the Code of Federal Regulations as provided in this section, those rules shall be subject to legislative review as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 4.(c) Additional Rule-Making Authority. – The Environmental Management Commission shall adopt a rule to amend 15A NCAC 02D .1110(b) (National Emissions Standards for Hazardous Air Pollutants) consistent with Section 4(b) of this act. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of Section 4(b) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 4.(d) Sunset. – Section 4(b) of this act expires on the date that the rule adopted pursuant to Section 4(c) of this act becomes effective.

SECTION 5. Effective January 1, 2016, the Environmental Management Commission shall not enforce any federal standard that was adopted by reference pursuant to 15A NCAC 02D .0524(c), 15A NCAC 02D .1111(c), and 15A NCAC 02D .1110(b) until such standards are readopted by the Commission as provided in this act.

SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 6. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

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

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S D

SENATE BILL 303

Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/22/15
Third Edition Engrossed 4/23/15
PROPOSED HOUSE COMMITTEE SUBSTITUTE S303-CSSB-20 [v.69]
06/07/2016 03:21:51 PM

Short Title: Regulatory Reform Act of 2016. (Public)

Sponsors:

Referred to:

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

PART I. BUSINESS REGULATION

EMPLOYMENT STATUS OF FRANCHISES

SECTION 1.1. Article 2A of Chapter 95 of the General Statutes is amended by adding a new section to read:

"**§ 95-25.24A. Franchisee status.**

Neither a franchisee nor a franchisee's employee shall be deemed to be an employee of the franchisor for any purposes, including but not limited to this Article and Chapters 96 and 97 of the General Statutes. For purposes of this section, "franchisee" and "franchisor" have the same definitions as set out in 16 C.F.R. § 436.1."

PART II. STATE AND LOCAL GOVERNMENT REGULATION

WATER AND SEWER BILLING BY LESSORS

SECTION 2.2.(a) G.S. 42-42.1 reads as rewritten:

"(a) For the purpose of encouraging water and electricity conservation, pursuant to a written rental agreement, a landlord may charge for the cost of providing water or sewer service to tenants ~~who occupy the same contiguous premises~~ pursuant to G.S. 62-110(g) or electric service pursuant to G.S. 62-110(h).

(b) The landlord may not disconnect or terminate the tenant's electric service or water or sewer services due to the tenant's nonpayment of the amount due for electric service or water or sewer services."

SECTION 2.2.(b) G.S. 62-110(g) reads as rewritten:

"(g) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, for the purpose of encouraging water conservation, the Commission may, consistent with the public interest, adopt procedures that allow a lessor to charge for the costs of providing water or sewer service to persons who occupy the ~~same contiguous~~leased premises. The following provisions shall apply:

(1) All charges for water or sewer service shall be based on the user's metered consumption of water, which shall be determined by metered measurement of all water consumed. The rate charged by the lessor shall not exceed the unit consumption rate charged by the supplier of the service.

(1a) If the ~~contiguous~~ leased premises are contiguous dwelling units ~~were~~ built prior to ~~1989~~ 1989, and the lessor determines that the measurement of the tenant's total water usage is impractical or not economical, the lessor may allocate the cost for water and sewer service to the tenant using equipment that measures the tenant's hot water usage. In that case, each tenant shall be billed a percentage of the landlord's water and sewer costs for water usage in the dwelling units based upon the hot water used in the tenant's dwelling unit. The percentage of total water usage allocated for each dwelling unit shall be equal to that dwelling unit's individually submetered hot water usage divided by all submetered hot water usage in all dwelling units. The following conditions apply to billing for water and sewer service under this subdivision:

a. A lessor shall not utilize a ratio utility billing system or other allocation billing system that does not rely on individually submetered hot water usage to determine the allocation of water and sewer costs.

b. The lessor shall not include in a tenant's bill the cost of water and sewer service used in common areas or water loss due to leaks in the lessor's water mains. A lessor shall not bill or attempt to collect for excess water usage resulting from a plumbing malfunction or other condition that is not known to the tenant or that has been reported to the lessor.

c. All equipment used to measure water usage shall comply with guidelines promulgated by the American Water Works Association.

d. The lessor shall maintain records for a minimum of 12 months that demonstrate how each tenant's allocated costs were calculated for water and sewer service. Upon advanced written notice to the lessor, a tenant may inspect the records during reasonable business hours.

e. Bills for water and sewer service sent by the lessor to the tenant shall contain all the following information:

1. The amount of water and sewer services allocated to the tenant during the billing period.
2. The method used to determine the amount of water and sewer services allocated to the tenant.
3. Beginning and ending dates for the billing period.
4. The past-due date, which shall not be less than 25 days after the bill is mailed.
5. A local or toll-free telephone number and address that the tenant can use to obtain more information about the bill.

(2) The lessor may charge a reasonable administrative fee for providing water or sewer service not to exceed the maximum administrative fee authorized by the Commission.

(3) The Commission shall ~~issue~~ adopt rules to ~~define contiguous premises and to~~ implement this subsection. ~~In issuing the rule to define contiguous premises, the Commission shall consider contiguous premises where manufactured homes, as defined in G.S. 143-145(7), or spaces for manufactured homes are rented.~~

(4) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service. The form shall include all of the following:

a. A description of the applicant and the property to be served.

b. A description of the proposed billing method and billing statements.
c. The schedule of rates charged to the applicant by the supplier.
d. The schedule of rates the applicant proposes to charge the applicant's customers.
e. The administrative fee proposed to be charged by the applicant.
f. The name of and contact information for the applicant and its agents.
g. The name of and contact information for the supplying water or sewer system.
h. Any additional information that the Commission may require.

(4a) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service at single family homes that allows the applicant to serve multiple homes in the State subject to single Commission approval. The form shall include all of the following:

a. A description of the applicant and a listing of the address of all the properties to be served, which shall be updated annually with the Commission.
b. A description of the proposed billing method and billing statements.
c. The administrative fee proposed to be charged by the applicant.
d. The name and contact information for the applicant and its agents.
e. Any additional information the Commission may require.

(5) The Commission shall approve or disapprove an application within 30 days of the filing of a completed application with the Commission. If the Commission has not issued an order disapproving a completed application within 30 days, the application shall be deemed approved.

(6) A provider of water or sewer service under this subsection may increase the rate for service so long as the rate does not exceed the unit consumption rate charged by the supplier of the service. A provider of water or sewer service under this subsection may change the administrative fee so long as the administrative fee does not exceed the maximum administrative fee authorized by the Commission. In order to change the rate or administrative fee, the provider shall file a notice of revised schedule of rates and fees with the Commission. The Commission may prescribe the form by which the provider files a notice of a revised schedule of rates and fees under this subsection. The form shall include all of the following:

a. The current schedule of the unit consumption rates charged by the provider.
b. The schedule of rates charged by the supplier to the provider that the provider proposes to pass through to the provider's customers.
c. The schedule of the unit consumption rates proposed to be charged by the provider.
d. The current administrative fee charged by the provider, if applicable.
e. The administrative fee proposed to be charged by the provider.

(7) A notification of revised schedule of rates and fees shall be presumed valid and shall be allowed to become effective upon 14 days notice to the Commission, unless otherwise suspended or disapproved by order issued within 14 days after filing.

(8) Notwithstanding any other provision of this Chapter, the Commission shall determine the extent to which the services shall be regulated and, to the extent necessary to protect the public interest, regulate the terms, conditions, and rates that may be charged for the services. Nothing in this subsection shall be

construed to alter the rights, obligations, or remedies of persons providing water or sewer services and their customers under any other provision of law.

(9) A provider of water or sewer service under this subsection shall not be required to file annual reports pursuant to G.S. 62-36 or to furnish a bond pursuant to G.S. 62-110.3."

REZONING/SIMULTANEOUS COMPREHENSIVE PLAN AMENDMENT

SECTION 2.4.(a) G.S. 153A-340 is amended by adding a new subsection to read:

"(o) The county shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a county has adopted a unified development ordinance, the county shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(b) G.S. 160A-381 is amended by adding a new subsection to read:

"(k) The city shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a city has adopted a unified development ordinance, the city shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(c) This section becomes effective October 1, 2016.

PARENT PARCEL/SUBDIVISION CLARIFICATION

SECTION 2.5.(a) G.S. 153A-335 reads as rewritten:

"**§ 153A-335. "Subdivision" defined.**

(a) For purposes of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions are created for the purpose of sale or building development (whether immediate or future) and includes all division of land involving the dedication of a new street or a change in existing streets; however, the following is not included within this definition and is not subject to any regulations enacted pursuant to this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots if the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres if no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for widening or opening streets or for public transportation system corridors.

(4) The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and if the resultant lots are equal to or exceed the standards of the county as shown by its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A county may provide for expedited review of specified classes of subdivisions.

(c) For the division of a tract or parcel of land in single ownership the entire area of which is greater than five acres into not more than three lots, if not exempted under subdivision (a)(2) of this section and a dedicated means of ingress and egress is provided to all resultant lots, the county may require only a plat for recordation."

SECTION 2.5.(b) G.S. 160A-376 reads as rewritten:

"**§ 160A-376. Definition.**

(a) For the purpose of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions is created for the purpose of sale or building development (whether immediate or future) and shall include all divisions of land involving the dedication of a new street or a change in existing streets; but the following shall not be included within this definition nor be subject to the regulations authorized by this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots where the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the municipality as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres where no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for the widening or opening of streets or for public transportation system corridors.

(4) The division of a tract in single ownership whose entire area is no greater than two acres into not more than three lots, where no street right-of-way dedication is involved and where the resultant lots are equal to or exceed the standards of the municipality, as shown in its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A city may provide for expedited review of specified classes of subdivisions."

(c) For the division of a tract or parcel of land in single ownership the entire area of which is greater than five acres into not more than three lots, if not exempted under subdivision (a)(2) of this section and a dedicated means of ingress and egress is provided to all resultant lots, the city may require only a plat for recordation."

SECTION 2.5.(c) This section becomes effective October 1, 2016.

STATUTE OF LIMITATIONS/LAND USE VIOLATIONS

SECTION 2.6.(a) G.S. 1-52 is amended by adding a new subdivision to read:

"**§ 1-52. Three years.**

Within three years an action -

. . .

(21) Against the owner of an interest in real property by a unit of local government for a violation of a land use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. The claim for relief accrues when the violation is either apparent from a public right-of–way or is in plain view from a place to which the public is invited. This section does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety."

SECTION 2.6.(b) This section becomes effective August 1, 2016, and applies to actions commenced on or after that date.

PROGRAM EVALUATION TO STUDY NONPROFIT CONTRACTING

SECTION 2.7.(a) The Joint Legislative Program Evaluation Oversight Committee may amend the 2016-2017 Program Evaluation Division work plan to direct the Division to study State law and internal agency policies and procedures for delivery of public services through State grants and contracts to non-profit organizations. The study shall include, but not be limited to, how non-profit organizations are compensated for actual, reasonable, documented indirect costs and the extent to which any underpayment for indirect costs reduces the efficiency or effectiveness of the delivery of public services. The study shall propose improvements to State law and internal

agency policies and procedures, if necessary, to remove unnecessary impediments to the efficient and effective delivery of public services, including, but not limited to, late execution of contracts, late payments, and late reimbursements. In conducting the study, the Division may require each State agency to provide data maintained by the agency to determine any of the following:

(1) The timeliness of delivery and execution of contracts.

(2) The timeliness of payment for services that have been delivered.

(3) The extent to which nonprofit contractors or grantees are reimbursed for their indirect costs.

(4) The contact information for all nonprofit grantees and contractors.

SECTION 2.7.(b) If the study is conducted, the Division shall submit a report on the results of the study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Commission on Governmental Operations no later than September 1, 2017.

SECTION 2.7.(c) This section becomes effective July 1, 2016.

CLARIFY ROLES OF SOIL SCIENTISTS AND GEOLOGISTS IN EVALUATION OF PROPOSED WASTEWATER SYSTEMS

SECTION 2.8.(a) G.S. 130A-335(a1) reads as rewritten:

"(a1) Any proposed site for a residence, place of business, or a place of public assembly located in an area that is not served by an approved wastewater system for which a new wastewater system is proposed or repair is necessary for compliance may be evaluated ~~for soil conditions and site features~~ by a licensed soil scientist for soil conditions and site features or by a licensed ~~geologist.~~geologist for geologic or hydro-geologic conditions. For purposes of this subsection, "site features" include topography and landscape position; soil characteristics (morphology); soil wetness; soil depth; restrictive horizons; available space; and other applicable factors that involve accepted public health principles."

SECTION 2.8.(b) G.S. 130A-336.1(b)(8) reads as rewritten:

"(b) Notice of Intent to Construct. – Prior to commencing or assisting in the construction, siting, or relocation of a wastewater system, the owner of a proposed wastewater system who wishes to utilize the engineered option permit, or a professional engineer authorized as the legal representative of the owner, shall submit to the local health department with jurisdiction over the location of the proposed wastewater system a notice of intent to construct a wastewater system utilizing the engineered permit option. The Department shall develop a common form for use as the notice of intent to construct that includes all of the following:

...

(8) A soil evaluation that is conducted and signed and sealed by a ~~either a~~ licensed soil ~~scientist or licensed geologist.~~scientist.

...."

SECTION 2.8.(c) G.S. 130A-336.1(e)(2) reads as rewritten:

"(e) Site Design, Construction, and Activities.

...

(2) Notwithstanding G.S. 130A-335(a1), the owner of the proposed wastewater system shall employ ~~either~~ a licensed soil scientist to evaluate soil conditions and site features. The owner shall employ either a licensed soil scientist or licensed geologist to evaluate geologic and hydro-geologic conditions as appropriate for the proposed site. ~~or a geologist, licensed pursuant to Chapter 89E of the General Statutes and who has applicable professional experience, to evaluate soil conditions and site features.~~"

SECTION 2.8.(d) G.S. 130A-336.1(j) reads as rewritten:

"(j) Post-Construction Conference. – The professional engineer designing the wastewater system shall hold a post-construction conference with the owner of the wastewater system; the licensed soil scientist ~~or licensed geologist~~ who performed the soils evaluation for the wastewater

system; the on-site wastewater system contractor, certified pursuant to Article 5 of Chapter 90A of the General Statutes, who installed the wastewater system; the certified operator of the wastewater system, if any; and representatives from the local health department and, as applicable, the Department. The post-construction conference shall include start-up of the wastewater system and any required verification of system design or system components."

SECTION 2.8.(e) G.S. 130A-336.1(k)(1)a. reads as rewritten:

"(k) Required Documentation. –

(1) At the completion of the post-construction conference conducted pursuant to subsection (j) of this section, the professional engineer who designed the wastewater system shall deliver to the owner signed, sealed, and dated copies of the engineer's report, which, for purposes of this subsection, shall include the following:

a. The evaluation of soil conditions and site features as prepared by ~~either~~ the licensed soil ~~scientist or licensed geologist.~~scientist.

…."

RENAME AND AMEND THE BOARD OF REFRIGERATION EXAMINERS

SECTION 2.9.(a) Article 5 of Chapter 87 of the General Statutes reads as rewritten:

"Article 5.

"Commercial Refrigeration Contractors.

"§ 87-52. State Board of Commercial Refrigeration Examiners; appointment; term of office.

(a) For the purpose of carrying out the provisions of this Article, the State Board of Commercial Refrigeration Examiners is created, consisting of seven members appointed by the Governor to serve seven-year staggered terms. The Board shall consist ~~of one member who is a wholesaler or a manufacturer of refrigeration equipment; one member from an engineering school of The University of North Carolina, one member from the Division of Public Health of The University of North Carolina, two licensed refrigeration contractors, one member who has no ties with the construction industry to represent the interest of the public at large, and one member with an engineering background in refrigeration.~~of:

(1) One member who is a wholesaler or a manufacturer of refrigeration equipment.

(2) One member from an accredited engineering school located in this State.

(3) One member from the field of public health with an environmental science background from an accredited college or university located in this State.

(4) Two members who are licensed refrigeration contractors.

(5) One member who has no ties with the construction industry to represent the interest of the public at large.

(6) One member with an engineering background in refrigeration.

(b) The term of office of one member shall expire each year. Vacancies occurring during a term shall be filled by appointment of the Governor for the unexpired term. Whenever the term "Board" is used in this Article, it means the State Board of Commercial Refrigeration Examiners. No Board member shall serve more than one complete consecutive term.

…

"§ 87-58. Definitions; contractors licensed by Board; examinations.

(a) ~~As applied~~The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of this Chapter. The following definitions apply in this ~~Article,~~Article:

(1) Commercial refrigeration contractor. – ~~"refrigeration trade or business" is defined to include all~~ All persons, ~~firms~~ firms, or corporations engaged in the installation, maintenance, servicing and repairing of refrigerating machinery, equipment, devices and components relating ~~thereto and within limits as set forth in the codes, laws and regulations governing refrigeration installation,~~

~~maintenance, service and repairs within the State of North Carolina or any of its political subdivisions. The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of Chapter 87 of the General Statutes.~~thereto.

(2) Industrial refrigeration contractor. – All persons, firms, or corporations engaged in commercial refrigeration contracting with the use of ammonia as a refrigerant gas.

(3) Transport refrigeration contractor. – All persons, firms, or corporations engaged in the business of installation, maintenance, repairing, and servicing of transport refrigeration.

(a1) This Article shall not apply to any of the following:

(1) The installation of self-contained commercial refrigeration units equipped with an Original Equipment Manufacturer (OEM) molded plug that does not require the opening of service ~~valves or replacement of lamps, fuses, and door gaskets.~~valves.

(2) The installation and servicing of domestic household self-contained refrigeration appliances equipped with an OEM molded plug connected to suitable receptacles which have been permanently installed and do not require the opening of service valves.

(3) Employees of persons, firms, or corporations or persons, firms or corporations, not engaged in refrigeration contracting as herein defined, that install, maintain and service their own refrigerating machinery, equipment and devices.

(4) Any person, firm or corporation engaged in the business of selling, repairing and installing any comfort cooling devices or systems.

(5) The replacement of lamps, fuses, and door gaskets.

(b) ~~The term "refrigeration contractor" means a person, firm or corporation engaged in the business of refrigeration contracting.~~The Board shall establish and issue the following licenses:

(1) A Class I license shall be required for any person engaged in the business of commercial refrigeration contracting.

(2) A Class II license shall be required for any person engaged in the business of industrial refrigeration contracting.

(3) A Class III license shall be required for any person engaged in the business of repair, maintenance, and servicing of commercial equipment.

(4) A Class IV license shall be required for any person engaged in the business of transport refrigeration contracting.

~~(b1) The term "transport refrigeration contractor" means a person, firm, or corporation engaged in the business of installation, maintenance, servicing, and repairing of transport refrigeration.~~

(c) Any person, firm or corporation who for valuable consideration engages in the refrigeration business or trade as herein defined shall be deemed and held to be in the business of refrigeration contracting.

(d) In order to protect the public health, comfort and safety, the Board shall prescribe the standard of experience to be required of an applicant for license and shall give an examination designed to ascertain the technical and practical knowledge of the applicant concerning the analysis of plans and specifications, estimating cost, fundamentals of installation and design as they pertain to refrigeration; and as a result of the examination, the Board shall issue a certificate of license in refrigeration to applicants who pass the required examination and a license shall be obtained in accordance with the provisions of this Article, before any person, firm or corporation shall engage in, or offer to engage in the business of refrigeration contracting. The Board shall prescribe standards for ~~and issue licenses for refrigeration contracting and for transport refrigeration contracting. A transport refrigeration contractor license is a specialty license that~~

~~authorizes the licensee to engage only in transport refrigeration contracting. A refrigeration contractor licensee is authorized to engage in transport refrigeration and all other aspects of refrigeration contracting.~~all license classifications.

Each application for examination shall be accompanied by a check, post-office money order or cash in the amount of the annual license fee required by this Article. Regular examinations shall be given in the Board's office by appointment.

...

(k) Upon application and payment of the fee for license renewal provided in G.S. 87-64, the Board shall issue a certificate of license to any licensee whose business activities require a Class I or Class II license if that licensee had an established place of business and was licensed pursuant to this Article prior to January 1, 2016.

...

"§ 87-64. Examination and license fees; annual renewal.

(a) Each applicant for a license by examination shall pay to the Board of Commercial Refrigeration Examiners a nonrefundable examination fee in an amount to be established by the Board not to exceed the sum of ~~forty~~ one hundred dollars ~~($40.00). In the event the applicant successfully passes the examination, the examination fee shall be applied to the license fee required of licensees for the current year in which the examination was taken and passed.~~($100.00).

(b) The license of every person licensed under the provisions of this statute shall be annually renewed. Effective January 1, 2012, the Board may require, as a prerequisite to the annual renewal of a license, that licensees complete continuing education courses in subjects related to refrigeration contracting to ensure the safe and proper installation of commercial and transport refrigeration work and equipment. On or before November 1 of each year the Board shall cause to be mailed an application for renewal of license to every person who has received from the Board a license to engage in the refrigeration business, as heretofore defined. On or before January 1 of each year every licensed person who desires to continue in the refrigeration business shall forward to the Board a nonrefundable renewal fee in an amount to be established by the Board not to exceed ~~forty~~ eighty dollars ~~($40.00)~~($80.00) together with the application for renewal. Upon receipt of the application and renewal fee the Board shall issue a renewal certificate for the current year. Failure to renew the license annually shall automatically result in a forfeiture of the right to engage in the refrigeration business.

(c) Any licensee who allows the license to lapse may be reinstated by the Board upon payment of a nonrefundable late renewal fee in an amount to be established by the Board not to exceed ~~seventy-five~~one hundred sixty dollars ~~($75.00).~~($160.00) together with the application for renewal. Any person who fails to renew a license for two consecutive years shall be required to take and pass the examination prescribed by the Board for new applicants before being licensed to engage further in the refrigeration business."

SECTION 2.9.(b) This section becomes effective January 1, 2017, and applies to applications submitted and Board membership appointments on or after that date.

AMEND DEFINITION OF ANTIQUE AUTOMOBILE

SECTION 2.10. G.S. 105-330.9 reads as rewritten:

"§ 105-330.9. Antique automobiles.

(a) Definition. – For the purpose of this section, the term "antique automobile" means a motor vehicle that meets all of the following conditions:

(1) It is registered with the Division of Motor Vehicles and has an historic vehicle special license plate under G.S. 20-79.4.

(2) It is maintained primarily for use in exhibitions, club activities, parades, and other public interest functions.

(3) It is used only occasionally for other purposes.

(4) It is owned by an ~~individual.~~individual or owned directly or indirectly through one or more pass through entities, by an individual.

(5) It is used by the owner for a purpose other than the production of income and is not used in connection with a business.

(b) Classification. – Antique automobiles are designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and must be assessed for taxation in accordance with this section. An antique automobile must be assessed at the lower of its true value or five hundred dollars ($500.00)."

COPIES OF CERTAIN PUBLIC RECORDS

SECTION 2.11.(a) G.S. 132-6.2 reads as rewritten:

"**§ 132-6.2. Provisions for copies of public records; fees.**

(a) Persons requesting copies of public records may elect to obtain them in any and all media in which the public agency is capable of providing them. No request for copies of public records in a particular medium shall be denied on the grounds that the custodian has made or prefers to make the public records available in another medium. The public agency may assess different fees for different media as prescribed by law.

(a1) A public agency may satisfy the requirement to provide access to public records and computer databases under G.S. 132-9 by making those public records or computer databases available online in a format that allows a person to download the public record or computer database to obtain a copy. A public agency that provides access to public records or computer databases under this subsection is not required to provide copies through any other method or medium. If a public agency, as a service to the requester, voluntarily elects to provide copies by another method or medium, the public agency may negotiate a reasonable charge for the service with the requester.

(b) Persons requesting copies of public records may request that the copies be certified or uncertified. The fees for certifying copies of public records shall be as provided by law. Except as otherwise provided by law, no public agency shall charge a fee for an uncertified copy of a public record that exceeds the actual cost to the public agency of making the copy. For purposes of this subsection, "actual cost" is limited to direct, chargeable costs related to the reproduction of a public record as determined by generally accepted accounting principles and does not include costs that would have been incurred by the public agency if a request to reproduce a public record had not been made. Notwithstanding the provisions of this subsection, if the request is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or if producing the record in the medium requested results in a greater use of information technology resources than that established by the agency for reproduction of the volume of information requested, then the agency may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the actual cost incurred for such extensive use of information technology resources or the labor costs of the personnel providing the services, or for a greater use of information technology resources that is actually incurred by the agency or attributable to the agency. If anyone requesting public information from any public agency is charged a fee that the requester believes to be unfair or unreasonable, the requester may ask the State Chief Information Officer or his designee to mediate the dispute.

(c) Persons requesting copies of computer databases may be required to make or submit such requests in writing. Custodians of public records shall respond to all such requests as promptly as possible. If the request is granted, the copies shall be provided as soon as reasonably possible. If the request is denied, the denial shall be accompanied by an explanation of the basis for the denial. If asked to do so, the person denying the request shall, as promptly as possible, reduce the explanation for the denial to writing.

(d) Nothing in this section shall be construed to require a public agency to respond to requests for copies of public records outside of its usual business hours.

(e) Nothing in this section shall be construed to require a public agency to respond to a request for a copy of a public record by creating or compiling a record that does not exist. If a public agency, as a service to the requester, voluntarily elects to create or compile a record, it may negotiate a reasonable charge for the service with the requester. Nothing in this section shall be construed to require a public agency to put into electronic medium a record that is not kept in electronic medium.

(f) For purposes of this section, the following definitions shall apply:

(1) Computer database. – As defined in G.S. 132-6.1.

(2) Media or Medium.—A particular form or means of storing information."

SECTION 2.11.(b) The State Chief Information Officer, working with the State Controller, the Office of State Budget and Management, Local Government Commission, The University of North Carolina, The North Carolina Community College System, The School of Government at the University of North Carolina Chapel Hill, the North Carolina League of Municipalities, the North Carolina School Boards Association, and the North Carolina County Commissioners Association, shall report, including any recommendations, to the 2017 Regular Session of the General Assembly on or before February 1, 2017, regarding the development and use of computer databases by State and local agencies and the need for public access to those public records.

SECTION 2.11.(c) This section becomes effective July 1, 2016.

SPECIFY LOCATION OF LIEUTENANT GOVERNOR'S OFFICE

SECTION 2.12. G.S. 143A-5 reads as rewritten:

"**§ 143A-5. Office of the Lieutenant Governor.**

The Lieutenant Governor shall maintain an office in ~~a State buildingthe~~ Hawkins-Hartness House located at 310 North Blount Street in the City of Raleigh which office shall be open during normal working hours throughout the year. The Lieutenant Governor shall serve as President of the Senate and perform such additional duties as the Governor or General Assembly may assign to him. This section shall become effective January 1, 1973."

CLARIFY THAT DOT STORMWATER REQUIREMENTS ARE APPLICABLE TO STATE ROAD CONSTRUCTION UNDERTAKEN BY PRIVATE PARTIES

SECTION 2.14. Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-28.6B. Applicable stormwater regulation.**

For the purposes of stormwater regulation, any construction undertaken by a private party pursuant to the provisions of G.S. 136-18(17), G.S. 136-18(27), G.S. 136-18(29), G.S. 136-18(29a), G.S. 136-28.6, or G.S. 136-28.6A shall be considered to have been undertaken by the Department, and the stormwater law and rules applicable to the Department shall apply."

PART III. AGRICULTURE, ENERGY, AND NATURAL RESOURCES REGULATION

DIRECT DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES TO INSPECT RENDERING PLANTS

SECTION 3.1.(a) G.S. 106-168.5 is repealed.

SECTION 3.1.(b) G.S. 106-168.6 reads as rewritten:

"**§ 106-168.6. ~~Inspection by committee;~~Inspection; certificate of specific findings.**

~~The committee upon notification by~~ Upon receipt of an application for license, the Commissioner or the Commissioner's designee shall promptly inspect the plans, specifications,

and selected site in the case of proposed rendering plants and shall inspect the buildings, grounds, and equipment of established rendering plants. If the ~~committee~~ Commissioner or the Commissioner's designee finds that the plans, specifications, and selected site in the case of proposed plants, or the buildings, grounds, and equipment in the case of established plants, comply with the requirements of this Article and the rules and regulations promulgated ~~by the Commissioner not inconsistent therewith, it~~under the authority of this Article, the Commissioner shall certify ~~its~~ the findings in ~~writing and forward same to the Commissioner.~~writing. If there is a failure in any respect to meet such requirements, the ~~committee~~ Commissioner or the Commissioner's designee shall notify the applicant in writing of such deficiencies and ~~the committee shall~~ shall, within a reasonable time to be determined by the ~~Commissioner~~ Commissioner, make a second inspection. If the specified defects are remedied, the ~~committee~~ Commissioner or the Commissioner's designee shall ~~thereupon~~ certify ~~its~~ the findings in ~~writing to the Commissioner.~~writing. Not more than two inspections shall be required ~~of the committee~~ under any one application."

SECTION 3.1.(c) G.S. 106-168.7 reads as rewritten:

"**§ 106-168.7. Issuance of license.**

Upon ~~receipt of the certificate of compliance from the committee,~~certification in accordance with G.S. 106-168.6, the Commissioner shall issue a license to the applicant to conduct rendering operations as specified in the application. A license shall be valid until revoked for cause as hereinafter provided."

SECTION 3.1.(d) G.S. 106-168.12 reads as rewritten:

"**§ 106-168.12. Commissioner authorized to adopt rules and regulations.**

The Commissioner of Agriculture is hereby authorized to make and establish reasonable rules and regulations, ~~not inconsistent~~consistent with the provisions of this Article, ~~after consulting the committee,~~ for the proper administration and enforcement thereof."

SECTION 3.1.(e) G.S. 106-168.13 reads as rewritten:

"**§ 106-168.13. Effect of failure to comply.**

Failure to comply with the provisions of this Article or rules and regulations ~~not inconsistent therewith~~adopted pursuant to this Article shall be cause of revocation of license, if such failure shall not be remedied within a reasonable time after notice to the licensee. Any person whose license is revoked may reapply for a license in the manner provided in this Article for an initial application, except that the Commissioner shall not be required to cause the rendering plant and equipment of the applicant to be inspected ~~by the committee~~until the expiration of 30 days from the date of revocation."

SOLID WASTE AMENDMENTS

SECTION 3.3.(a) Section 4.9(a) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(a)** Section 14.20(a) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(b) Section 4.9(b) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(b)** Section ~~14.20(a)~~14.20(c) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(c) Section 4.9(c) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(c)** Section 14.20(d) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(d) Section 4.9(d) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(d)** Section 14.20(f) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(e) Section 14.20(e) of S.L. 2015-241 reads as rewritten:

"**SECTION 14.20.(e)** After July 1, 2016, the annual fee due pursuant to ~~G.S. 130A-295.8A(d1),~~G.S.130A-295.8(d1), as enacted by Section 14.20(c) of this act, for existing sanitary landfills and transfer stations with a valid permit issued before the date this act becomes effective is equal to the applicable annual fee for the facility as set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1) as enacted by Section 14.20(c) of this act, less a permittee fee credit. A permittee fee credit exists when the life-of-site permit fee amount is greater than the time-limited permit fee amount. The amount of the permittee fee credit shall be calculated by (i) subtracting the time-limited permit fee amount from the life-of-site permit fee amount due for the same period of time and (ii) multiplying the difference by a fraction, the numerator of which is the number of years remaining in the facility's time-limited permit and the denominator of which is the total number of years covered by the facility's time-limited permit. The amount of the permittee fee credit shall be allocated in equal annual installments over the number of years that constitute the facility's remaining life-of-site, as determined by the Department, unless the Department accelerates, in its sole discretion, the use of the credit over a shorter period of time. For purposes of this subsection, the following definitions apply:

(1) Life-of-site permit fee amount. – The amount equal to the sum of all annual fees that would be due under the fee structure set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

(2) Time-limited permit fee amount. – The amount equal to the sum of the application fee or renewal fee, whichever is applicable, and all annual fees paid or to be paid pursuant to subsections (c) and (d) of ~~G.S. 130A-295.8A,~~ G.S. 130A-295.8(d1), as repealed by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

The Department shall adopt rules to implement this subsection."

SECTION 3.4.(a) Section 14.20(f) of S.L. 2015-241, as amended by Section 4.9(d) of S.L. 2015-286, reads as rewritten:

"**SECTION 14.20.(f)** This section becomes effective October 1, 2015. G.S. 130A-294(b1)(2), as amended by subsection (a) of this section, applies to franchise ~~agreements~~ agreements (i) executed on or after ~~October 1, 2015.~~ October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to a valid and operative franchise agreement consent to modify the agreement for the purpose of extending the agreement's duration to the life-of-site of the landfill for which the agreement was executed. The remainder of G.S. 130A-294, as amended by subsection (a) of this section, and G.S. 130A-295.8, as amended by subsection (c) of this section, apply to (i) existing sanitary landfills and transfer stations, with a valid permit issued before the date this act becomes effective, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016, (ii) new sanitary landfills and transfer stations, for applications submitted on or after July 1, 2016, and (iii) applications for sanitary landfills or transfer stations submitted before July 1, 2015, and pending on the date this act becomes law shall be evaluated by the Department based on the applicable laws that were in effect on July 1, 2015, and the Department shall not delay in processing such permit applications in consideration of changes made by this act, but such landfills and transfer stations shall be eligible for issuance of life-of-site permits pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016."

SECTION 3.4.(b) G.S. 130A-294(b1)(2) reads as rewritten:

"(2) A person who intends to apply for a new permit for a sanitary landfill shall obtain, prior to applying for a permit, a franchise for the operation of the sanitary landfill from each local government having jurisdiction over any part of the land on which the sanitary landfill and its appurtenances are located or to be located. A local government may adopt a franchise ordinance under G.S. 153A-136 or G.S. 160A-319. A franchise granted for a sanitary landfill ~~shall~~ shall (i) be granted for the life-of-site of the ~~landfill and shall~~ landfill, but for a period not to exceed 60 years and (ii) include all of the following:

a. A statement of the population to be served, including a description of the geographic area.
b. A description of the volume and characteristics of the waste stream.
c. A projection of the useful life of the sanitary landfill.
d. Repealed by Session Laws 2013-409, s. 8, effective August 23, 2013.
e. The procedures to be followed for governmental oversight and regulation of the fees and rates to be charged by facilities subject to the franchise for waste generated in the jurisdiction of the franchising entity.
f. A facility plan for the sanitary landfill that shall include the boundaries of the proposed facility, proposed development of the facility site, the boundaries of all waste disposal units, final elevations and capacity of all waste disposal units, the amount of waste to be received per day in tons, the total waste disposal capacity of the sanitary landfill in tons, a description of environmental controls, and a description of any other waste management activities to be conducted at the facility. In addition, the facility plan shall show the proposed location of soil borrow areas, leachate facilities, and all other facilities and infrastructure, including ingress and egress to the facility."

SECTION 3.4.(c) G.S. 160A-319(a) reads as rewritten:

"**§ 160A-319. Utility franchises.**

(a) A city shall have authority to grant upon reasonable terms franchises for a telephone system and any of the enterprises listed in G.S. 160A-311, except a cable television system. A franchise granted by a city authorizes the operation of the franchised activity within the city. No franchise shall be granted for a period of more than 60 years, ~~except~~ including a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1); provided, however, that a franchise for solid waste collection or disposal systems and ~~facilities~~ facilities, other than sanitary landfills, shall not be granted for a period of more than 30 years. Except as otherwise provided by law, when a city operates an enterprise, or upon granting a franchise, a city may by ordinance make it unlawful to operate an enterprise without a franchise."

SECTION 3.4.(d) G.S. 153A-136 reads as rewritten:

"**§ 153A-136. Regulation of solid wastes.**

(a) A county may by ordinance regulate the storage, collection, transportation, use, disposal, and other disposition of solid wastes. Such an ordinance may:

...

(3) Grant a franchise to one or more persons for the exclusive right to commercially collect or dispose of solid wastes within all or a defined portion of the county and prohibit any other person from commercially collecting or disposing of solid wastes in that area. The board of commissioners may set the terms of any ~~franchise, except that no franchise may be granted for a period exceeding 30 years, nor may any~~ franchise; provided, however, no franchise shall be granted for a period of more than 30 years, except for a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to

G.S. 130A-294(b1), which may not exceed 60 years. No franchise by its terms may impair the authority of the board of commissioners to regulate fees as authorized by this section.

...."

SECTION 3.4.(e) Section 3.5 applies to franchise agreements (i) executed on or after October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to the agreement consent to modify the agreement for the purpose of extending the agreement's duration of the life-of-site of the landfill for which the agreement was executed.

SECTION 3.5. Except as otherwise provided, Sections 3.3, 3.4, 3.5 of this act are effective retroactively to July 1, 2015.

AUTHORIZE THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS TO REVIEW AND COMMENT ON MILITARY-RELATED PERMIT CRITERIA

SECTION 3.6.(a) Article 21C of Chapter 143 of the General Statutes reads as rewritten:

"Article 21C.

"Permitting of Wind Energy Facilities.

"...

§ 143-215.118. Permit application scoping meeting and notice.

(a) Scoping Meeting. – No less than 60 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion, the applicant shall request the scheduling of a scoping meeting between the applicant and the Department. The scoping meeting shall be held no less than 30 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion. ~~The applicant and the Department shall review the permit for the proposed wind energy facility or proposed facility expansion at the scoping meeting.~~

...

§ 143-215.119. Permit application requirements; fees; notice of receipt of completed permit; public hearing; public comment.

(a) Permit Requirements. – A person applying for a permit for a proposed wind energy facility or proposed wind energy facility expansion shall include all of the following in an application for the permit:

(1) A narrative description of the proposed wind energy facility or proposed wind energy facility expansion.

(2) A map showing the location of the proposed wind energy facility or proposed wind energy facility expansion that identifies the specific location of each turbine.

(3) A copy of a deed, purchase agreement, lease agreement, or other legal instrument demonstrating the right to construct, expand, or otherwise develop a wind energy facility on the property.

(4) Identification by name and address of property owners ~~adjacent to~~living within one-half mile of the proposed wind energy facility or proposed wind energy facility expansion. The applicant shall notify every property owner identified pursuant to this subdivision by registered or certified mail or by any means authorized by G.S. 1A-1, Rule 4, in a form approved by the Department. The notice shall include all of the following:

a. The location of the proposed wind energy facility or proposed wind energy facility expansion and the specific location of each turbine proposed to be located within one-half mile of the ~~boundary of the adjacent property owner.~~property.

b. A description of the proposed wind energy facility or proposed wind energy facility expansion.

...

§ 143-215.120. Criteria for permit approval; time frame; permit conditions; other approvals required.

(a) Permit Approval. – The Department shall approve an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion unless the Department finds any one or more of the following:

(1) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would be inconsistent with or violate rules adopted by the ~~Department~~ Department, the Department of Military and Veterans Affairs, or any other provision of law.

(2) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the Department may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.

...

§ 143-215.123. Annual review of military presence.

The Department of Military and Veterans Affairs shall consult with representatives of the major military installations to review information regarding military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations at least once per ~~year.~~year and shall provide such information to the Department. The Department shall provide relevant information on civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations to permit applicants as requested.

...

§ 143-215.125. Rule making.

The Department of Military and Veterans Affairs and the Environmental Management Commission shall adopt any rules necessary pertaining to their respective jurisdictions ~~for the implementation of~~ to implement this Article. In adopting rules, the Environmental Management Commission shall consult with the Coastal Resources Commission to ensure that the development of statewide permitting requirements is consistent with and in consideration of the characteristics unique to the coastal area of the State to the maximum extent practicable.

...."

SECTION 3.6.(b) Subsection (a) of this section becomes effective when this act becomes law, and applies to applications for permits for a proposed wind energy facility or a proposed wind energy facility expansion submitted on or after that date.

SECTION 3.6.(c) Article 9G of Chapter 143 of the General Statutes reads as rewritten:

"Article 9G.

"Military Lands Protection.

"**§ 143-151.70. Short title.**

This Article shall be known as the Military Lands Protection Act of 2013.

§ 143-151.71. Definitions.

Within the meaning of this Article:

(1) "Area surrounding major military installations" is the area that extends five miles beyond the boundary of a major military installation and may include incorporated and unincorporated areas of counties and municipalities.

(2) Repealed by Session Laws 2014-79, s. 2, effective July 22, 2014.

~~(3) "Commissioner" means the Commissioner of Insurance.~~

(4) "Construction" includes reconstruction, alteration, or expansion.

(5) "Major military installation" means Fort Bragg, Pope Army Airfield, Camp Lejeune Marine Corps Air Base, New River Marine Corps Air Station, Cherry Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point, the United States Coast Guard Air Station at Elizabeth City, Naval Support Activity Northwest, Air Route Surveillance Radar (ARSR-4) at Fort Fisher, and Seymour Johnson Air Force Base, in its own right and as the responsible entity for the Dare County Bombing Range, and any facility located within the State that is subject to the installations' oversight and control.

(6) "Person" means any individual, partnership, firm, association, joint venture, public or private corporation, trust, estate, commission, board, public or private institution, utility, cooperative, interstate body, the State of North Carolina and its agencies and political subdivisions, or other legal entity.

(6a) "State Construction Office" means the State Construction Office of the Department of Administration.

(6b) "Secretary" means the Secretary of the Department of Administration.

(7) "Tall buildings or structures" means any building, structure, or unit within a multiunit building with a vertical height of more than 200 feet (200') measured from the top of the foundation of the building, structure, or unit and the uppermost point of the building, structure, or unit. "Tall buildings or structures" do not include buildings and structures listed individually or as contributing resources within a district listed in the National Register of Historic Places.

§ 143-151.72. Legislative findings.

North Carolina has a vested economic interest in preserving, maintaining, and sustaining land uses that are compatible with military activities at major military installations. Development located proximate to military installations has been identified as a critical issue impacting the long-term viability of the military in this State. Additional concerns associated with development include loss of access to air space and coastal and marine areas and radio frequency encroachment. The construction of tall buildings or structures in areas surrounding major military installations is of utmost concern to the State as those buildings and structures may interfere with or impede the military's ability to carry out activities that are vital to its function and future presence in North Carolina.

§ 143-151.73. Certain buildings and structures prohibited without endorsement.

(a) No county or city may authorize the construction of and no person may construct a tall building or structure in any area surrounding a major military installation in this State, unless the county or city is in receipt of either a letter of endorsement issued to the person by the State Construction Office pursuant to ~~G.S. 143-151.75 or proof of the State Construction Office's failure to act within the time allowed pursuant to~~ G.S. 143-151.75.

(b) No county or city may authorize the provision of the following utility services to any building or structure constructed in violation of subsection (a) of this section: electricity, telephone, gas, water, sewer, or septic system.

§ 143-151.74. Exemptions from applicability.

(a) Wind energy facilities and wind energy facility expansions, as those terms are defined in Article 21C of Chapter 143 of the General Statutes, that are subject to the applicable permit

requirements of that Chapter shall be exempt from obtaining the endorsement required by this Article.

...

§ 143-151.75. Endorsement for proposed tall buildings or structures required.

(a) No person shall undertake construction of a tall building or structure in any area surrounding a major military installation in this State without ~~either~~ first obtaining the endorsement from the State Construction ~~Office or proof of the State Construction Office's failure to act within the time allowed.~~Office.

(b) A person seeking endorsement for a proposed tall building or structure in any area surrounding a major military installation in this State shall provide written notice of the intent to seek endorsement to the base commander of the major military installation that is located within five miles of the proposed tall building or structure and shall provide all of the following to the State Construction Office:

(1) Identification of the major military installation and the base commander of the installation that is located within five miles of the proposed tall building or structure.

(2) A copy of the written notice sent to the base commander of the installation identified in subdivision (1) of this subsection that is located within five miles of the proposed tall building or structure.

(3) A written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012, Edition) for the proposed tall building or structure.

(c) After receipt of the information provided by the ~~applicant~~ person pursuant to subsection (b) of this section, the State Construction Office shall, in writing, request a written statement concerning the proposed tall building or structure from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. The State Construction Office shall request that the following information be included in the written statement from the base commander:

(1) A determination whether the location of the proposed tall building or structure is within ~~a protected~~an area that surrounds the major military installation.

(2) A determination whether any activities of the installation may be adversely affected by the proposed tall building or structure. A detailed description of the potential adverse effects, including frequency disturbances and physical obstructions, shall accompany the determination required by this subdivision.

(d) The State Construction Office shall not endorse a tall building or structure if the State Construction Office finds any one or more of the following:

(1) The proposed tall building or structure would encroach upon or otherwise interfere with the mission, training, or operations of any major military installation in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the State Construction Office may consider whether the proposed tall building or structure would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on the written statement received from a base commander as provided in subsection (c) of this section and written comments received by members of affected communities. Provided, however, if the State Construction Office does not receive a written statement requested pursuant to subsection (c) of this section within 45 days of issuance of the request to the base commander, the State Construction Office shall deem the tall building or structure as ~~endorsed~~ denied by the base commander.

(2) The State Construction Office is not in receipt of the written "Determination of No Hazard to Air Navigation" issued to the person by the Federal Aviation Administration required pursuant to subdivision (3) of subsection (b) of this section.

(e) The State Construction Office shall make a final decision on the request for endorsement of a tall building or structure within 90 days from the date on which the State Construction Office requested the written statement from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. If the State Construction Office determines that a request for a tall building or structure fails to meet the requirements for endorsement under this section, the State Construction Office shall deny the request. The State Construction Office shall notify the person of the denial, and the notice shall include a written statement of the reasons for the denial. If the State Construction Office fails to act within any time period set forth in this section, the person may treat the failure to act as a decision to ~~endorse~~ deny endorsement of the tall building or structure.

~~(f) The State Construction Office may meet by telephone, video, or Internet conference, so long as consistent with applicable law regarding public meetings, to make a decision on a request for endorsement for a tall building or structure pursuant to subsection (e) of this section.~~

§ 143-151.76. Application to existing tall buildings and structures.

G.S. 143-151.73 applies to tall buildings or structures that existed in an area surrounding major military installations ~~upon the effective date of this Article~~on October 1, 2013, as follows:

(1) No reconstruction, alteration, or expansion may aggravate or intensify a violation by an existing building or structure that did not comply with G.S. 143-151.73 ~~upon its effective date.~~on October 1, 2013.

(2) No reconstruction, alteration, or expansion may cause or create a violation by an existing building or structure that did comply with G.S. 143-151.73 ~~upon its effective date.~~on October 1, 2013.

§ 143-151.77. Enforcement and penalties.

(a) In addition to injunctive ~~relief,~~relief, as provided by subsection (e) of this section, the ~~Commissioner~~ Secretary may assess and collect a civil penalty against any person who violates any of the provisions of this Article or rules adopted pursuant to this Article, as provided in this section. The maximum civil penalty for a violation is five thousand dollars ($5,000). A civil penalty may be assessed from the date of the violation. Each day of a continuing violation may constitute a separate violation.

(b) The ~~Commissioner~~ Secretary shall determine the amount of the civil penalty and shall notify the person who is assessed the civil penalty of the amount of the penalty and the reason for assessing the penalty. The notice of assessment shall be served by any means authorized under Rule 4 of G.S. 1A-1 and shall direct the violator to either pay the assessment or contest the assessment within 30 calendar days by filing a petition for a contested case under Article 3 of Chapter 150B of the General Statutes. If a violator does not pay a civil penalty assessed by the ~~Commissioner~~ Secretary within 30 calendar days after it is due, the ~~Commissioner~~ Secretary shall request that the Attorney General institute a civil action to recover the amount of the assessment. The civil action may be brought in the superior court of any county where the violation occurred. A civil action must be filed within one year of the date the assessment was due. An assessment that is not contested is due when the violator is served with a notice of assessment. An assessment that is contested is due at the conclusion of the administrative and judicial review of the assessment.

(c) In determining the amount of the penalty, the ~~Commissioner~~ Secretary shall consider the degree and extent of harm caused by the violation, the cost of rectifying the damage, the amount of money the violator saved by noncompliance, whether the violation was committed willfully, the prior record of the violator in complying or failing to comply with this Article, and the action of the person to remedy the violation.

(d) The clear proceeds of civil penalties collected by the ~~Commissioner~~ Secretary under this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

(e) Whenever the Secretary has reasonable cause to believe that any person has violated or is threatening to violate any of the provisions of this Article, a rule implementing this Article, or any of the terms of any endorsement issued pursuant to this Article, the State Construction Office may, either before or after the institution of any other action or proceeding authorized by this Article, request the Attorney General to institute a civil action in the name of the State upon the request of the State Construction Office for injunctive relief to restrain the violation or threatened violation and for such other and further relief in the premises as the court shall deem proper. The Attorney General may institute such action in the superior court of the county in which the violation occurred or may occur or, in the Attorney General's discretion, in the superior court of the county in which the person responsible for the violation or threatened violation resides or has the person's principal place of business. Upon a determination by the court that the alleged violation of the provisions of this Article or the regulations of the State Construction Office has occurred or is threatened, the court shall grant the relief necessary to prevent or abate the violation or threatened violation. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed for violation of this Article."

SECTION 3.6.(d) Subsection (c) of this section is effective when this act becomes law, and applies to requests for endorsements to construct tall buildings or structures submitted on or after that date.

SECTION 3.7.(a) Article 21C of Chapter 143 of the General Statutes reads as rewritten:

"Article 21C.
"Permitting of Wind Energy Facilities.

"...

§ 143-215.117. Permit preapplication site evaluation meeting; notice; preapplication package requirements.

(a) Permit Preapplication Site Evaluation Meeting. – No less than 180 days prior to filing an application for a permit to construct, operate, or expand a wind energy facility, a person shall request a preapplication site evaluation meeting to be held between the ~~applicant and the Department.~~applicant, the Department, and the Department of Military and Veterans Affairs. The preapplication site evaluation meeting shall be held no less than 120 days prior to filing an application for a permit to construct, operate, or expand a wind energy facility and may be used by the participants to:

(1) Conduct a preliminary evaluation of the site or sites for the proposed wind energy facility or wind energy facility expansion. The preliminary evaluation of the proposed wind energy facility or proposed wind energy facility expansion shall determine if the site or sites:
   a. Pose serious risk to civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations.
   b. Pose serious risk to natural resources and uses, including to species of concern or their habitats.

(2) Identify areas where proposed construction or expansion activities pose minimal risk of interference with civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations.

(3) Identify areas where proposed construction or expansion activities pose minimal risk to natural resources and uses, including avian, bat, and endangered and threatened species.

(b) Permit Preapplication Package. – No less than 45 days prior to the date of the permit preapplication site evaluation meeting scheduled in accordance with subsection (a) of this section, the applicant for a wind energy facility or wind energy facility expansion shall submit a preapplication package to the ~~Department.~~Department and the Department of Military and Veterans Affairs. To the extent that any documents contain trade secrets or confidential business information, those portions of the documents shall not be subject to disclosure under the North Carolina Public Records Act. The preapplication package shall include all of the following:

...

§ 143-215.118. Permit application scoping meeting and notice.

(a) Scoping Meeting. – No less than 60 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion, the applicant shall request the scheduling of a scoping meeting between the ~~applicant and the Department.~~ applicant, the Department, and the Department of Military and Veterans Affairs. The scoping meeting shall be held no less than 30 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion.

...

§ 143-215.119. Permit application requirements; fees; notice of receipt of completed permit; public hearing; public comment.

(a) Permit Requirements. – A person applying for a permit for a proposed wind energy facility or proposed wind energy facility expansion shall include all of the following in an application for the ~~permit:~~permit to be submitted to the Department and the Department of Military and Veterans Affairs:

...

(f) Public Hearing and Comment. – The Department shall hold a public hearing in each county in which the wind energy facility or wind energy facility expansion is proposed to be located within 75 days of receipt of a completed permit application. The Department shall provide notice including the time and location of the public hearing in a newspaper of general circulation in each applicable county. The notice of public hearing shall be published for at least two consecutive weeks beginning no less than 45 days prior to the scheduled date of the hearing. The notice shall provide that any comments on the proposed wind energy facility or proposed wind energy facility expansion should be submitted to the Department by a specified date, not less than 15 days from the date of the newspaper publication of the notice or 15 days after distribution of the mailed notice, whichever is later. No less than 30 days prior to the scheduled public hearing, the Department shall provide written notice of the hearing to:

(1) The North Carolina Utilities Commission.

(2) The Office of the Attorney General of North Carolina.

(3) The commanding military officer of any potentially affected major military installation or the commanding military officer's designee.

(4) The board of commissioners for each county and the governing body of each municipality with jurisdictions over areas in which a potentially affected major military installation is located.

(5) The Department of Military and Veterans Affairs.

§ 143-215.120. Criteria for permit approval; time frame; permit conditions; other approvals required.

(a) Permit Approval. – The Department shall approve an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion unless the Department finds any one or more of the following:

(1) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would be inconsistent with or violate rules adopted by the Department, the Department of Military and Veterans Affairs, or any other provision of law.

(2) As evidenced by receipt of notice from the Department of Military and Veterans Affairs issued pursuant to G.S. 143-215.120A(b), construction ~~Construction~~ or operation of the proposed wind energy facility or proposed wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. ~~In its evaluation, the Department may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.~~

...

(b) Permit Decision.–The Department shall make a final decision on a permit application within 90 days following receipt of a completed application, except that the Department shall not be required to make a final decision until the Department has ~~received~~ received both: (i) a certification from the Department of Military and Veterans Affairs for the proposed wind energy facility or proposed wind energy facility expansion issued pursuant to G.S. 143-215.120A(a), or a notice from the Department of Military and Veterans Affairs of its decision not to issue a certification for the proposed wind energy facility or proposed wind energy facility expansion pursuant to G.S. 143-215.120A(b); and (ii) a written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012 edition). If the Department requests additional information following the receipt of a completed application, the Department shall make a final decision on a permit application within 30 days of receipt of the requested information. If the Department determines that an application for a wind energy facility or a wind energy facility expansion fails to meet the requirements for a permit under this section, the Department shall deny the application, and the application shall be returned to the applicant accompanied by a written statement of the reasons for the denial and any modifications to the permit application that would make the application acceptable. If the Department fails to act within the time period set forth in this subsection, the applicant may treat the failure to act as a denial of the permit and may challenge the denial as provided under Chapter 150B of the General Statutes.

...

§ 143-215.120A. Certification required from the Department of Military and Veterans Affairs.

(a) The Department of Military and Veterans Affairs shall issue a certification for a proposed wind energy facility or proposed wind energy facility expansion unless the Department of Military and Veterans Affairs finds construction or operation of the proposed wind energy facility or wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the Department of Military and Veterans Affairs may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar

based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.

(b) If the Department of Military and Veterans Affairs determines that it cannot issue a certification for a proposed wind energy facility or proposed wind energy facility expansion based on the criteria set forth in subsection (a) of this section, the Department of Military and Veterans Affairs shall notify the applicant and the Department within 10 days of such decision, which shall include findings of fact that document the basis for the decision.

...."

SECTION 3.7.(b) Subsection (a) of this section becomes effective October 1, 2018, and applies to applications for permits for a proposed wind energy facility or a proposed wind energy facility expansion submitted on or after that date.

SECTION 3.7.(c) The Revisor of Statutes shall make the following recodifications in connection with the transfer of the Military Lands Protection Act of 2013:

(1) Article 9G of Chapter 143 of the General Statutes (Military Lands Protection) is recodified into Part 12 of Article 14 of Chapter 143B of the General Statutes with the sections to be numbered as G.S. 143B-1315A through 143B-1315H, respectively.

SECTION 3.7.(d) Part 12 of Article 14 of Chapter 143B of the General Statutes, as recodified by subsection (c) of this section, reads as rewritten:

"~~Article 9G.~~Part 12.

"Military Lands Protection.

"**§ 143B-1315A. Short title.**

This ~~Article~~ Part shall be known as the Military Lands Protection Act of 2013.

§ 143B-1315B. Definitions.

Within the meaning of this ~~Article:~~Part:

(1) "Area surrounding major military installations" is the area that extends five miles beyond the boundary of a major military installation and may include incorporated and unincorporated areas of counties and municipalities.

(2) Repealed by Session Laws 2014-79, s. 2, effective July 22, 2014.

(3) Repealed.

(4) "Construction" includes reconstruction, alteration, or expansion.

(4a) "Department" means the Department of Military and Veterans Affairs.

(5) "Major military installation" means Fort Bragg, Pope Army Airfield, Camp Lejeune Marine Corps Air Base, New River Marine Corps Air Station, Cherry Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point, the United States Coast Guard Air Station at Elizabeth City, Naval Support Activity Northwest, Air Route Surveillance Radar (ARSR-4) at Fort Fisher, and Seymour Johnson Air Force Base, in its own right and as the responsible entity for the Dare County Bombing Range, and any facility located within the State that is subject to the installations' oversight and control.

(6) "Person" means any individual, partnership, firm, association, joint venture, public or private corporation, trust, estate, commission, board, public or private institution, utility, cooperative, interstate body, the State of North Carolina and its agencies and political subdivisions, or other legal entity.

~~(6a) "State Construction Office" means the State Construction Office of the Department of Administration.~~

(6b) "Secretary" means the Secretary of the Department of ~~Administration.~~Military and Veterans Affairs.

(7) "Tall buildings or structures" means any building, structure, or unit within a multiunit building with a vertical height of more than 200 feet (200') measured

from the top of the foundation of the building, structure, or unit and the uppermost point of the building, structure, or unit. "Tall buildings or structures" do not include buildings and structures listed individually or as contributing resources within a district listed in the National Register of Historic Places.

...

§ 143B-1315D. Certain buildings and structures prohibited without endorsement.

(a) No county or city may authorize the construction of and no person may construct a tall building or structure in any area surrounding a major military installation in this State, unless the county or city is in receipt of either a letter of endorsement issued to the person by the ~~State Construction Office~~Department pursuant to ~~G.S. 143-151.75.~~G.S. 143B-1315F.

(b) No county or city may authorize the provision of the following utility services to any building or structure constructed in violation of subsection (a) of this section: electricity, telephone, gas, water, sewer, or septic system.

...

§ 143-1315F. Endorsement for proposed tall buildings or structures required.

(a) No person shall undertake construction of a tall building or structure in any area surrounding a major military installation in this State without first obtaining the endorsement from the ~~State Construction Office.~~Department.

(b) A person seeking endorsement for a proposed tall building or structure in any area surrounding a major military installation in this State shall provide written notice of the intent to seek endorsement to the base commander of the major military installation that is located within five miles of the proposed tall building or structure and shall provide all of the following to the ~~State Construction Office:~~Department:

(1) Identification of the major military installation and the base commander of the installation that is located within five miles of the proposed tall building or structure.

(2) A copy of the written notice sent to the base commander of the installation identified in subdivision (1) of this subsection that is located within five miles of the proposed tall building or structure.

(3) A written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012, Edition) for the proposed tall building or structure.

(c) After receipt of the information provided by the person pursuant to subsection (b) of this section, the ~~State Construction Office~~Department shall, in writing, request a written statement concerning the proposed tall building or structure from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. The ~~State Construction Office~~Department shall request that the following information be included in the written statement from the base commander:

(1) A determination whether the location of the proposed tall building or structure is within an area that surrounds the major military installation.

(2) A determination whether any activities of the installation may be adversely affected by the proposed tall building or structure. A detailed description of the potential adverse effects, including frequency disturbances and physical obstructions, shall accompany the determination required by this subdivision.

(d) The ~~State Construction Office~~Department shall not endorse a tall building or structure if the ~~State Construction Office~~Department finds any one or more of the following:

(1) The proposed tall building or structure would encroach upon or otherwise interfere with the mission, training, or operations of any major military installation in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the ~~State Construction~~

~~Office~~Department may consider whether the proposed tall building or structure would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on the written statement received from a base commander as provided in subsection (c) of this section and written comments received by members of affected communities. Provided, however, if the ~~State Construction Office~~Department does not receive a written statement requested pursuant to subsection (c) of this section within 45 days of issuance of the request to the base commander, the ~~State Construction Office~~Department shall deem the tall building or structure as denied by the base commander.

(2) The ~~State Construction Office~~Department is not in receipt of the written "Determination of No Hazard to Air Navigation" issued to the person by the Federal Aviation Administration required pursuant to subdivision (3) of subsection (b) of this section.

(e) The ~~State Construction Office~~Department shall make a final decision on the request for endorsement of a tall building or structure within 90 days from the date on which the ~~State Construction Office~~Department requested the written statement from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. If the ~~State Construction Office~~Department determines that a request for a tall building or structure fails to meet the requirements for endorsement under this section, the ~~State Construction Office~~Department shall deny the request. The ~~State Construction Office~~Department shall notify the person of the denial, and the notice shall include a written statement of the reasons for the denial. If the ~~State Construction Office~~Department fails to act within any time period set forth in this section, the person may treat the failure to act as a decision to deny endorsement of the tall building or structure.

§ 143B-1315G. Application to existing tall buildings and structures.

~~G.S. 143-151.73~~G.S. 143B-1315D applies to tall buildings or structures that existed in an area surrounding major military installations on October 1, 2013, as follows:

(1) No reconstruction, alteration, or expansion may aggravate or intensify a violation by an existing building or structure that did not comply with ~~G.S. 143-151.73~~ G.S. 143B-1315D on October 1, 2013.

(2) No reconstruction, alteration, or expansion may cause or create a violation by an existing building or structure that did comply with ~~G.S. 143-151.73~~G.S. 143B-1315D on October 1, 2013.

§ 143B-1315H. Enforcement and penalties.

...

(e) Whenever the Secretary has reasonable cause to believe that any person has violated or is threatening to violate any of the provisions of this Article, a rule implementing this Article, or any of the terms of any endorsement issued pursuant to this Article, the ~~State Construction Office~~Department may, either before or after the institution of any other action or proceeding authorized by this Article, request the Attorney General to institute a civil action in the name of the State upon the request of the ~~State Construction Office~~Department for injunctive relief to restrain the violation or threatened violation and for such other and further relief in the premises as the court shall deem proper. The Attorney General may institute such action in the superior court of the county in which the violation occurred or may occur or, in the Attorney General's discretion, in the superior court of the county in which the person responsible for the violation or threatened violation resides or has the person's principal place of business. Upon a determination by the court that the alleged violation of the provisions of this Article or the regulations of the ~~State Construction Office~~Department has occurred or is threatened, the court shall grant the relief necessary to prevent or abate the violation or threatened violation. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed for violation of this Article."

SECTION 3.7.(e) Subsections (c) and (d) of this section become effective October 1, 2018, and apply to requests for endorsements to construct tall buildings or structures submitted on or after that date.

SECTION 3.8.(a) G.S. 153A-323 reads as rewritten:

"**§ 153A-323. Procedure for adopting, amending, or repealing ordinances under this Article and Chapter 160A, Article 19.**

(a) Before adopting, amending, or repealing any ordinance authorized by this Article or Chapter 160A, Article 19, the board of commissioners shall hold a public hearing on the ordinance or amendment. The board shall cause notice of the hearing to be published once a week for two successive calendar weeks. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

(b) If the adoption or modification of the ordinance would result in any of the changes listed in this subsection and those changes would be located five miles or less from the perimeter boundary of a military base, the board of commissioners shall provide written notice of the proposed changes by certified mail, or by any other written means reasonably designed to provide actual notice, to the Department of Military and Veterans Affairs and the commander of the military base or the commander's designee not less than 10 days nor more than 25 days before the date fixed for the public hearing. Prior to the date of the public hearing, the Department of Military and Veterans Affairs and the military may provide comments or analysis to the board regarding the compatibility of the proposed changes with military operations at the base. If the board does not receive a response within 30 days of the notice, the Department of Military and Veterans Affairs and the military ~~is~~ are deemed to waive the comment period. If the Department of Military and Veterans Affairs and the military ~~provides~~ provide comments or analysis regarding the compatibility of the proposed ordinance or amendment with military operations at the base, the board of commissioners shall take the comments and analysis into consideration before making a final determination on the ordinance. The proposed changes requiring notice are:

(1) Changes to the zoning map.

(2) Changes that affect the permitted uses of land.

(3) Changes relating to telecommunications ~~towers or windmills.~~towers and tall buildings and structures, as that term is defined in Article 9G of Chapter 143 of the General Statutes.

(3a) Changes relating to wind energy facilities or wind energy facility expansions as those terms are defined in Article 21C of Chapter 143 of the General Statutes.

(4) Changes to proposed new major subdivision preliminary plats.

(5) An increase in the size of an approved subdivision by more than fifty percent (50%) of the subdivision's total land area including developed and undeveloped land."

SECTION 3.8.(b) G.S. 160A-364 reads as rewritten:

"**§ 160A-364. Procedure for adopting, amending, or repealing ordinances under Article.**

(a) Before adopting, amending, or repealing any ordinance authorized by this Article, the city council shall hold a public hearing on it. A notice of the public hearing shall be given once a week for two successive calendar weeks in a newspaper having general circulation in the area. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

(b) If the adoption or modification of the ordinance would result in any of the changes listed in this subsection and those changes would be located five miles or less from the perimeter boundary of a military base, the governing body of the local government shall provide written notice of the proposed changes by certified mail, or by any other written means reasonably designed to provide actual notice, to the Department of Military and Veterans Affairs and the

commander of the military base or the commander's designee not less than 10 days nor more than 25 days before the date fixed for the public hearing. Prior to the date of the public hearing, the Department of Military and Veterans Affairs and the military may provide comments or analysis to the board [governing body of the local government] regarding the compatibility of the proposed changes with military operations at the base. If the board [governing body of the local government] does not receive a response within 30 days of the notice, the Department of Military and Veterans Affairs and the military ~~is~~ are deemed to waive the comment period. If the Department of Military and Veterans Affairs and the military ~~provides~~ provide comments or analysis regarding the compatibility of the proposed ordinance or amendment with military operations at the base, the governing body of the local government shall take the comments and analysis into consideration before making a final determination on the ordinance. The proposed changes requiring notice are:

(1) Changes to the zoning map.
(2) Changes that affect the permitted uses of land.
(3) Changes relating to telecommunications ~~towers or windmills.~~towers and tall buildings and structures, as that term is defined in Article 9G of Chapter 143 of the General Statutes.
(3a) Changes relating to wind energy facilities or wind energy facility expansions as those terms are defined in Article 21C of Chapter 143 of the General Statutes.
(4) Changes to proposed new major subdivision preliminary plats.
(5) An increase in the size of an approved subdivision by more than fifty percent (50%) of the subdivision's total land area including developed and undeveloped land."

SECTION 3.8.(c) G.S. 143B-1121 is amended by adding a new subdivision to read:

"**§143B-1211. Powers and duties of the Department of Military and Veterans Affairs.**

It shall be the duty of the Department of Military and Veterans Affairs to do all of the following:

...

(25) Maintain, and make available to the public, accurate maps of areas surrounding major military installations, military training routes and military operating areas, as defined in G.S. 143B-1315B, that are subject to the provisions of Part 12 of this Article."

SECTION 3.8.(d) G.S. 143-135.29 is repealed.

SECTION 3.8.(e) G.S. 143B-1121 is amended by adding two new subdivisions to read:

"**§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.**

It shall be the duty of the Department of Military and Veterans Affairs to do all of the following:

...

(26) Issue certifications for a proposed wind energy facility or a proposed wind energy facility expansion as provided in G.S. 143-215.120A and otherwise assist in administration of the provisions of Article 21C of Chapter 143 of the General Statutes.
(27) Issue endorsements for the construction of proposed tall buildings or structures as provided in G.S. 143B-1315F and otherwise assist in the administration and implementation of the provisions of Part 12 of this Article."

SECTION 3.8.(f) Subsection (e) of this section becomes effective October 1, 2018, and applies to certifications and endorsements issued on or after that date. Subsections (a) through (d) of this section are effective when this act becomes law.

DEQ TO STUDY RIPARIAN BUFFERS FOR INTERMITTENT STREAMS

SECTION 3.9. The Department of Environmental Quality shall study whether the size of riparian buffers required for intermittent streams should be adjusted and whether the allowable activities within the buffers should be modified. The Department shall report the results of the study, including any recommendations, to the Environmental Review Commission no later than December 1, 2016.

TRANSFER OF CERTAIN CONSERVATION EASEMENTS

SECTION 3.10. G.S. 143-214.12 reads as rewritten:

"**§ 143-214.12. Division of Mitigation Services: Ecosystem Restoration Fund.**

(a) Ecosystem Restoration Fund. – The Ecosystem Restoration Fund is established as a nonreverting fund within the Department. The Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Ecosystem Restoration Fund shall provide a repository for monetary contributions and donations or dedications of interests in real property to promote projects for the restoration, enhancement, preservation, or creation of wetlands and riparian areas and for payments made in lieu of compensatory mitigation as described in subsection (b) of this section. No funds shall be expended from this Fund for any purpose other than those directly contributing to the acquisition, perpetual maintenance, enhancement, restoration, or creation of wetlands and riparian areas in accordance with the basinwide plan as described in G.S. 143-214.10. The cost of acquisition includes a payment in lieu of ad valorem taxes required under G.S. 146-22.3 when the Department is the State agency making the acquisition.

(a1) The Department may distribute funds from the Ecosystem Restoration Fund directly to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. ~~A recipient of funds under this subsection shall grant a conservation easement in the real property or interest in real property acquired with the funds to the Department in a form that is acceptable to the Department.~~ When the recipient of funds under this subsection acquires a conservation easement or interest in real property appurtenant to a restoration project delivered to the Division of Mitigation Services, the recipient, upon approval from the Department, may directly transfer the conservation easement or real property interest to another governmental agency or a Department approved third party. The Department may convey real property or an interest in real property that has been acquired under the Division of Mitigation Services to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. A grantee of real property or an interest in real property under this subsection shall grant a conservation easement in the real property or interest in real property to the Department in a form that is acceptable to the Department.

(b) Authorized Methods of Payment. – A person subject to a permit or authorization issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 may contribute to the Division of Mitigation Services in order to comply with conditions to, or terms of, the permit or authorization if participation in the Division of Mitigation Services will meet the mitigation requirements of the United States Army Corps of Engineers. The Department shall, at the discretion of the applicant, accept payment into the Ecosystem Restoration Fund in lieu of other compensatory mitigation requirements of any authorizations issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 if the contributions will meet the mitigation requirements of the United States Army Corps of Engineers. Payment may be made in the form of monetary contributions according to a fee schedule established by the Environmental Management Commission or in the form of donations of real property provided that the property is approved by the Department as a suitable site consistent with the basinwide wetlands restoration plan.

(c) Accounting of Payments. – The Department shall provide an itemized statement that accounts for each payment into the Fund. The statement shall include the expenses and activities financed by the payment."

PART IV. ELIMINATE, CONSOLIDATE, AND AMEND ENVIRONMENTAL REPORTS

ELIMINATE ANNUAL REPORT ON MINING ACCOUNT PURSUANT TO THE MINING ACT OF 1971 BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.1. G.S. 74-54.1(c) is repealed.

ELIMINATE ANNUAL REPORT ON THE IMPLEMENTATION OF THE SUSTAINABLE ENERGY EFFICIENT BUILDINGS PROGRAM BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.2.(a) G.S. 143-135.39(f) and (g) are repealed.

SECTION 4.2.(b) G.S. 143-135.40(b) is repealed.

ELIMINATE QUARTERLY REPORT ON SYSTEMWIDE MUNICIPAL AND DOMESTIC WASTEWATER COLLECTION SYSTEM PERMIT PROGRAM BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.3. G.S. 143-215.9B reads as rewritten:

"**§ 143-215.9B. Systemwide municipal and domestic wastewater collection system permit program report.**

The Environmental Management Commission shall develop and implement a permit program for municipal and domestic wastewater collection systems on a systemwide basis. The collection system permit program shall provide for performance standards, minimum design and construction requirements, a capital improvement plan, operation and maintenance requirements, and minimum reporting requirements. In order to ensure an orderly and cost-effective phase-in of the collection system permit program, the Commission shall implement the permit program over a five-year period beginning 1 July 2000. The Commission shall issue permits for approximately twenty percent (20%) of municipal and domestic wastewater collection systems that are in operation on 1 July 2000 during each of the five calendar years beginning 1 July 2000 and shall give priority to those collection systems serving the largest populations, those under a moratorium imposed by the Commission under G.S. 143-215.67, and those for which the Department of Environmental Quality has issued a notice of violation for the discharge of untreated wastewater. ~~The Commission shall report on its progress in developing and implementing the collection system permit program required by this section as a part of each quarterly report the Environmental Management Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE ANNUAL REPORTS ON REDUCING VEHICLE EMISSIONS FROM STATE EMPLOYEE AND PRIVATE SECTOR VEHICLES BY THE DEPARTMENT OF TRANSPORTATION

SECTION 4.4. G.S. 143-215.107C(d) and (e) are repealed.

ELIMINATE ANNUAL REPORT ON PURCHASE OF NEW MOTOR VEHICLES AND FUEL SAVINGS BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.5. G.S. 143-341(8)(i).2b. reads as rewritten:

"2b. As used in this sub-sub-subdivision, "fuel economy" and "class of comparable automobiles" have the same meaning as in Part 600 of Title 40 of the Code of Federal Regulations (July 1, 2008 Edition). As used in this sub-sub-subdivision, "passenger motor

vehicle" has the same meaning as "private passenger vehicle" as defined in G.S. 20-4.01. Notwithstanding the requirements of sub-sub-subdivision 2a. of this sub-subdivision, every request for proposals for new passenger motor vehicles to be purchased by the Department shall state a preference for vehicles that have a fuel economy for the new vehicle's model year that is in the top fifteen percent (15%) of its class of comparable automobiles. The award for every new passenger motor vehicle that is purchased by the Department shall be based on the Department's evaluation of the best value for the State, taking into account fuel economy ratings and life cycle cost that reasonably consider both projected fuel costs and acquisition costs. This sub-sub-subdivision does not apply to vehicles used in law enforcement, emergency medical response, and firefighting. ~~The Department shall report the number of new passenger motor vehicles that are purchased as required by this sub-sub-subdivision, the savings or costs for the purchase of vehicles to comply with this sub-sub-subdivision, and the quantity and cost of fuel saved for the previous fiscal year on or before October 1 of each year to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission.~~"

ELIMINATE BIENNIAL STATE OF THE ENVIRONMENT REPORT BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.6. G.S. 143B-279.5 is repealed.

ELIMINATE THE ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT ON DEVELOPING ENGINEERING STANDARDS GOVERNING MUNICIPAL AND DOMESTIC SYSTEMS TO ALLOW REGIONAL INTERCONNECTION

SECTION 4.8. Section 11.1 of S.L. 1999-329 reads as rewritten:

"Section 11.1. The Environmental Management Commission shall develop engineering standards governing municipal and domestic wastewater collection systems that will allow interconnection of these systems on a regional basis. ~~The Commission shall report on its progress in developing the engineering standards required by this section as a part of each quarterly report the Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE BIENNIAL REPORT ON IMPLEMENTATION OF THE NORTH CAROLINA BEACH AND INLET MANAGEMENT PLAN BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.9. Section 13.9(d) of S.L. 2000-67 reads as rewritten:

"Section 13.9.(d) Each plan shall be as complete as resources and available information allow. ~~The Department of Environment and Natural Resources shall revise the plan every two years and shall submit the revised plan to the General Assembly no later than March 1 of each odd-numbered year. The Department may issue a supplement to the plan in even-numbered years if significant new information becomes available.~~"

ELIMINATE ANNUAL REPORT ON INFORMAL REVIEW PROCESS FOR AGENCY REVIEW OF ENGINEERING WORK

SECTION 4.10. Sections 29(j) and 29(k) of S.L. 2014-120 are repealed.

CONSOLIDATE REPORTS ON THE COASTAL HABITAT PROTECTION PLAN

SECTION 4.11.(a) G.S. 143B-279.8(e) reads as rewritten:

"(e) The Coastal Resources Commission, the Environmental Management Commission, and the Marine Fisheries Commission shall report to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission on progress in developing and implementing the Coastal Habitat Protection Plans, including the extent to which the actions of the three commissions are consistent with the Plans, on or before ~~1 September~~September 1 of each ~~year.~~year in which any significant revisions to the Plans are made."

SECTION 4.11.(b) G.S. 143B-279.8(f) is repealed.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS ON COST AND IMPLEMENTATION OF ENVIRONMENTAL PERMITTING PROGRAMS

SECTION 4.12.(a) G.S. 143-215.3A(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on the cost of the State's environmental permitting programs contained within the Department on or before January 1 ~~November~~ of each odd-numbered year. The report shall include, but is not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly. The Department shall submit this report with the report required by G.S. 143B-279.17 as a single report."

SECTION 4.12.(b) G.S. 143B-279.17 reads as rewritten:

"**§ 143B-279.17. Tracking and report on permit processing times.**

The Department of Environmental Quality shall track the time required to process all permit applications in the One-Stop for Certain Environmental Permits Programs established by G.S. 143B-279.12 and the Express Permit and Certification Reviews established by G.S. 143B-279.13 that are received by the Department. The processing time tracked shall include (i) the total processing time from when an initial permit application is received to issuance or denial of the permit and (ii) the processing time from when a complete permit application is received to issuance or denial of the permit. No later than ~~March~~ January 1 of each odd-numbered year, the Department shall report to the Fiscal Research Division of the General Assembly and the Environmental Review Commission on the permit processing times required to be tracked pursuant to this section. The Department shall submit this report with the report required by G.S. 143-215.3A(c) as a single report."

SECTION 4.12.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 1, 2017.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.13.(a) G.S. 143B-282(b) reads as rewritten:

"(b) The Environmental Management Commission shall submit ~~quarterly~~ written reports as to its operation, activities, programs, and progress to the Environmental Review ~~Commission.~~Commission by January 1 of each year. The Environmental Management Commission shall supplement the written reports required by this subsection with additional written and oral reports as may be requested by the Environmental Review Commission. ~~The Environmental Management Commission shall submit the written reports required by this subsection whether or not the General Assembly is in session at the time the report is due.~~"

SECTION 4.13.(b) G.S. 143-215.1(h) reads as rewritten:

"(h) Each applicant for a new permit or the modification of an existing permit issued under subsection (c) of this section shall include with the application: (i) the extent to which the new or modified facility is constructed in whole or in part with funds provided or administered by the State or a unit of local government, (ii) the impact of the facility on water quality, and (iii) whether there are cost-effective alternative technologies that will achieve greater protection of water quality. The Commission shall prepare ~~a quarterly~~ an annual summary and analysis of the information provided by applicants pursuant to this subsection. The Commission shall submit the summary and analysis required by this subsection to the Environmental Review Commission (ERC) as a part of each ~~quarterly~~ annual report that the Commission is required to make to the ERC under G.S. 143B-282(b)."

SECTION 4.13.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than January 1, 2017.

CONSOLIDATE WASTE MANAGEMENT REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.14.(a) G.S. 130A-309.06(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on or before ~~15 January~~January 15 of each year on the status of solid waste management efforts in the State. The report shall include:

(1) A comprehensive analysis, to be updated in each report, of solid waste generation and disposal in the State projected for the 20-year period beginning on July 1, ~~1 July~~ 1991.

(2) The total amounts of solid waste recycled and disposed of and the methods of solid waste recycling and disposal used during the calendar year prior to the year in which the report is published.

(3) An evaluation of the development and implementation of local solid waste management programs and county and municipal recycling programs.

(4) An evaluation of the success of each county or group of counties in meeting the municipal solid waste reduction goal established in G.S. 130A-309.04.

(5) Recommendations concerning existing and potential programs for solid waste reduction and recycling that would be appropriate for units of local government and State agencies to implement to meet the requirements of this Part.

(6) An evaluation of the recycling industry, the markets for recycled materials, the recycling of polystyrene, and the success of State, local, and private industry efforts to enhance the markets for these materials.

(7) Recommendations to the Governor and the Environmental Review Commission to improve the management and recycling of solid waste in the State, including any proposed legislation to implement the recommendations.

(8) A description of the condition of the Solid Waste Management Trust Fund and the use of all funds allocated from the Solid Waste Management Trust Fund, as required by G.S. 130A-309.12(c).

(9) A description of the review and revision of bid procedures and the purchase and use of reusable, refillable, repairable, more durable, and less toxic supplies and products by both the Department of Administration and the Department of Transportation, as required by G.S. 130A-309.14(a1)(3).

(10) A description of the implementation of the North Carolina Scrap Tire Disposal Act that includes the amount of revenue used for grants and to clean up nuisance tire collection under the provisions of G.S 130A-309.64.

(11) A description of the management of white goods in the State, as required by G.S. 130A-309.85.

(12) A summary of the report by the Department of Transportation on the amounts and types of recycled materials that were specified or used in contracts that were entered into by the Department of Transportation during the previous fiscal year, as required by G.S. 136-28.8(g).

(13) Repealed by Session Laws 2010-142, s. 1, effective July 22, 2010.

(14) (Expiring October 1, 2023) A description of the activities related to the management of abandoned manufactured homes in the State in accordance with G.S. 130A-117, the beginning and ending balances in the Solid Waste Management Trust Fund for the reporting period and the amount of funds used, itemized by county, for grants made under Part 2F of Article 9 of Chapter 130A of the General Statutes.

(15) A report on the recycling of discarded computer equipment and televisions in the State pursuant to 130A-309-140(a).

(16) An evaluation of the Brownfields Property Reuse Act pursuant to G.S. 130A-310.40.

(17) A report on the Inactive Hazardous Waste Response Act of 1987 pursuant to G.S. 130A-310.10(a).

(18) A report on the Dry-Cleaning Solvent Cleanup Act of 1997 pursuant to G.S. 143-215.104U(a) until such time as the Act expires pursuant to Part 6 of Article 21A of Chapter 143 of the General Statutes.

(19) A report on the implementation and cost of the hazardous waste management program pursuant to G.S. 130A-294(i)."

SECTION 4.14.(b) G.S. 130A-309.140(a) reads as rewritten:

"(a) ~~No later than January 15 of each year, the Department shall submit a report on~~ The Department shall include in the status of solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c), a report on the recycling of discarded computer equipment and televisions in the State under this ~~Part to the Environmental Review Commission.~~Part. The report must include an evaluation of the recycling rates in the State for discarded computer equipment and televisions, a discussion of compliance and enforcement related to the requirements of this Part, and any recommendations for any changes to the system of collection and recycling of discarded computer equipment, televisions, or other electronic devices."

SECTION 4.14.(c) G.S. 130A-310.40 reads as rewritten:

"**§ 130A-310.40. Legislative reports.**

The Department shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c), ~~prepare and submit to the Environmental Review Commission, concurrently with the report on the Inactive Hazardous Sites Response Act of 1987 required under G.S. 130A-310.10,~~ an evaluation of the effectiveness of this Part in facilitating the remediation and reuse of existing industrial and commercial properties. This evaluation shall include any recommendations for additional incentives or changes, if needed, to improve the effectiveness of this Part in addressing such properties. This evaluation shall also include a report on receipts by and expenditures from the Brownfields Property Reuse Act Implementation Account."

SECTION 4.14.(d) G.S. 130A-310.10(a) reads as rewritten:

"(a) The Secretary shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c), a report on inactive hazardous sites ~~to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division on or before October 1 of each year. The report shall include~~that includes at least the following:

(1) The Inactive Hazardous Waste Sites Priority List.

(2) A list of remedial action plans requiring State funding through the Inactive Hazardous Sites Cleanup Fund.
(3) A comprehensive budget to implement these remedial action plans and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the cost of said plans.
(4) A prioritized list of sites that are eligible for remedial action under CERCLA/SARA together with recommended remedial action plans and a comprehensive budget to implement such plans. The budget for implementing a remedial action plan under CERCLA/SARA shall include a statement as to any appropriation that may be necessary to pay the State's share of such plan.
(5) A list of sites and remedial action plans undergoing voluntary cleanup with Departmental approval.
(6) A list of sites and remedial action plans that may require State funding, a comprehensive budget if implementation of these possible remedial action plans is required, and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the possible costs of said plans.
(7) A list of sites that pose an imminent hazard.
(8) A comprehensive budget to develop and implement remedial action plans for sites that pose imminent hazards and that may require State funding, and the adequacy of the Inactive Hazardous Sites Cleanup Fund.
(8a) Repealed by Session Laws 2015-286, s. 4.7(f), effective October 22, 2015.
(9) Any other information requested by the General Assembly or the Environmental Review Commission."

SECTION 4.14.(e) G.S. 143-215.104U reads as rewritten:

"**§ 143-215.104U. Reporting requirements.**

(a) The Secretary shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c), a report on ~~present an annual report to the Environmental Review Commission that shall include~~ at least the following:

(1) A list of all dry-cleaning solvent contamination reported to the Department.
(2) A list of all facilities and abandoned sites certified by the Commission and the status of contamination associated with each facility or abandoned site.
(3) An estimate of the cost of assessment and remediation required in connection with facilities or abandoned sites certified by the Commission and an estimate of assessment and remediation costs expected to be paid from the Fund.
(4) A statement of receipts and disbursements for the Fund.
(5) A statement of all claims against the Fund, including claims paid, claims denied, pending claims, anticipated claims, and any other obligations.
(6) The adequacy of the Fund to carry out the purposes of this Part together with any recommendations as to measures that may be necessary to assure the continued solvency of the Fund.

~~(b) The Secretary shall make the annual report required by this section on or before 1 October of each year.~~"

SECTION 4.14.(f) G.S. 130A-294(i) reads as rewritten:

"(i) The Department shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c), a report ~~to the Fiscal Research Division of the General Assembly, the Senate Appropriations Subcommittee on Natural and Economic Resources, the House Appropriations Subcommittee on Natural and Economic Resources, and the Environmental Review Commission on or before January 1 of each year~~ on the implementation and cost of the hazardous waste management program. The report shall include an evaluation of how well the State and private parties are managing and cleaning up

hazardous waste. The report shall also include recommendations to the Governor, State agencies, and the General Assembly on ways to: improve waste management; reduce the amount of waste generated; maximize resource recovery, reuse, and conservation; and minimize the amount of hazardous waste which must be disposed of. The report shall include beginning and ending balances in the Hazardous Waste Management Account for the reporting period, total fees collected pursuant to G.S. 130A-294.1, anticipated revenue from all sources, total expenditures by activities and categories for the hazardous waste management program, any recommended adjustments in annual and tonnage fees which may be necessary to assure the continued availability of funds sufficient to pay the State's share of the cost of the hazardous waste management program, and any other information requested by the General Assembly. In recommending adjustments in annual and tonnage fees, the Department may propose fees for hazardous waste generators, and for hazardous waste treatment facilities that treat waste generated on site, which are designed to encourage reductions in the volume or quantity and toxicity of hazardous waste. The report shall also include a description of activities undertaken to implement the resident inspectors program established under G.S. 130A-295.02. ~~In addition, the report shall include an annual update on the mercury switch removal program that shall include, at a minimum, all of the following:~~

~~(1) A detailed description of the mercury recovery performance ratio achieved by the mercury switch removal program.~~

~~(2) A detailed description of the mercury switch collection system developed and implemented by vehicle manufacturers in accordance with the NVMSRP.~~

~~(3) In the event that a mercury recovery performance ratio of at least 0.90 of the national mercury recovery performance ratio as reported by the NVMSRP is not achieved, a description of additional or alternative actions that may be implemented to improve the mercury switch removal program.~~

~~(4) The number of mercury switches collected and a description of how the mercury switches were managed.~~

~~(5) A statement that details the costs required to implement the mercury switch removal program, including a summary of receipts and disbursements from the Mercury Switch Removal Account.~~"

SECTION 4.14.(g) The first combined report required by subsections (a) through (f) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 15, 2017.

CONSOLIDATE SEDIMENTATION POLLUTION CONTROL ACT AND STORMWATER REPORTS

SECTION 4.15.(a) G.S. 113A-67 reads as rewritten:

"**§ 113A-67. Annual Report.**

The Department shall report to the Environmental Review Commission on the implementation of this Article on or before ~~1 October~~October 1 of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 143-214.7(e) as a single report."

SECTION 4.15.(b) G.S. 143-214.7(e) reads as rewritten:

"(e) On or before October 1 of each year, the ~~Commission~~ Department shall report to the Environmental Review Commission on the implementation of this section, including the status of any stormwater control programs administered by State agencies and units of local government. The status report shall include information on any integration of stormwater capture and reuse into stormwater control programs administered by State agencies and units of local government. The

report shall be submitted to the Environmental Review Commission with the report required by G.S. 113A-67 as a single report."

SECTION 4.15.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than October 1, 2016.

CONSOLIDATE VARIOUS WATER RESOURCES AND WATER QUALITY REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.16.(a) G.S. 143-355(n) is repealed.

SECTION 4.16.(b) G.S. 143-355(o)(9) is repealed.

SECTION 4.16.(c) G.S. 143-355 is amended by adding a new subsection to read:

"(p) Report. – The Department of Environmental Quality shall report to the Environmental Review Commission on the implementation of this section, including the development of the State water supply plan and the development of basinwide hydrologic models, no later than November 1 of each year. The Department shall submit the report required by this subsection with the report on basinwide water quality management plans required by G.S. 143-215.8B(d) as a single report."

SECTION 4.16.(d) G.S. 143-215.8B(d) reads as rewritten:

"(d) ~~The~~ As a part of the report required pursuant to G.S. 143-355(p), the Commission and the Department shall each report on or before ~~1 October~~November 1 of each year on an annual basis to the Environmental Review Commission on the progress in developing and implementing basinwide water quality management plans and on increasing public involvement and public education in connection with basinwide water quality management planning. The report to the Environmental Review Commission by the Department shall include a written statement as to all concentrations of heavy metals and other pollutants in the surface waters of the State that are identified in the course of preparing or revising the basinwide water quality management plans."

SECTION 4.16.(e) The first combined report required by subsections (c) and (d) of this section shall be submitted to the Environmental Review Commission no later than November 1, 2016.

CONSOLIDATE REPORTS BY THE DIVISION OF WATER INFRASTRUCTURE OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY AND THE STATE WATER INFRASTRUCTURE AUTHORITY

SECTION 4.17.(a) 159G-26(a) reads as rewritten:

"(a) Requirement. – The Department ~~must~~ shall publish a report each year on the accounts in the Water Infrastructure Fund that are administered by the Division of Water Infrastructure. The report ~~must~~ shall be published by ~~1~~ November 1 of each year and cover the preceding fiscal year. The Department ~~must~~ shall make the report available to the public and ~~must~~ shall give a copy of the report to the Environmental Review ~~Commission and the~~Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research ~~Division of the Legislative Services Commission.~~Division with the report required by G.S. 159G-72 as a single report."

SECTION 4.17.(b) G.S. 159G-72 reads as rewritten:

"**§ 159G-72. State Water Infrastructure Authority; reports.**

No later than November 1 of each year, the Authority shall submit a report of its activity and findings, including any recommendations or legislative proposals, to the ~~Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the Legislative Services Commission.~~ Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division with the report required by G.S. 159G-26(a) as a single report."

SECTION 4.17.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division no later than November 1, 2016.

CONSOLIDATE REPORTS BY SOIL AND WATER CONSERVATION COMMISSION AND THE DIVISION OF SOIL AND WATER CONSERVATION OF THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

SECTION 4.18.(a) G.S. 106-850(e) reads as rewritten:

"(e) The Soil and Water Conservation Commission shall report on or before ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. This report shall include a list of projects that received State funding pursuant to the program, the results of the evaluations conducted pursuant to subdivision (7) of subsection (b) of this section, findings regarding the effectiveness of each of these projects to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division with the reports required by G.S. 106-860(e) and G.S. 139-60(d) as a single report."

SECTION 4.18.(b) G.S. 106-860(e) reads as rewritten:

"(e) Report. – The Soil and Water Conservation Commission shall report no later than ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. The report shall include a summary of projects that received State funding pursuant to the Program, the results of the evaluation conducted pursuant to subdivision (5) of subsection (b) of this section, findings regarding the effectiveness of each project to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(c) G.S. 139-60(d) reads as rewritten:

"(d) Report. – No later than January 31 of each year, the Division of Soil and Water Conservation of the Department of Agriculture and Consumer Services shall prepare a comprehensive report on the implementation of subsections (a) through (c) of this section. The report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(d) The first combined report required by subsections (a) through (c) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 31, 2017.

DECREASE REPORTING FREQUENCY ON TERMINAL GROINS PILOT PROJECT BY THE COASTAL RESOURCES COMMISSION

SECTION 4.20. G.S. 113A-115.1(i) reads as rewritten:

"(i) No later than ~~September 1 of each year,~~January 1, 2017 and every five years thereafter, the Coastal Resources Commission shall report to the Environmental Review Commission on the implementation of this section. The report shall provide a detailed description of each proposed and permitted terminal groin and its accompanying beach fill project, including the information required to be submitted pursuant to subsection (e) of this section. For each permitted terminal groin and its accompanying beach fill project, the report shall also provide all of the following:

(1) The findings of the Commission required pursuant to subsection (f) of this section.

(2) The status of construction and maintenance of the terminal groin and its accompanying beach fill project, including the status of the implementation of the plan for construction and maintenance and the inlet management plan.

(3) A description and assessment of the benefits of the terminal groin and its accompanying beach fill project, if any.

(4) A description and assessment of the adverse impacts of the terminal groin and its accompanying beach fill project, if any, including a description and assessment of any mitigation measures implemented to address adverse impacts."

DECREASE REPORTING FREQUENCY ON PARKS SYSTEM PLAN BY THE DEPARTMENT OF NATURAL AND CULTURAL RESOURCES

SECTION 4.21. G.S. 143B-135.48(d) reads as rewritten:

"(d) No later than October ~~1 of each year,~~1, 2016 and every five years thereafter, the Department shall submit electronically the State Parks System Plan to the Environmental Review Commission, ~~the Senate and the House of Representatives appropriations committees with jurisdiction over natural and cultural resources,~~ the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division. Concurrently, the Department shall submit a summary of each change to the Plan that was made during the previous ~~fiscal year.~~five fiscal years."

REDIRECT INTERAGENCY REPORT ON SUPERFUND COST SHARE TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.22. Section 15.6 of S.L. 1999-237 reads as rewritten:

"Section 15.6.(a) The Department of ~~Environment and Natural Resources~~Environmental Quality may use available funds, with the approval of the Office of State Budget and Management, to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites, to pay the operating and maintenance costs associated with these Superfund cleanups, and for the cleanup of priority inactive hazardous substance or waste disposal sites under Part 3 of Article 9 of Chapter 130A of the General Statutes. These funds may be in addition to those appropriated for this purpose.

"Section 15.6.(b) The Department of ~~Environment and Natural Resources~~Environmental Quality and the Office of State Budget and Management shall report to the ~~Environmental Review Commission and the Joint Legislative Commission on Governmental Operations~~Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds."

REDIRECT REPORT ON EXPENDITURES FROM BERNARD ALLEN EMERGENCY DRINKING WATER FUND TO ANER OVERSIGHT COMMITTEE

SECTION 4.23. G.S. 87-98(e) reads as rewritten:

"(e) The Department, in consultation with the Commission for Public Health and local health departments, shall report no later than October 1 of each year to the ~~Environmental Review Commission, the House of Representatives and Senate Appropriations Subcommittees on Natural~~ Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division of the General Assembly on the implementation of this section. The report shall include the purpose and amount of all expenditures from the Fund during the prior fiscal year, a discussion of the benefits and deficiencies realized as a result of the section, and may also include recommendations for any legislative action."

REDIRECT REPORT ON PARKS AND RECREATION TRUST FUND TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.24. G.S. 143B-135.56(f) reads as rewritten:

"(f) Reports. – The North Carolina Parks and Recreation Authority shall report no later than October 1 of each year to the Joint Legislative ~~Commission on Governmental Operations, the House and Senate Appropriations Subcommittees on Natural and Economic Resources,~~ Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division, and the Environmental Review Commission on allocations from the Trust Fund from the prior fiscal year. For funds allocated from the Trust Fund under subsection (c) of this section, this report shall include the operating expenses determined under subdivisions (1) and (2) of subsection (e) of this section."

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 5.1. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 5.2. Except as otherwise provided, this act is effective when it becomes law.

SENATE BILL 303:
Regulatory Reform Act of 2016.

2016-2017 General Assembly

Committee:	House Regulatory Reform	**Date:**	June 7, 2016
Introduced by:		**Prepared by:**	Jeff Hudson, Erika Churchill, Jennifer McGinnis, Jennifer Mundt, Chris Saunders, Layla Cummings, Legislative Staff
Analysis of:	PCS to Third Edition S303-CSSB-20		

SUMMARY: The Proposed Committee Substitute for Senate Bill 303 would amend a number State laws related to business regulation; State and local government regulation; and agricultural, energy, environmental, and natural resources regulation.

PART I. BUSINESS REGULATION

EMPLOYMENT STATUS OF FRANCHISES

Section 1.1. would clarify that a franchisor is not the employer of a franchisee or employees of a franchisee for employment law claims under state law. The clarifying language is in response to a decision by the National Labor Relations Board, *Browning-Ferris Industries v. Leadpoint* (2015), which revised the standard for determining joint-employer status under federal law.

PART II. STATE AND LOCAL GOVERNMENT REGULATION

WATER AND SEWER BILLING BY LESSORS

Section 2.2 would allow lessors of single family rental units that are not contiguous to pass through charges for water and sewer utility service to tenants. The provision also directs the Utilities Commission to develop an application that lessors must complete, and will allow lessors to submit one application for the authority to charge for water and sewer service for multiple homes with a single Commission approval.

REZONING/SIMULTANEOUS COMPREHENSIVE PLAN AMENDMENT

Section 2.4. would require counties and cities to treat an affirmative vote to amend a zoning ordinance as a simultaneous amendment to the comprehensive plan and the unified development ordinance, if any. Effective October 1, 2016.

Karen Cochrane-Brown
Director

Legislative Analysis Division
919-733-2578

PARENT PARCEL/SUBDIVISION CLARIFICATION
Section 2.5. with respect to subdivision regulation by counties and cities on or after October 1, 2016, do the following:

- Except from subdivision regulation the division of a tract into parcels as specified in a will or intestate succession.
- Provide that a plat may be required, but nothing else, for the division of a single tract of land greater than 5 acres in size into no more than 3 lots that have a dedicated means of ingress and egress.

STATUTE OF LIMITATIONS/LAND USE VIOLATIONS
Section 2.6. would provide a 3 year statute of limitations for a unit of local government to institute an action for a violation of a land use statute, ordinance, permit, or other official action concerning land use carrying the effect of law. Effective August 1, 2016, and applies to actions commenced on or after that date.

PROGRAM EVALUATION TO STUDY NONPROFIT CONTRACTING
Section 2.7 would authorize the Joint Legislative Program Evaluation Oversight Committee to amend the 2016-2017 Program Evaluation Division work plan to direct the Division to study State law and internal agency policies and procedures for delivery of public services through State grants and contracts to non-profit organizations. If the study is conducted, the Division will submit a report on the results of the study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Commission on Governmental Operations no later than September 1, 2017. Effective July 1, 2016.

CLARIFY ROLES OF SOIL SCIENTISTS AND GEOLOGISTS IN EVALUATION OF PROPOSED WASTEWATER SYSTEMS
Sections 2.8.(a) through 2.8.(e) would clarify that: (i) soil scientists are limited to the evaluation of soil conditions and site features, and (ii) geologists are limited to the evaluation of geologic and hydro-geologic conditions of a site proposed for a wastewater system.

RENAME AND AMEND THE BOARD OF REFRIGERATION EXAMINERS
Section 2.9 would, effective January 1, 2017, rename the State Board of Refrigeration Examiners the State Board of Commercial Refrigeration Examiners and make other changes to the refrigeration contractor licensing statutes as follows:

- Explicitly specify different classes of refrigeration contracting and licenses, including licenses for commercial refrigeration contracting; industrial refrigeration contracting; repair, maintenance, and servicing of commercial equipment; and transport refrigeration contracting.
- Increases the cap on the examination fee from $40.00 to $100.00.
- Increases the cap on the renewal fee from $40.00 to $80.00.
- Increases the cap on the late renewal fee from $75.00 to $160.00.

AMEND DEFINITION OF ANTIQUE AUTOMOBILE
Section 2.10 would amend the definition of antique automobile in the tax statutes to provide that an antique automobile may be owned by an individual directly or indirectly through one or more pass through entities. Under current law, an antique automobile is owned by an individual.

COPIES OF CERTAIN PUBLIC RECORDS
Section 2.11 would provide that a public agency that makes its public records and computer databases available online, in a format that is downloadable, is satisfying the requirement to allow persons access

to public records, and is not required to provide copies through any other method or medium. That public agency may, but is not required to, provide copies by another method or in another medium and may negotiate a charge for that service if they so opt. Effective July 1, 2016.

SPECIFY LOCATION OF LIEUTENANT GOVERNOR'S OFFICE
Section 2.12 would provide that the Lieutenant Governor's office would be located in the Hawkins-Hartness House located at 310 North Blount Street in Raleigh. Current law provides that the Lieutenant Governor's office is located in Raleigh.

CLARIFY THAT DOT STORMWATER REQUIREMENTS ARE APPLICABLE TO STATE ROAD CONSTRUCTION UNDERTAKEN BY PRIVATE PARTIES
Section 2.14 would provide that certain construction undertaken by a private party be considered to have been undertaken by the Department of Transportation, and as such the stormwater law applicable to the Department would apply to that construction.

PART III. AGRICULTURE, ENERGY, ENVIRONMENT, AND NATURAL RESOURCES REGULATION

DIRECT DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES TO INSPECT RENDERING PLANT
Section 3.1. would repeal the existing rendering plant inspection committee, which is composed of an employee of the Department of Agriculture and Consumer Services, an employee of the Department of Health and Human Services, and a person having practical knowledge of rendering operations, and instead direct the Commissioner or the Commissioner's designee to inspect rendering operations.

SOLID WASTE AMENDMENTS
Sections 3.3. through 3.5. would: (1) make technical, clarifying, and conforming changes to provisions enacted in 2015 to establish life-of-site permits for sanitary landfills and transfer stations; (2) provide that franchise agreements previously executed by local governments for sanitary landfills may be modified by agreement of all parties to a valid and operative franchise to last for a landfill's life-of-site; and (3) provide that no franchise agreement for a sanitary landfill, modified or newly executed, shall exceed a duration of sixty years.

AUTHORIZE THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS TO REVIEW AND COMMENT ON MILITARY-RELATED PERMIT CRITERIA
Sections 3.6.(a) and 3.6.(b) would amend the statutes governing the approval process for permitting wind energy facilities (Article 21C of Chapter 143 of the General Statutes) to (i) make clarifying and conforming changes, (ii) direct the Department of Military and Veterans Affairs (DMVA), instead of the Department of Environmental Quality (DEQ), to consult with military installation representatives to review information about the installations once a year and to provide such information to DEQ, and (iii) provide DMVA rulemaking authority under this Article.

These sections would become effective when the act becomes law and apply to applications for permits wind energy facilities submitted on or after that date.

Sections 3.6.(c) and 3.6.(d) would amend the statutes governing the endorsement of tall buildings and structures in the Military Lands Protection Act of 2013 (Article 9G of Chapter 143 of the General Statues) to make clarifying and conforming changes. In addition, these sections (i) amend the default

decision to endorse an application to instead deny an application for endorsement if the State Construction Office (SCO) does not act within the time periods set forth in the Act and (ii) include provisions for the institution of civil actions for violations of the Article.

These sections would become effective when the act becomes law and apply to requests for endorsements submitted on or after that date.

Sections 3.7.(a) and 3.7.(b) would authorize DMVA to review military-related criteria for permitting wind energy facilities. Specifically, these sections would establish a certification process by which DMVA would certify to DEQ that it finds construction or operation of the proposed facility would not encroach upon or result in a significant adverse impact on any military installation in the State.
These sections would become effective October 1, 2018, and apply to applications for permits wind energy facilities submitted on or after that date.

Sections 3.7.(c) through 3.7.(e) would authorize DMVA, instead of the SCO, to endorse tall buildings and structures. These sections also recodify the Military Lands Protection Act into Article 14 of Chapter 143B of the General Statutes, within the statutory jurisdiction of DMVA.

These sections would become effective October 1, 2018, and apply to requests for endorsements submitted on or after that date.

Sections 3.8.(a) and 3.8.(b) would, effective when this act becomes law, modify the statutory local government ordinance making procedures to direct a unit of local government, in addition to notifying the commander of a military base, to also notify DMVA when the adoption or modification of an ordinance would result in changes located five miles or less from the perimeter boundary of a military base.

Sections 3.8.(c) and (d) would, effective when this act becomes law, make conforming changes to transfer the responsibility for maintaining and making available accurate maps of areas surrounding military installations from SCO to DMVA.

Sections 3.8.(e) and (f) would amend the powers and duties of the DMVA to authorize the agency to issue certifications for proposed wind energy facilities and endorsements for tall buildings and structures.

These sections would become effective October 1, 2018, and apply to certifications and endorsements issued on or after that date.

DEQ TO STUDY RIPARIAN BUFFERS FOR INTERMITTENT STREAMS

Section 3.9 would direct the Department of Environmental Quality (DEQ) to study whether the size of riparian buffers required for intermittent streams should be adjusted and whether the allowable activities within the buffers should be modified. DEQ would report the results of the study to the Environmental Review Commission no later than December 1, 2016.

TRANSFER OF CERTAIN CONSERVATION EASEMENTS

Section 3.10 would provide that when a recipient of funds from the Ecosystem Restoration Fund acquires a conservation easement as part of a restoration project for the Division of Mitigation Services, the recipient may, upon approval by the Department of Environmental Quality, transfer the conservation easement to another age governmental agency or third party.

PART IV. ELIMINATE AND CONSOLIDATE REPORTS

Sections 4.1 through 4.24 would eliminate, consolidate, and make other changes to various reports to the Environmental Review Commission (ERC).

These sections would eliminate the following reports:

- Cost of implementing the Mining Act of 1971 by the Department of Environmental Quality (DEQ).
- The implementation of the sustainable energy efficient buildings program by the Department of Administration (DOA). (Two separate reports eliminated)
- Systemwide municipal and domestic wastewater collection system permit program by the Environmental Management Commission (EMC).
- Reducing vehicle emissions from state employee and private sector vehicles by the Department of Transportation (DOT). (Two separate reports eliminated)
- Purchase of new motor vehicles and fuel savings by DOA.
- State of the Environment Report by DEQ.
- Developing engineering standards governing municipal and domestic systems to allow regional interconnection by the EMC.
- Implementation of the North Carolina Beach and Inlet Management Plan by DEQ.
- Informal review process for agency review of engineering work.

These sections would make the following changes to reports:

- The Coastal Resources Commission, EMC, and Marine Fisheries Commission report on progress in developing and implementing the Coastal Habitat Protection Plans would be consolidated with the report requiring DEQ to report on any significant changes in the Plans.
- DEQ's report on the cost of the State's environmental permitting programs would be consolidated with the report on the time required to process all permit applications in the One-Stop for Certain Environmental Permits Programs. The annual reports would become due biennially with the first combined report due no later than January 1, 2017.
- The EMC's report on permits and renewals for facilities discharging to surface waters would be consolidated with the report on the operation and activities of the Commission. The quarterly reports would become due annually with the first combined report due no later than January 1, 2017.
- DEQ's report on the status of solid waste management would be consolidated with the reports on the Brownfields Property Reuse Act, the Inactive Hazardous Waste Response Act of 1987, the Dry-Cleaning Solvent Cleanup Act of 1997, and the implementation and cost of the hazardous waste management program. The combined report would be due annually with the first report due no later than January 15, 2017.
- DEQ's report on the Sedimentation Pollution Control Act of 1973 would be consolidated with EMC's report on stormwater control. The first annual combined report would be due no later than October 1, 2016.
- DEQ's reports on the development of the State water supply plan and the development of basinwide hydrological models would be consolidated with the report on basinwide water quality

management submitted by the EMC and DEQ. The first annual combined report would be due no later than November 1, 2016.

- DEQ's report on accounts in the Water Infrastructure Fund would be consolidated with the State Water Infrastructure Authority's reports of its activity and findings. The first annual combined report would be due no later than October 1, 2016 and the combined report would also be received by the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources (ANER Oversight Committee) and the Fiscal Research Division.
- The Soil and Water Conservation Commission's reports on the Agriculture Cost Share Program for Nonpoint Source Pollution Control Program and the Community Conservation and Assistance Program would be consolidated with the comprehensive report on the Agricultural Water Resources Assistance Program by the Division of Soil and Water Conservation of the Department of Agriculture and Consumer Services. The first annual combined report would be due no later than January 31, 2017.

These sections would make the following changes to reports:

- Increase the frequency of reporting by the Energy Policy Council on general energy conditions in the state from biennially to annually.
- Decrease reporting frequency on the terminal groins pilot project by the Coastal Resources Commission from annually to every 5 years.
- Decrease reporting frequency on the parks system plan by the Department of Natural and Cultural Resources from annually to every five years and add the ANER Oversight Committee as a recipient of the report.
- Redirect interagency report on superfund cost share to the ANER Oversight Committee.
- Redirect reports on expenditures from the Bernard Allen Emergency Drinking Water Fund to the ANER Oversight Committee.
- Redirect report on the Parks and Recreation Trust Fund to the ANER Oversight Committee.

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

Section 5.1. would add a severability clause to the bill.

Section 5.2. would provide that, except as otherwise provided, the provisions of the bill would be effective when it becomes law.

Attachment 6

Amendment 1

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

S303-ATQ-75 [v.5]

Amends Title [NO]
S303-CSSB-20 [v.69]

Date _____,2016

Representative Brody

moves to amend the bill on page 11, lines 41 and 42, by inserting between those lines:

"BUILDING CODE STUDY TO INCREASE EFFICIENCY AND IDENTIFY DUPLICATIVE INSPECTIONS

SECTION 2.15.(a) As part of its current six-year update process, the North Carolina Building Code Council shall examine the North Carolina Building Codes for the purposes of developing a more streamlined code and to assure that code provisions are contained in only one code volume. The Council shall also (i) give specific guidance as to which inspector shall have enforcement jurisdiction over each code provision and (ii) make all necessary changes to ensure that this directive is incorporated in the next edition of the North Carolina Building Code.

SECTION 2.15.(b) The Building Code Council shall review the North Carolina General Statutes with regard to authority granted to local building inspectors in counties and cities, pursuant to G.S. 153A-357, 153A-359, 153A-360, 153A-362, 153A-365, 160A-417, 160A-419, 160A-420, 160A-422, 160A-425, and any other statute deemed relevant by the Council, to identify any provisions that would either allow or require a specific code provision to be inspected by multiple inspectors. The Council shall report its findings to the Joint Legislative Commission on Governmental Operations no later than February 1, 2017.

SECTION 2.15.(c) This section is effective when it becomes law.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

S303-ATA-39 [v.3]

Amends Title [NO]
S303-CSSB-20 [v.69]

Date _____,2016

Representative Brody

moves to amend the bill on page 11, lines 41 and 42,
by inserting between those lines:

"AMENDMENTS TO GENERAL CONTRACTOR LICENSURE

SECTION 2.15.(a) G.S. 87-10 reads as rewritten:

'§ 87-10. Application for license; examination; certificate; renewal.

(a) Anyone seeking to be licensed as a general contractor in this State shall ~~file~~ submit an application ~~for an examination on a form provided by the Board, at least 30 days before any regular or special meeting of the Board.~~ Before being entitled to an examination, an applicant shall:

(1) Be at least 18 years of age.
(2) Possess good moral character as determined by the Board.
(3) Provide evidence of financial responsibility as determined by the Board.
(4) Submit the appropriate application fee.

(a1) The Board ~~may~~ shall require ~~the~~ an applicant to pay the Board or a provider contracted by the Board an examination fee not to exceed one hundred dollars ~~($100.00)~~($100.00). In addition, the Board shall require an applicant to ~~and pay to~~pay the Board a ~~license~~ fee not to exceed one hundred twenty-five dollars ($125.00) if the application is for an unlimited license, one hundred dollars ($100.00) if the application is for an intermediate license, or seventy-five dollars ($75.00) if the application is for a limited license. The fees accompanying any application or examination shall be nonrefundable. The holder of an unlimited license shall be entitled to act as general contractor without restriction as to value of any single project; the holder of an intermediate license shall be entitled to act as general contractor for any single project with a value of up to one million dollars ($1,000,000); the holder of a limited license shall be entitled to act as general contractor for any single project with a value of up to five hundred thousand dollars ~~($500,000);~~($500,000). ~~and the~~The license certificate shall be classified in accordance with this section. ~~Before being entitled to an examination an applicant must show to the satisfaction of the Board from the application and proofs furnished that the applicant is possessed of a good character and is otherwise qualified as to competency, ability, integrity, and financial responsibility, and that the applicant has not committed or done any act, which, if committed or done by any licensed contractor would be grounds under the provisions hereinafter set forth for the suspension or revocation of contractor's license, or that the applicant has not committed or done any act~~

~~involving dishonesty, fraud, or deceit, or that the applicant has never been refused a license as a general contractor nor had such license revoked, either in this State or in another state, for reasons that should preclude the granting of the license applied for, and that the applicant has never been convicted of a felony involving moral turpitude, relating to building or contracting, or involving embezzlement or misappropriation of funds or property entrusted to the applicant: Provided, no applicant shall be refused the right to an examination, except in accordance with the provisions of Chapter 150B of the General Statutes.~~

(b) An applicant shall identify an individual who has successfully passed an examination approved by the Board who, for purposes of this section shall be known as the "qualifier" or the "qualifying party" of the applicant. If the qualifier or the qualifying party seeks to take an examination, the examination shall establish: ~~The Board shall conduct an examination, either oral or written, of all applicants for license to ascertain, for the classification of license for which the applicant has applied:~~ (i) the ability of the applicant to make a practical application of the applicant's knowledge of the profession of contracting; (ii) the qualifications of the applicant in reading plans and specifications, knowledge of relevant matters contained in the North Carolina State Building Code, knowledge of estimating costs, construction, ethics, and other similar matters pertaining to the contracting business; (iii) the knowledge of the applicant as to the responsibilities of a contractor to the public and of the requirements of the laws of the State of North Carolina relating to contractors, construction, and liens; and (iv) the applicant's knowledge of requirements of the Sedimentation Pollution Control Act of 1973, Article 4 of Chapter 113A of the General Statutes, and the rules adopted pursuant to that Article. If ~~the results of the examination of the applicant shall be satisfactory to the Board, then~~the qualifier or qualifying party passes the examination, upon review of the application and all relevant information, the Board shall issue ~~to the applicant a certificate to~~a license to the applicant to engage ~~as a~~in general ~~contractor~~ contracting in the State of North Carolina, ~~as provided in said certificate,~~ which may be limited ~~into five classifications~~ as follows:

(1) Building contractor, which shall include private, public, commercial, industrial and residential buildings of all types.

(1a) Residential contractor, which shall include any general contractor constructing only residences which are required to conform to the residential building code adopted by the Building Code Council pursuant to G.S. 143-138.

(2) Highway contractor.

(3) Public utilities contractors, which shall include those whose operations are the performance of construction work on the following subclassifications of facilities:

a. Water and sewer mains, water service lines, and house and building sewer lines as defined in the North Carolina State Building Code, and water storage tanks, lift stations, pumping stations, and appurtenances to water storage tanks, lift stations, and pumping stations.

b. Water and wastewater treatment facilities and appurtenances thereto.

c. Electrical power transmission facilities, and primary and secondary distribution facilities ahead of the point of delivery of electric service to the customer.

d. Public communication distribution facilities.
e. Natural gas and other petroleum products distribution facilities; provided the General Contractors Licensing Board may issue license to a public utilities contractor limited to any of the above subclassifications for which the general contractor qualifies.

(4) Specialty contractor, which shall include those whose operations as such are the performance of construction work requiring special skill and involving the use of specialized building trades or crafts, but which shall not include any operations now or hereafter under the jurisdiction, for the issuance of license, by any board or commission pursuant to the laws of the State of North Carolina.

(b1) Public utilities contractors constructing house and building sewer lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall, at the junction of the public sewer line and the house or building sewer line, install as an extension of the public sewer line a cleanout at or near the property line that terminates at or above the finished grade. Public utilities contractors constructing water service lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall terminate the water service lines at a valve, box, or meter at which the facilities from the building may be connected. Public utilities contractors constructing fire service mains for connection to fire sprinkler systems shall terminate those lines at a flange, cap, plug, or valve inside the building one foot above the finished floor. All fire service mains shall comply with the NFPA standards for fire service mains as incorporated into and made applicable by Volume V of the North Carolina Building Code.

(c) If an applicant is an individual, examination may be taken by his personal appearance for examination, or by the appearance for examination of one or more of his responsible managing ~~employees, and if~~employees. If an applicant is a ~~copartnership~~ copartnership, ~~or~~ a corporation, or any other combination or organization, ~~by the examination of~~the examination may be taken by one or more of the responsible managing officers or members of the personnel of the ~~applicant,~~applicant.

(c1) ~~and if the person so examined~~If the qualifier or qualifying party shall cease to be connected with the ~~applicant,~~licensee, then ~~in such event~~ the license shall remain in full force and effect for a period of 90 ~~days~~ days. ~~thereafter, and then be canceled, but the applicant~~After 90 days, the license shall be invalidated, however the licensee shall ~~then~~ be entitled to a ~~reexamination,~~return to active status ~~all~~ pursuant to all relevant statutes and ~~the~~ rules ~~to be~~ promulgated by the ~~Board:~~Board. ~~Provided, that the holder of such~~However, during the 90-day period described in this subsection, the ~~license~~ licensee shall not bid on or undertake any additional contracts from the time such ~~examined employee shall cease~~qualifier or qualifying party ceased to be connected with the ~~applicant~~ licensee until ~~said applicant's~~the license is reinstated as provided in this Article.

(d) ~~Anyone failing to pass this examination may be reexamined at any regular meeting of the Board upon payment of an examination fee. Anyone requesting to take the examination a third or subsequent time shall submit a new application with the appropriate examination and license fees.~~

(d1) The Board may require a new application if a qualifier or qualifying party requests to take an examination a third or subsequent time.

(e) A ~~certificate of~~ license shall expire on the ~~thirty-first~~first day of ~~December~~ January following its issuance or renewal and shall become invalid 60 days from that date unless renewed, subject to the approval of the Board. ~~Renewals may be effected any time during the month of January without reexamination, by the payment of a fee to the secretary of the Board. The fee shall~~Renewal applications shall be submitted with a fee not to exceed one hundred twenty-five dollars ($125.00) for an unlimited license, one hundred dollars ($100.00) for an intermediate license, and seventy-five dollars ($75.00) for a limited license. ~~No later than November 30 of each year, the Board shall mail written notice of the amount of the renewal fees for the upcoming year to the last address of record for each general contractor licensed pursuant to this Article.~~ Renewal applications shall be accompanied by evidence of continued financial responsibility satisfactory to the Board. Renewal applications received by the Board on or after the first day of January shall be accompanied by a late payment of fifty dollars ($50.00) for the first month and ten dollars ($10.00) for each month or ~~part after January.~~partial month thereafter. One-half of each fifty dollar ($50.00) late payment shall be remitted to the Homeowners Recovery Fund, established pursuant to Article 1A of this Chapter. If a licensee wishes to be relicensed subsequent to the archival of a license, the licensee shall ~~After a lapse of four years no renewal shall be effected and the applicant shall~~ fulfill all requirements of a new applicant as set forth in this section. Archived license numbers shall not be reissued.'

SECTION 2.15.(b) This section becomes effective January 1, 2017, and applies to applications for licensure submitted on or after that date.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT Amendment 3

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. _____ DATE 6/8/16

S. B. No. 303 Amendment No. _____ (to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE S303 - CSSB-20 [v.69]

(Rep.) Sen.) Catlin

moves to amend the bill on page 6, line 15

( ) WHICH CHANGES THE TITLE through page 71, line 15

by deleting those lines.

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

Amendment 4

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO. 4
(to be filled in by Principal Clerk)

S303-ATS-41 [v.7]

Amends Title [NO]
S303-CSSB-20 [v.69]

Date _____,2016

Representative Hager

moves to amend the bill on page 1, lines 19 and 20, by inserting between those lines:

"PERSONALLY IDENTIFIABLE INFORMATION OF PUBLIC UTILITY CUSTOMERS

SECTION 2.1. Chapter 132 of the General Statutes is amended by adding a new section to read:

"**§ 132-1.14. Personally identifiable information of public utility customers.**

(a) Except as otherwise provided in this section, a public record, as defined by G.S. 132-1, does not include personally identifiable information obtained by the Public Staff of the Utilities Commission from customers requesting assistance from the Public Staff regarding rate or service disputes with a public utility, as defined by G.S. 62-3(23).

(b) The Public Staff may disclose personally identifiable information of a customer to the public utility involved in the matter for the purpose of investigating such disputes.

(c) Such personally identifiable information is a public record to the extent disclosed by the customer in a complaint filed with the Commission pursuant to G.S. 62-73.

(d) For purposes of this section, "personally identifiable information" means the customer's name, physical address, email address, telephone number, and public utility account number."".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S D

SENATE BILL 303

Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/22/15
Third Edition Engrossed 4/23/15
PROPOSED HOUSE COMMITTEE SUBSTITUTE S303-PCS15387-SB-20

Short Title: Regulatory Reform Act of 2016. (Public)

Sponsors:

Referred to:

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

PART I. BUSINESS REGULATION

EMPLOYMENT STATUS OF FRANCHISES

SECTION 1.1. Article 2A of Chapter 95 of the General Statutes is amended by adding a new section to read:

"**§ 95-25.24A. Franchisee status.**

Neither a franchisee nor a franchisee's employee shall be deemed to be an employee of the franchisor for any purposes, including, but not limited to, this Article and Chapters 96 and 97 of the General Statutes. For purposes of this section, "franchisee" and "franchisor" have the same definitions as set out in 16 C.F.R. § 436.1."

PART II. STATE AND LOCAL GOVERNMENT REGULATION

PERSONALLY IDENTIFIABLE INFORMATION OF PUBLIC UTILITY CUSTOMERS

SECTION 2.1. Chapter 132 of the General Statutes is amended by adding a new section to read:

"**§ 132-1.14. Personally identifiable information of public utility customers.**

(a) Except as otherwise provided in this section, a public record, as defined by G.S. 132-1, does not include personally identifiable information obtained by the Public Staff of the Utilities Commission from customers requesting assistance from the Public Staff regarding rate or service disputes with a public utility, as defined by G.S. 62-3(23).

(b) The Public Staff may disclose personally identifiable information of a customer to the public utility involved in the matter for the purpose of investigating such disputes.

(c) Such personally identifiable information is a public record to the extent disclosed by the customer in a complaint filed with the Commission pursuant to G.S. 62-73.

(d) For purposes of this section, "personally identifiable information" means the customer's name, physical address, e-mail address, telephone number, and public utility account number."

WATER AND SEWER BILLING BY LESSORS

SECTION 2.2.(a) G.S. 42-42.1 reads as rewritten:

"**§ 42-42.1. Water and electricity conservation.**

(a) For the purpose of encouraging water and electricity conservation, pursuant to a written rental agreement, a landlord may charge for the cost of providing water or sewer service to tenants ~~who occupy the same contiguous premises~~ pursuant to G.S. 62-110(g) or electric service pursuant to G.S. 62-110(h).

(b) The landlord may not disconnect or terminate the tenant's electric service or water or sewer services due to the tenant's nonpayment of the amount due for electric service or water or sewer services."

SECTION 2.2.(b) G.S. 62-110(g) reads as rewritten:

"(g) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, for the purpose of encouraging water conservation, the Commission may, consistent with the public interest, adopt procedures that allow a lessor to charge for the costs of providing water or sewer service to persons who occupy the ~~same contiguous~~leased premises. The following provisions shall apply:

(1) All charges for water or sewer service shall be based on the user's metered consumption of water, which shall be determined by metered measurement of all water consumed. The rate charged by the lessor shall not exceed the unit consumption rate charged by the supplier of the service.

(1a) If the ~~contiguous~~ leased premises ~~were~~are contiguous dwelling units built prior to ~~1989~~ 1989, and the lessor determines that the measurement of the tenant's total water usage is impractical or not economical, the lessor may allocate the cost for water and sewer service to the tenant using equipment that measures the tenant's hot water usage. In that case, each tenant shall be billed a percentage of the landlord's water and sewer costs for water usage in the dwelling units based upon the hot water used in the tenant's dwelling unit. The percentage of total water usage allocated for each dwelling unit shall be equal to that dwelling unit's individually submetered hot water usage divided by all submetered hot water usage in all dwelling units. The following conditions apply to billing for water and sewer service under this subdivision:

a. A lessor shall not utilize a ratio utility billing system or other allocation billing system that does not rely on individually submetered hot water usage to determine the allocation of water and sewer costs.

b. The lessor shall not include in a tenant's bill the cost of water and sewer service used in common areas or water loss due to leaks in the lessor's water mains. A lessor shall not bill or attempt to collect for excess water usage resulting from a plumbing malfunction or other condition that is not known to the tenant or that has been reported to the lessor.

c. All equipment used to measure water usage shall comply with guidelines promulgated by the American Water Works Association.

d. The lessor shall maintain records for a minimum of 12 months that demonstrate how each tenant's allocated costs were calculated for water and sewer service. Upon advanced written notice to the lessor, a tenant may inspect the records during reasonable business hours.

e. Bills for water and sewer service sent by the lessor to the tenant shall contain all the following information:

1. The amount of water and sewer services allocated to the tenant during the billing period.
2. The method used to determine the amount of water and sewer services allocated to the tenant.
3. Beginning and ending dates for the billing period.

4. The past-due date, which shall not be less than 25 days after the bill is mailed.
5. A local or toll-free telephone number and address that the tenant can use to obtain more information about the bill.

(2) The lessor may charge a reasonable administrative fee for providing water or sewer service not to exceed the maximum administrative fee authorized by the Commission.

(3) The Commission shall ~~issue~~ adopt rules to ~~define contiguous premises and to~~ implement this subsection. ~~In issuing the rule to define contiguous premises, the Commission shall consider contiguous premises where manufactured homes, as defined in G.S. 143-145(7), or spaces for manufactured homes are rented.~~

(4) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service. The form shall include all of the following:

a. A description of the applicant and the property to be served.
b. A description of the proposed billing method and billing statements.
c. The schedule of rates charged to the applicant by the supplier.
d. The schedule of rates the applicant proposes to charge the applicant's customers.
e. The administrative fee proposed to be charged by the applicant.
f. The name of and contact information for the applicant and its agents.
g. The name of and contact information for the supplying water or sewer system.
h. Any additional information that the Commission may require.

(4a) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service at single-family homes that allows the applicant to serve multiple homes in the State subject to single Commission approval. The form shall include all of the following:

a. A description of the applicant and a listing of the address of all the properties to be served, which shall be updated annually with the Commission.
b. A description of the proposed billing method and billing statements.
c. The administrative fee proposed to be charged by the applicant.
d. The name and contact information for the applicant and its agents.
e. Any additional information the Commission may require.

(5) The Commission shall approve or disapprove an application within 30 days of the filing of a completed application with the Commission. If the Commission has not issued an order disapproving a completed application within 30 days, the application shall be deemed approved.

(6) A provider of water or sewer service under this subsection may increase the rate for service so long as the rate does not exceed the unit consumption rate charged by the supplier of the service. A provider of water or sewer service under this subsection may change the administrative fee so long as the administrative fee does not exceed the maximum administrative fee authorized by the Commission. In order to change the rate or administrative fee, the provider shall file a notice of revised schedule of rates and fees with the Commission. The Commission may prescribe the form by which the provider files a notice of a revised schedule of rates and fees under this subsection. The form shall include all of the following:

a. The current schedule of the unit consumption rates charged by the provider.

b. The schedule of rates charged by the supplier to the provider that the provider proposes to pass through to the provider's customers.
c. The schedule of the unit consumption rates proposed to be charged by the provider.
d. The current administrative fee charged by the provider, if applicable.
e. The administrative fee proposed to be charged by the provider.

(7) A notification of revised schedule of rates and fees shall be presumed valid and shall be allowed to become effective upon 14 days notice to the Commission, unless otherwise suspended or disapproved by order issued within 14 days after filing.

(8) Notwithstanding any other provision of this Chapter, the Commission shall determine the extent to which the services shall be regulated and, to the extent necessary to protect the public interest, regulate the terms, conditions, and rates that may be charged for the services. Nothing in this subsection shall be construed to alter the rights, obligations, or remedies of persons providing water or sewer services and their customers under any other provision of law.

(9) A provider of water or sewer service under this subsection shall not be required to file annual reports pursuant to G.S. 62-36 or to furnish a bond pursuant to G.S. 62-110.3."

REZONING/SIMULTANEOUS COMPREHENSIVE PLAN AMENDMENT

SECTION 2.4.(a) G.S. 153A-340 is amended by adding a new subsection to read:

"(o) The county shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a county has adopted a unified development ordinance, the county shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(b) G.S. 160A-381 is amended by adding a new subsection to read:

"(k) The city shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a city has adopted a unified development ordinance, the city shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(c) This section becomes effective October 1, 2016.

PARENT PARCEL/SUBDIVISION CLARIFICATION

SECTION 2.5.(a) G.S. 153A-335 reads as rewritten:

"**§ 153A-335. "Subdivision" defined.**

(a) For purposes of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions are created for the purpose of sale or building development (whether immediate or future) and includes all division of land involving the dedication of a new street or a change in existing streets; however, the following is not included within this definition and is not subject to any regulations enacted pursuant to this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots if the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres if no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for widening or opening streets or for public transportation system corridors.

(4) The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and if the resultant lots are equal to or exceed the standards of the county as shown by its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A county may provide for expedited review of specified classes of subdivisions.

(c) For the division of a tract or parcel of land in single ownership the entire area of which is greater than five acres into not more than three lots, if not exempted under subdivision (a)(2) of this section and a dedicated means of ingress and egress is provided to all resultant lots, the county may require only a plat for recordation."

SECTION 2.5.(b) G.S. 160A-376 reads as rewritten:

"**§ 160A-376. Definition.**

(a) For the purpose of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions is created for the purpose of sale or building development (whether immediate or future) and shall include all divisions of land involving the dedication of a new street or a change in existing streets; but the following shall not be included within this definition nor be subject to the regulations authorized by this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots where the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the municipality as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres where no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for the widening or opening of streets or for public transportation system corridors.

(4) The division of a tract in single ownership whose entire area is no greater than two acres into not more than three lots, where no street right-of-way dedication is involved and where the resultant lots are equal to or exceed the standards of the municipality, as shown in its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A city may provide for expedited review of specified classes of subdivisions."

(c) For the division of a tract or parcel of land in single ownership the entire area of which is greater than five acres into not more than three lots, if not exempted under subdivision (a)(2) of this section and a dedicated means of ingress and egress is provided to all resultant lots, the city may require only a plat for recordation."

SECTION 2.5.(c) This section becomes effective October 1, 2016.

STATUTE OF LIMITATIONS/LAND-USE VIOLATIONS

SECTION 2.6.(a) G.S. 1-52 is amended by adding a new subdivision to read:

"**§ 1-52. Three years.**

Within three years an action -

...

(21) Against the owner of an interest in real property by a unit of local government for a violation of a land-use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. The claim for relief accrues when the violation is either apparent from a public right-of-way or is in

plain view from a place to which the public is invited. This section does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety."

SECTION 2.6.(b) This section becomes effective August 1, 2016, and applies to actions commenced on or after that date.

PROGRAM EVALUATION TO STUDY NONPROFIT CONTRACTING

SECTION 2.7.(a) The Joint Legislative Program Evaluation Oversight Committee may amend the 2016-2017 Program Evaluation Division work plan to direct the Division to study State law and internal agency policies and procedures for delivery of public services through State grants and contracts to nonprofit organizations. The study shall include, but not be limited to, how nonprofit organizations are compensated for actual, reasonable, documented indirect costs, and the extent to which any underpayment for indirect costs reduces the efficiency or effectiveness of the delivery of public services. The study shall propose improvements to State law and internal agency policies and procedures, if necessary, to remove unnecessary impediments to the efficient and effective delivery of public services, including, but not limited to, late execution of contracts, late payments, and late reimbursements. In conducting the study, the Division may require each State agency to provide data maintained by the agency to determine any of the following:

(1) The timeliness of delivery and execution of contracts.
(2) The timeliness of payment for services that have been delivered.
(3) The extent to which nonprofit contractors or grantees are reimbursed for their indirect costs.
(4) The contact information for all nonprofit grantees and contractors.

SECTION 2.7.(b) If the study is conducted, the Division shall submit a report on the results of the study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Commission on Governmental Operations no later than September 1, 2017.

SECTION 2.7.(c) This section becomes effective July 1, 2016.

RENAME AND AMEND THE BOARD OF REFRIGERATION EXAMINERS

SECTION 2.9.(a) Article 5 of Chapter 87 of the General Statutes reads as rewritten:

"Article 5.

"Commercial Refrigeration Contractors.

"**§ 87-52. State Board of Commercial Refrigeration Examiners; appointment; term of office.**

(a) For the purpose of carrying out the provisions of this Article, the State Board of Commercial Refrigeration Examiners is created, consisting of seven members appointed by the Governor to serve seven-year staggered terms. The Board shall consist ~~of one member who is a wholesaler or a manufacturer of refrigeration equipment; one member from an engineering school of The University of North Carolina, one member from the Division of Public Health of The University of North Carolina, two licensed refrigeration contractors, one member who has no ties with the construction industry to represent the interest of the public at large, and one member with an engineering background in refrigeration.~~of:

(1) One member who is a wholesaler or a manufacturer of refrigeration equipment.
(2) One member from an accredited engineering school located in this State.
(3) One member from the field of public health with an environmental science background from an accredited college or university located in this State.
(4) Two members who are licensed refrigeration contractors.
(5) One member who has no ties with the construction industry to represent the interest of the public at large.
(6) One member with an engineering background in refrigeration.

(b) The term of office of one member shall expire each year. Vacancies occurring during a term shall be filled by appointment of the Governor for the unexpired term. Whenever the term

"Board" is used in this Article, it means the State Board of Commercial Refrigeration Examiners. No Board member shall serve more than one complete consecutive term.

"...

"§ 87-58. Definitions; contractors licensed by Board; examinations.

(a) ~~As applied~~The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of this Chapter. The following definitions apply in this ~~Article,~~Article:

(1) Commercial refrigeration contractor. – ~~"refrigeration trade or business" is defined to include all~~ All persons, ~~firms~~ firms, or corporations engaged in the installation, maintenance, servicing and repairing of refrigerating machinery, equipment, devices and components relating ~~thereto and within limits as set forth in the codes, laws and regulations governing refrigeration installation, maintenance, service and repairs within the State of North Carolina or any of its political subdivisions. The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of Chapter 87 of the General Statutes.~~thereto.

(2) Industrial refrigeration contractor. – All persons, firms, or corporations engaged in commercial refrigeration contracting with the use of ammonia as a refrigerant gas.

(3) Transport refrigeration contractor. – All persons, firms, or corporations engaged in the business of installation, maintenance, repairing, and servicing of transport refrigeration.

(a1) This Article shall not apply to any of the following:

(1) The installation of self-contained commercial refrigeration units equipped with an Original Equipment Manufacturer (OEM) molded plug that does not require the opening of service ~~valves or replacement of lamps, fuses, and door gaskets.~~valves.

(2) The installation and servicing of domestic household self-contained refrigeration appliances equipped with an OEM molded plug connected to suitable receptacles which have been permanently installed and do not require the opening of service valves.

(3) Employees of persons, firms, or corporations or persons, firms or corporations, not engaged in refrigeration contracting as herein defined, that install, maintain and service their own refrigerating machinery, equipment and devices.

(4) Any person, firm or corporation engaged in the business of selling, repairing and installing any comfort cooling devices or systems.

(5) The replacement of lamps, fuses, and door gaskets.

(b) ~~The term "refrigeration contractor" means a person, firm or corporation engaged in the business of refrigeration contracting.~~The Board shall establish and issue the following licenses:

(1) A Class I license shall be required for any person engaged in the business of commercial refrigeration contracting.

(2) A Class II license shall be required for any person engaged in the business of industrial refrigeration contracting.

(3) A Class III license shall be required for any person engaged in the business of repair, maintenance, and servicing of commercial equipment.

(4) A Class IV license shall be required for any person engaged in the business of transport refrigeration contracting.

~~(b1) The term "transport refrigeration contractor" means a person, firm, or corporation engaged in the business of installation, maintenance, servicing, and repairing of transport refrigeration.~~

(c) Any person, firm or corporation who for valuable consideration engages in the refrigeration business or trade as herein defined shall be deemed and held to be in the business of refrigeration contracting.

(d) In order to protect the public health, comfort and safety, the Board shall prescribe the standard of experience to be required of an applicant for license and shall give an examination designed to ascertain the technical and practical knowledge of the applicant concerning the analysis of plans and specifications, estimating cost, fundamentals of installation and design as they pertain to refrigeration; and as a result of the examination, the Board shall issue a certificate of license in refrigeration to applicants who pass the required examination and a license shall be obtained in accordance with the provisions of this Article, before any person, firm or corporation shall engage in, or offer to engage in the business of refrigeration contracting. The Board shall prescribe standards for ~~and issue licenses for refrigeration contracting and for transport refrigeration contracting. A transport refrigeration contractor license is a specialty license that authorizes the licensee to engage only in transport refrigeration contracting. A refrigeration contractor licensee is authorized to engage in transport refrigeration and all other aspects of refrigeration contracting.~~all license classifications.

Each application for examination shall be accompanied by a check, post-office money order or cash in the amount of the annual license fee required by this Article. Regular examinations shall be given in the Board's office by appointment.

...

(k) Upon application and payment of the fee for license renewal provided in G.S. 87-64, the Board shall issue a certificate of license to any licensee whose business activities require a Class I or Class II license if that licensee had an established place of business and was licensed pursuant to this Article prior to January 1, 2016.

"...

"§ 87-64. Examination and license fees; annual renewal.

(a) Each applicant for a license by examination shall pay to the Board of Commercial Refrigeration Examiners a nonrefundable examination fee in an amount to be established by the Board not to exceed the sum of ~~forty~~ one hundred dollars ~~($40.00). In the event the applicant successfully passes the examination, the examination fee shall be applied to the license fee required of licensees for the current year in which the examination was taken and passed.~~($100.00).

(b) The license of every person licensed under the provisions of this statute shall be annually renewed. Effective January 1, 2012, the Board may require, as a prerequisite to the annual renewal of a license, that licensees complete continuing education courses in subjects related to refrigeration contracting to ensure the safe and proper installation of commercial and transport refrigeration work and equipment. On or before November 1 of each year the Board shall cause to be mailed an application for renewal of license to every person who has received from the Board a license to engage in the refrigeration business, as heretofore defined. On or before January 1 of each year every licensed person who desires to continue in the refrigeration business shall forward to the Board a nonrefundable renewal fee in an amount to be established by the Board not to exceed ~~forty~~ eighty dollars ~~($40.00)~~($80.00) together with the application for renewal. Upon receipt of the application and renewal fee the Board shall issue a renewal certificate for the current year. Failure to renew the license annually shall automatically result in a forfeiture of the right to engage in the refrigeration business.

(c) Any licensee who allows the license to lapse may be reinstated by the Board upon payment of a nonrefundable late renewal fee in an amount to be established by the Board not to exceed ~~seventy-five~~one hundred sixty dollars ~~($75.00).~~($160.00) together with the application for renewal. Any person who fails to renew a license for two consecutive years shall be required to take and pass the examination prescribed by the Board for new applicants before being licensed to engage further in the refrigeration business.

...."

SECTION 2.9.(b) This section becomes effective January 1, 2017, and applies to applications submitted and Board membership appointments on or after that date.

AMEND DEFINITION OF ANTIQUE AUTOMOBILE

SECTION 2.10. G.S. 105-330.9 reads as rewritten:

"**§ 105-330.9. Antique automobiles.**

(a) Definition. – For the purpose of this section, the term "antique automobile" means a motor vehicle that meets all of the following conditions:

(1) It is registered with the Division of Motor Vehicles and has an historic vehicle special license plate under G.S. 20-79.4.

(2) It is maintained primarily for use in exhibitions, club activities, parades, and other public interest functions.

(3) It is used only occasionally for other purposes.

(4) It is owned by an ~~individual.~~individual or owned directly or indirectly through one or more pass-through entities, by an individual.

(5) It is used by the owner for a purpose other than the production of income and is not used in connection with a business.

(b) Classification. – Antique automobiles are designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and must be assessed for taxation in accordance with this section. An antique automobile must be assessed at the lower of its true value or five hundred dollars ($500.00)."

COPIES OF CERTAIN PUBLIC RECORDS

SECTION 2.11.(a) G.S. 132-6.2 reads as rewritten:

"**§ 132-6.2. Provisions for copies of public records; fees.**

(a) Persons requesting copies of public records may elect to obtain them in any and all media in which the public agency is capable of providing them. No request for copies of public records in a particular medium shall be denied on the grounds that the custodian has made or prefers to make the public records available in another medium. The public agency may assess different fees for different media as prescribed by law.

(a1) A public agency may satisfy the requirement to provide access to public records and computer databases under G.S. 132-9 by making those public records or computer databases available online in a format that allows a person to download the public record or computer database to obtain a copy. A public agency that provides access to public records or computer databases under this subsection is not required to provide copies through any other method or medium. If a public agency, as a service to the requester, voluntarily elects to provide copies by another method or medium, the public agency may negotiate a reasonable charge for the service with the requester.

(b) Persons requesting copies of public records may request that the copies be certified or uncertified. The fees for certifying copies of public records shall be as provided by law. Except as otherwise provided by law, no public agency shall charge a fee for an uncertified copy of a public record that exceeds the actual cost to the public agency of making the copy. For purposes of this subsection, "actual cost" is limited to direct, chargeable costs related to the reproduction of a public record as determined by generally accepted accounting principles and does not include costs that would have been incurred by the public agency if a request to reproduce a public record had not been made. Notwithstanding the provisions of this subsection, if the request is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or if producing the record in the medium requested results in a greater use of information technology resources than that established by the agency for reproduction of the volume of information requested, then the agency may charge, in

addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the actual cost incurred for such extensive use of information technology resources or the labor costs of the personnel providing the services, or for a greater use of information technology resources that is actually incurred by the agency or attributable to the agency. If anyone requesting public information from any public agency is charged a fee that the requester believes to be unfair or unreasonable, the requester may ask the State Chief Information Officer or his designee to mediate the dispute.

(c) Persons requesting copies of computer databases may be required to make or submit such requests in writing. Custodians of public records shall respond to all such requests as promptly as possible. If the request is granted, the copies shall be provided as soon as reasonably possible. If the request is denied, the denial shall be accompanied by an explanation of the basis for the denial. If asked to do so, the person denying the request shall, as promptly as possible, reduce the explanation for the denial to writing.

(d) Nothing in this section shall be construed to require a public agency to respond to requests for copies of public records outside of its usual business hours.

(e) Nothing in this section shall be construed to require a public agency to respond to a request for a copy of a public record by creating or compiling a record that does not exist. If a public agency, as a service to the requester, voluntarily elects to create or compile a record, it may negotiate a reasonable charge for the service with the requester. Nothing in this section shall be construed to require a public agency to put into electronic medium a record that is not kept in electronic medium.

(f) For purposes of this section, the following definitions shall apply:

(1) Computer database. – As defined in G.S. 132-6.1.

(2) Media or Medium. – A particular form or means of storing information."

SECTION 2.11.(b) The State Chief Information Officer, working with the State Controller, the Office of State Budget and Management, the Local Government Commission, The University of North Carolina, The North Carolina Community College System, The School of Government at the University of North Carolina Chapel Hill, the North Carolina League of Municipalities, the North Carolina School Boards Association, and the North Carolina County Commissioners Association, shall report, including any recommendations, to the 2017 Regular Session of the General Assembly on or before February 1, 2017, regarding the development and use of computer databases by State and local agencies and the need for public access to those public records.

SECTION 2.11.(c) This section becomes effective July 1, 2016.

SPECIFY LOCATION OF LIEUTENANT GOVERNOR'S OFFICE

SECTION 2.12. G.S. 143A-5 reads as rewritten:

"**§ 143A-5. Office of the Lieutenant Governor.**

The Lieutenant Governor shall maintain an office in ~~a State building~~the Hawkins-Hartness House located at 310 North Blount Street in the City of Raleigh which office shall be open during normal working hours throughout the year. The Lieutenant Governor shall serve as President of the Senate and perform such additional duties as the Governor or General Assembly may assign to him. This section shall become effective January 1, 1973."

CLARIFY THAT DOT STORMWATER REQUIREMENTS ARE APPLICABLE TO STATE ROAD CONSTRUCTION UNDERTAKEN BY PRIVATE PARTIES

SECTION 2.14. Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-28.6B. Applicable stormwater regulation.**

For the purposes of stormwater regulation, any construction undertaken by a private party pursuant to the provisions of G.S. 136-18(17), 136-18(27), 136-18(29), 136-18(29a), 136-28.6, or

136-28.6A shall be considered to have been undertaken by the Department, and the stormwater law and rules applicable to the Department shall apply."

BUILDING CODE STUDY TO INCREASE EFFICIENCY AND IDENTIFY DUPLICATIVE INSPECTIONS

SECTION 2.15.(a) As part of its current six-year update process, the North Carolina Building Code Council shall examine the North Carolina Building Codes for the purposes of developing a more streamlined code and to assure that code provisions are contained in only one code volume. The Council shall also (i) give specific guidance as to which inspector shall have enforcement jurisdiction over each code provision and (ii) make all necessary changes to ensure that this directive is incorporated in the next edition of the North Carolina Building Code.

SECTION 2.15.(b) The Building Code Council shall review the North Carolina General Statutes with regard to authority granted to local building inspectors in counties and cities, pursuant to G.S. 153A-357, 153A-359, 153A-360, 153A-362, 153A-365, 160A-417, 160A-419, 160A-420, 160A-422, 160A-425, and any other statute deemed relevant by the Council, to identify any provisions that would either allow or require a specific code provision to be inspected by multiple inspectors. The Council shall report its findings to the Joint Legislative Commission on Governmental Operations no later than February 1, 2017.

SECTION 2.15.(c) This section is effective when it becomes law.

PART III. AGRICULTURE, ENERGY, ENVIRONMENT, AND NATURAL RESOURCES REGULATION

DIRECT DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES TO INSPECT RENDERING PLANTS

SECTION 3.1.(a) G.S. 106-168.5 is repealed.

SECTION 3.1.(b) G.S. 106-168.6 reads as rewritten:

"**§ 106-168.6. ~~Inspection by committee;~~ Inspection; certificate of specific findings.**

~~The committee upon notification by~~ Upon receipt of an application for license, the Commissioner or the Commissioner's designee shall promptly inspect the plans, specifications, and selected site in the case of proposed rendering plants and shall inspect the buildings, grounds, and equipment of established rendering plants. If the ~~committee~~ Commissioner or the Commissioner's designee finds that the plans, specifications, and selected site in the case of proposed plants, or the buildings, grounds, and equipment~~,~~ in the case of established plants, comply with the requirements of this Article and the rules and regulations promulgated ~~by the Commissioner not inconsistent therewith, it~~under the authority of this Article, the Commissioner shall certify ~~its~~ the findings in ~~writing and forward same to the Commissioner.~~writing. If there is a failure in any respect to meet such requirements, the ~~committee~~ Commissioner or the Commissioner's designee shall notify the applicant in writing of such deficiencies and ~~the committee shall~~ shall, within a reasonable time to be determined by the ~~Commissioner~~ Commissioner, make a second inspection. If the specified defects are remedied, the ~~committee~~ Commissioner or the Commissioner's designee shall ~~thereupon~~ certify ~~its~~ the findings in ~~writing to the Commissioner.~~writing. Not more than two inspections shall be required ~~of the committee~~ under any one application."

SECTION 3.1.(c) G.S. 106-168.7 reads as rewritten:

"**§ 106-168.7. Issuance of license.**

Upon ~~receipt of the certificate of compliance from the committee,~~certification in accordance with G.S. 106-168.6, the Commissioner shall issue a license to the applicant to conduct rendering operations as specified in the application. A license shall be valid until revoked for cause as hereinafter provided."

SECTION 3.1.(d) G.S. 106-168.12 reads as rewritten:

"**§ 106-168.12. Commissioner authorized to adopt rules and regulations.**

The Commissioner of Agriculture is hereby authorized to make and establish reasonable rules and regulations, ~~not inconsistent~~consistent with the provisions of this Article, ~~after consulting the committee,~~ for the proper administration and enforcement thereof."

SECTION 3.1.(e) G.S. 106-168.13 reads as rewritten:

"**§ 106-168.13. Effect of failure to comply.**

Failure to comply with the provisions of this Article or rules and regulations ~~not inconsistent therewith~~adopted pursuant to this Article shall be cause of revocation of license, if such failure shall not be remedied within a reasonable time after notice to the licensee. Any person whose license is revoked may reapply for a license in the manner provided in this Article for an initial application, except that the Commissioner shall not be required to cause the rendering plant and equipment of the applicant to be inspected ~~by the committee~~ until the expiration of 30 days from the date of revocation."

SOLID WASTE AMENDMENTS

SECTION 3.3.(a) Section 4.9(a) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(a)** Section 14.20(a) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(b) Section 4.9(b) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(b)** Section ~~14.20(a)~~14.20(c) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(c) Section 4.9(c) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(c)** Section 14.20(d) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(d) Section 4.9(d) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(d)** Section 14.20(f) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(e) Section 14.20(e) of S.L. 2015-241 reads as rewritten:

"**SECTION 14.20.(e)** After July 1, 2016, the annual fee due pursuant to ~~G.S. 130A-295.8A(d1),~~G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, for existing sanitary landfills and transfer stations with a valid permit issued before the date this act becomes effective is equal to the applicable annual fee for the facility as set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1) as enacted by Section 14.20(c) of this act, less a permittee fee credit. A permittee fee credit exists when the life-of-site permit fee amount is greater than the time-limited permit fee amount. The amount of the permittee fee credit shall be calculated by (i) subtracting the time-limited permit fee amount from the life-of-site permit fee amount due for the same period of time and (ii) multiplying the difference by a fraction, the numerator of which is the number of years remaining in the facility's time-limited permit and the denominator of which is the total number of years covered by the facility's time-limited permit. The amount of the permittee fee credit shall be allocated in equal annual installments over the number of years that constitute the facility's remaining life-of-site, as determined by the Department, unless the Department accelerates, in its sole discretion, the use of the credit over a shorter period of time. For purposes of this subsection, the following definitions apply:

(1) Life-of-site permit fee amount. – The amount equal to the sum of all annual fees that would be due under the fee structure set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

(2) Time-limited permit fee amount. – The amount equal to the sum of the application fee or renewal fee, whichever is applicable, and all annual fees paid or to be paid pursuant to subsections (c) and (d) of ~~G.S. 130A-295.8A,~~

G.S. 130A-295.8(d1), as repealed by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

The Department shall adopt rules to implement this subsection."

SECTION 3.4.(a) Section 14.20(f) of S.L. 2015-241, as amended by Section 4.9(d) of S.L. 2015-286, reads as rewritten:

"**SECTION 14.20.(f)** This section becomes effective October 1, 2015. G.S. 130A-294(b1)(2), as amended by subsection (a) of this section, applies to franchise ~~agreements~~ agreements (i) executed on or after ~~October 1, 2015.~~ October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to a valid and operative franchise agreement consent to modify the agreement for the purpose of extending the agreement's duration to the life-of-site of the landfill for which the agreement was executed. The remainder of G.S. 130A-294, as amended by subsection (a) of this section, and G.S. 130A-295.8, as amended by subsection (c) of this section, apply to (i) existing sanitary landfills and transfer stations, with a valid permit issued before the date this act becomes effective, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016, (ii) new sanitary landfills and transfer stations, for applications submitted on or after July 1, 2016, and (iii) applications for sanitary landfills or transfer stations submitted before July 1, 2015, and pending on the date this act becomes law shall be evaluated by the Department based on the applicable laws that were in effect on July 1, 2015, and the Department shall not delay in processing such permit applications in consideration of changes made by this act, but such landfills and transfer stations shall be eligible for issuance of life-of-site permits pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016."

SECTION 3.4.(b) G.S. 130A-294(b1)(2) reads as rewritten:

"(2) A person who intends to apply for a new permit for a sanitary landfill shall obtain, prior to applying for a permit, a franchise for the operation of the sanitary landfill from each local government having jurisdiction over any part of the land on which the sanitary landfill and its appurtenances are located or to be located. A local government may adopt a franchise ordinance under G.S. 153A-136 or G.S. 160A-319. A franchise granted for a sanitary landfill ~~shall~~ shall (i) be granted for the life-of-site of the ~~landfill and shall~~ landfill, but for a period not to exceed 60 years, and (ii) include all of the following:

a. A statement of the population to be served, including a description of the geographic area.

b. A description of the volume and characteristics of the waste stream.

c. A projection of the useful life of the sanitary landfill.

d. Repealed by Session Laws 2013-409, s. 8, effective August 23, 2013.

e. The procedures to be followed for governmental oversight and regulation of the fees and rates to be charged by facilities subject to the franchise for waste generated in the jurisdiction of the franchising entity.

f. A facility plan for the sanitary landfill that shall include the boundaries of the proposed facility, proposed development of the facility site, the boundaries of all waste disposal units, final elevations and capacity of all waste disposal units, the amount of waste to be received per day in tons, the total waste disposal capacity of the sanitary landfill in tons, a description of environmental controls, and a description of any other

waste management activities to be conducted at the facility. In addition, the facility plan shall show the proposed location of soil borrow areas, leachate facilities, and all other facilities and infrastructure, including ingress and egress to the facility."

SECTION 3.4.(c) G.S. 160A-319(a) reads as rewritten:

"**§ 160A-319. Utility franchises.**

(a) A city shall have authority to grant upon reasonable terms franchises for a telephone system and any of the enterprises listed in G.S. 160A-311, except a cable television system. A franchise granted by a city authorizes the operation of the franchised activity within the city. No franchise shall be granted for a period of more than 60 years, ~~except~~ including a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1); provided, however, that a franchise for solid waste collection or disposal systems and ~~facilities~~ facilities, other than sanitary landfills, shall not be granted for a period of more than 30 years. Except as otherwise provided by law, when a city operates an enterprise, or upon granting a franchise, a city may by ordinance make it unlawful to operate an enterprise without a franchise."

SECTION 3.4.(d) G.S. 153A-136 reads as rewritten:

"**§ 153A-136. Regulation of solid wastes.**

(a) A county may by ordinance regulate the storage, collection, transportation, use, disposal, and other disposition of solid wastes. Such an ordinance may:

...

(3) Grant a franchise to one or more persons for the exclusive right to commercially collect or dispose of solid wastes within all or a defined portion of the county and prohibit any other person from commercially collecting or disposing of solid wastes in that area. The board of commissioners may set the terms of any ~~franchise, except that no franchise may be granted for a period exceeding 30 years, nor may any~~ franchise; provided, however, no franchise shall be granted for a period of more than 30 years, except for a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1), which may not exceed 60 years. No franchise by its terms may impair the authority of the board of commissioners to regulate fees as authorized by this section.

...."

SECTION 3.4.(e) Section 3.4 of this act is effective retroactively to July 1, 2015, and applies to franchise agreements (i) executed on or after October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to the agreement consent to modify the agreement for the purpose of extending the agreement's duration of the life-of-site of the landfill for which the agreement was executed.

AUTHORIZE THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS TO REVIEW AND COMMENT ON MILITARY-RELATED PERMIT CRITERIA

SECTION 3.6.(a) Article 21C of Chapter 143 of the General Statutes reads as rewritten:

"Article 21C.

"Permitting of Wind Energy Facilities.

"...

"**§ 143-215.118. Permit application scoping meeting and notice.**

(a) Scoping Meeting. – No less than 60 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion, the applicant shall request the scheduling of a scoping meeting between the applicant and the Department. The scoping meeting shall be held no less than 30 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion. ~~The applicant and the~~

~~Department shall review the permit for the proposed wind energy facility or proposed facility expansion at the scoping meeting.~~

...

"§ 143-215.119. Permit application requirements; fees; notice of receipt of completed permit; public hearing; public comment.

(a) Permit Requirements. – A person applying for a permit for a proposed wind energy facility or proposed wind energy facility expansion shall include all of the following in an application for the permit:

(1) A narrative description of the proposed wind energy facility or proposed wind energy facility expansion.

(2) A map showing the location of the proposed wind energy facility or proposed wind energy facility expansion that identifies the specific location of each turbine.

(3) A copy of a deed, purchase agreement, lease agreement, or other legal instrument demonstrating the right to construct, expand, or otherwise develop a wind energy facility on the property.

(4) Identification by name and address of property owners ~~adjacent to~~living within one-half mile of the proposed wind energy facility or proposed wind energy facility expansion. The applicant shall notify every property owner identified pursuant to this subdivision by registered or certified mail or by any means authorized by G.S. 1A-1, Rule 4, in a form approved by the Department. The notice shall include all of the following:

a. The location of the proposed wind energy facility or proposed wind energy facility expansion and the specific location of each turbine proposed to be located within one-half mile of the ~~boundary of the adjacent property owner.~~property.

b. A description of the proposed wind energy facility or proposed wind energy facility expansion.

...

"§ 143-215.120. Criteria for permit approval; time frame; permit conditions; other approvals required.

(a) Permit Approval. – The Department shall approve an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion unless the Department finds any one or more of the following:

(1) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would be inconsistent with or violate rules adopted by the ~~Department~~ Department, the Department of Military and Veterans Affairs, or any other provision of law.

(2) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the Department may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.

...

"**§ 143-215.123. Annual review of military presence.**

The Department of Military and Veterans Affairs shall consult with representatives of the major military installations to review information regarding military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations at least once per ~~year.~~year and shall provide such information to the Department. The Department shall provide relevant information on civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations to permit applicants as requested.

...

"**§ 143-215.125. Rule making.**

The Department of Military and Veterans Affairs and the Environmental Management Commission shall adopt any rules necessary pertaining to their respective jurisdictions ~~for the implementation of~~ to implement this Article. In adopting rules, the Environmental Management Commission shall consult with the Coastal Resources Commission to ensure that the development of statewide permitting requirements is consistent with and in consideration of the characteristics unique to the coastal area of the State to the maximum extent practicable.

"...."

SECTION 3.6.(b) Subsection (a) of this section becomes effective when this act becomes law and applies to applications for permits for a proposed wind energy facility or a proposed wind energy facility expansion submitted on or after that date.

SECTION 3.6.(c) Article 9G of Chapter 143 of the General Statutes reads as rewritten:

"Article 9G.
"Military Lands Protection.

"**§ 143-151.70. Short title.**

This Article shall be known as the Military Lands Protection Act of 2013.

"**§ 143-151.71. Definitions.**

Within the meaning of this Article:

(1) "Area surrounding major military installations" is the area that extends five miles beyond the boundary of a major military installation and may include incorporated and unincorporated areas of counties and municipalities.

(2) Repealed by Session Laws 2014-79, s. 2, effective July 22, 2014.

~~(3) "Commissioner" means the Commissioner of Insurance.~~

(4) "Construction" includes reconstruction, alteration, or expansion.

(5) "Major military installation" means Fort Bragg, Pope Army Airfield, Camp Lejeune Marine Corps Air Base, New River Marine Corps Air Station, Cherry Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point, the United States Coast Guard Air Station at Elizabeth City, Naval Support Activity Northwest, Air Route Surveillance Radar (ARSR-4) at Fort Fisher, and Seymour Johnson Air Force Base, in its own right and as the responsible entity for the Dare County Bombing Range, and any facility located within the State that is subject to the installations' oversight and control.

(6) "Person" means any individual, partnership, firm, association, joint venture, public or private corporation, trust, estate, commission, board, public or private institution, utility, cooperative, interstate body, the State of North Carolina and its agencies and political subdivisions, or other legal entity.

(6a) "Secretary" means the Secretary of the Department of Administration.

~~(6a)~~(6b) "State Construction Office" means the State Construction Office of the Department of Administration.

(7) "Tall buildings or structures" means any building, structure, or unit within a multiunit building with a vertical height of more than 200 feet measured from

the top of the foundation of the building, structure, or unit and the uppermost point of the building, structure, or unit. "Tall buildings or structures" do not include buildings and structures listed individually or as contributing resources within a district listed in the National Register of Historic Places.

"**§ 143-151.72. Legislative findings.**

North Carolina has a vested economic interest in preserving, maintaining, and sustaining land uses that are compatible with military activities at major military installations. Development located proximate to military installations has been identified as a critical issue impacting the long-term viability of the military in this State. Additional concerns associated with development include loss of access to air space and coastal and marine areas and radio frequency encroachment. The construction of tall buildings or structures in areas surrounding major military installations is of utmost concern to the State as those buildings and structures may interfere with or impede the military's ability to carry out activities that are vital to its function and future presence in North Carolina.

"**§ 143-151.73. Certain buildings and structures prohibited without endorsement.**

(a) No county or city may authorize the construction of and no person may construct a tall building or structure in any area surrounding a major military installation in this State, unless the county or city is in receipt of either a letter of endorsement issued to the person by the State Construction Office pursuant to ~~G.S. 143-151.75 or proof of the State Construction Office's failure to act within the time allowed pursuant to~~ G.S. 143-151.75.

(b) No county or city may authorize the provision of the following utility services to any building or structure constructed in violation of subsection (a) of this section: electricity, telephone, gas, water, sewer, or septic system.

"**§ 143-151.74. Exemptions from applicability.**

(a) Wind energy facilities and wind energy facility expansions, as those terms are defined in Article 21C of Chapter 143 of the General Statutes, that are subject to the applicable permit requirements of that Chapter shall be exempt from obtaining the endorsement required by this Article.

...

"**§ 143-151.75. Endorsement for proposed tall buildings or structures required.**

(a) No person shall undertake construction of a tall building or structure in any area surrounding a major military installation in this State without ~~either~~ first obtaining the endorsement from the State Construction ~~Office or proof of the State Construction Office's failure to act within the time allowed.~~Office.

(b) A person seeking endorsement for a proposed tall building or structure in any area surrounding a major military installation in this State shall provide written notice of the intent to seek endorsement to the base commander of the major military installation that is located within five miles of the proposed tall building or structure and shall provide all of the following to the State Construction Office:

(1) Identification of the major military installation and the base commander of the installation that is located within five miles of the proposed tall building or structure.

(2) A copy of the written notice sent to the base commander of the installation identified in subdivision (1) of this subsection that is located within five miles of the proposed tall building or structure.

(3) A written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012, Edition) for the proposed tall building or structure.

(c) After receipt of the information provided by the ~~applicant~~ person pursuant to subsection (b) of this section, the State Construction Office shall, in writing, request a written

statement concerning the proposed tall building or structure from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. The State Construction Office shall request that the following information be included in the written statement from the base commander:

(1) A determination whether the location of the proposed tall building or structure is within ~~a protected~~an area that surrounds the major military installation.

(2) A determination whether any activities of the installation may be adversely affected by the proposed tall building or structure. A detailed description of the potential adverse effects, including frequency disturbances and physical obstructions, shall accompany the determination required by this subdivision.

(d) The State Construction Office shall not endorse a tall building or structure if the State Construction Office finds any one or more of the following:

(1) The proposed tall building or structure would encroach upon or otherwise interfere with the mission, training, or operations of any major military installation in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the State Construction Office may consider whether the proposed tall building or structure would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on the written statement received from a base commander as provided in subsection (c) of this section and written comments received by members of affected communities. Provided, however, if the State Construction Office does not receive a written statement requested pursuant to subsection (c) of this section within 45 days of issuance of the request to the base commander, the State Construction Office shall deem the tall building or structure as ~~endorsed~~ denied by the base commander.

(2) The State Construction Office is not in receipt of the written "Determination of No Hazard to Air Navigation" issued to the person by the Federal Aviation Administration required pursuant to subdivision (3) of subsection (b) of this section.

(e) The State Construction Office shall make a final decision on the request for endorsement of a tall building or structure within 90 days from the date on which the State Construction Office requested the written statement from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. If the State Construction Office determines that a request for a tall building or structure fails to meet the requirements for endorsement under this section, the State Construction Office shall deny the request. The State Construction Office shall notify the person of the denial, and the notice shall include a written statement of the reasons for the denial. If the State Construction Office fails to act within any time period set forth in this section, the person may treat the failure to act as a decision to ~~endorse~~ deny endorsement of the tall building or structure.

~~(f) The State Construction Office may meet by telephone, video, or Internet conference, so long as consistent with applicable law regarding public meetings, to make a decision on a request for endorsement for a tall building or structure pursuant to subsection (e) of this section.~~

"§ 143-151.76. Application to existing tall buildings and structures.

G.S. 143-151.73 applies to tall buildings or structures that existed in an area surrounding major military installations ~~upon the effective date of this Article~~on October 1, 2013, as follows:

(1) No reconstruction, alteration, or expansion may aggravate or intensify a violation by an existing building or structure that did not comply with G.S. 143-151.73 ~~upon its effective date.~~on October 1, 2013.

(2) No reconstruction, alteration, or expansion may cause or create a violation by an existing building or structure that did comply with G.S. 143-151.73 ~~upon its effective date.~~on October 1, 2013.

"**§ 143-151.77. Enforcement and penalties.**

(a) In addition to injunctive ~~relief,~~relief, as provided by subsection (e) of this section, the ~~Commissioner~~ Secretary may assess and collect a civil penalty against any person who violates any of the provisions of this Article or rules adopted pursuant to this Article, as provided in this section. The maximum civil penalty for a violation is five thousand dollars ($5,000). A civil penalty may be assessed from the date of the violation. Each day of a continuing violation may constitute a separate violation.

(b) The ~~Commissioner~~ Secretary shall determine the amount of the civil penalty and shall notify the person who is assessed the civil penalty of the amount of the penalty and the reason for assessing the penalty. The notice of assessment shall be served by any means authorized under Rule 4 of G.S. 1A-1 and shall direct the violator to either pay the assessment or contest the assessment within 30 calendar days by filing a petition for a contested case under Article 3 of Chapter 150B of the General Statutes. If a violator does not pay a civil penalty assessed by the ~~Commissioner~~ Secretary within 30 calendar days after it is due, the ~~Commissioner~~ Secretary shall request that the Attorney General institute a civil action to recover the amount of the assessment. The civil action may be brought in the superior court of any county where the violation occurred. A civil action must be filed within one year of the date the assessment was due. An assessment that is not contested is due when the violator is served with a notice of assessment. An assessment that is contested is due at the conclusion of the administrative and judicial review of the assessment.

(c) In determining the amount of the penalty, the ~~Commissioner~~ Secretary shall consider the degree and extent of harm caused by the violation, the cost of rectifying the damage, the amount of money the violator saved by noncompliance, whether the violation was committed willfully, the prior record of the violator in complying or failing to comply with this Article, and the action of the person to remedy the violation.

(d) The clear proceeds of civil penalties collected by the ~~Commissioner~~ Secretary under this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

(e) Whenever the Secretary has reasonable cause to believe that any person has violated or is threatening to violate any of the provisions of this Article, a rule implementing this Article, or any of the terms of any endorsement issued pursuant to this Article, the State Construction Office may, either before or after the institution of any other action or proceeding authorized by this Article, request the Attorney General to institute a civil action in the name of the State upon the request of the State Construction Office for injunctive relief to restrain the violation or threatened violation and for such other and further relief in the premises as the court shall deem proper. The Attorney General may institute such action in the superior court of the county in which the violation occurred or may occur or, in the Attorney General's discretion, in the superior court of the county in which the person responsible for the violation or threatened violation resides or has the person's principal place of business. Upon a determination by the court that the alleged violation of the provisions of this Article or the regulations of the State Construction Office has occurred or is threatened, the court shall grant the relief necessary to prevent or abate the violation or threatened violation. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed for violation of this Article."

SECTION 3.6.(d) Subsection (c) of this section is effective when this act becomes law and applies to requests for endorsements to construct tall buildings or structures submitted on or after that date.

SECTION 3.7.(a) Article 21C of Chapter 143 of the General Statutes, as amended by Section 3.6(a) of this act, reads as rewritten:

"Article 21C.

"Permitting of Wind Energy Facilities.

"...

"**§ 143-215.117. Permit preapplication site evaluation meeting; notice; preapplication package requirements.**

(a) Permit Preapplication Site Evaluation Meeting. – No less than 180 days prior to filing an application for a permit to construct, operate, or expand a wind energy facility, a person shall request a preapplication site evaluation meeting to be held between the ~~applicant and the Department.~~applicant, the Department, and the Department of Military and Veterans Affairs. The preapplication site evaluation meeting shall be held no less than 120 days prior to filing an application for a permit to construct, operate, or expand a wind energy facility and may be used by the participants to:

(1) Conduct a preliminary evaluation of the site or sites for the proposed wind energy facility or wind energy facility expansion. The preliminary evaluation of the proposed wind energy facility or proposed wind energy facility expansion shall determine if the site or sites:

a. Pose serious risk to civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations.

b. Pose serious risk to natural resources and uses, including to species of concern or their habitats.

(2) Identify areas where proposed construction or expansion activities pose minimal risk of interference with civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations.

(3) Identify areas where proposed construction or expansion activities pose minimal risk to natural resources and uses, including avian, bat, and endangered and threatened species.

(b) Permit Preapplication Package. – No less than 45 days prior to the date of the permit preapplication site evaluation meeting scheduled in accordance with subsection (a) of this section, the applicant for a wind energy facility or wind energy facility expansion shall submit a preapplication package to the ~~Department.~~Department and the Department of Military and Veterans Affairs. To the extent that any documents contain trade secrets or confidential business information, those portions of the documents shall not be subject to disclosure under the North Carolina Public Records Act. The preapplication package shall include all of the following:

...

"**§ 143-215.118. Permit application scoping meeting and notice.**

(a) Scoping Meeting. – No less than 60 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion, the applicant shall request the scheduling of a scoping meeting between the ~~applicant and the Department.~~ applicant, the Department, and the Department of Military and Veterans Affairs. The scoping meeting shall be held no less than 30 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion.

...

"**§ 143-215.119. Permit application requirements; fees; notice of receipt of completed permit; public hearing; public comment.**

(a) Permit Requirements. – A person applying for a permit for a proposed wind energy facility or proposed wind energy facility expansion shall include all of the following in an application for the ~~permit:~~permit to be submitted to the Department and the Department of Military and Veterans Affairs:

...

(f) Public Hearing and Comment. – The Department shall hold a public hearing in each county in which the wind energy facility or wind energy facility expansion is proposed to be

located within 75 days of receipt of a completed permit application. The Department shall provide notice including the time and location of the public hearing in a newspaper of general circulation in each applicable county. The notice of public hearing shall be published for at least two consecutive weeks beginning no less than 45 days prior to the scheduled date of the hearing. The notice shall provide that any comments on the proposed wind energy facility or proposed wind energy facility expansion should be submitted to the Department by a specified date, not less than 15 days from the date of the newspaper publication of the notice or 15 days after distribution of the mailed notice, whichever is later. No less than 30 days prior to the scheduled public hearing, the Department shall provide written notice of the hearing to:

(1) The North Carolina Utilities Commission.
(2) The Office of the Attorney General of North Carolina.
(3) The commanding military officer of any potentially affected major military installation or the commanding military officer's designee.
(4) The board of commissioners for each county and the governing body of each municipality with jurisdictions over areas in which a potentially affected major military installation is located.
(5) The Department of Military and Veterans Affairs.

"§ 143-215.120. Criteria for permit approval; time frame; permit conditions; other approvals required.

(a) Permit Approval. – The Department shall approve an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion unless the Department finds any one or more of the following:

(1) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would be inconsistent with or violate rules adopted by the Department, the Department of Military and Veterans Affairs, or any other provision of law.
(2) ~~Construction~~ As evidenced by receipt of notice from the Department of Military and Veterans Affairs issued pursuant to G.S. 143-215.120A(b), construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. ~~In its evaluation, the Department may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.~~

...

(b) Permit Decision.–The Department shall make a final decision on a permit application within 90 days following receipt of a completed application, except that the Department shall not be required to make a final decision until the Department has ~~received~~ received both (i) a certification from the Department of Military and Veterans Affairs for the proposed wind energy facility or proposed wind energy facility expansion issued pursuant to G.S. 143-215.120A(a) or a notice from the Department of Military and Veterans Affairs of its decision not to issue a certification for the proposed wind energy facility or proposed wind energy facility expansion pursuant to G.S. 143-215.120A(b) and (ii) a written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012 edition). If the Department requests additional information following the receipt of a completed application, the Department shall

make a final decision on a permit application within 30 days of receipt of the requested information. If the Department determines that an application for a wind energy facility or a wind energy facility expansion fails to meet the requirements for a permit under this section, the Department shall deny the application, and the application shall be returned to the applicant accompanied by a written statement of the reasons for the denial and any modifications to the permit application that would make the application acceptable. If the Department fails to act within the time period set forth in this subsection, the applicant may treat the failure to act as a denial of the permit and may challenge the denial as provided under Chapter 150B of the General Statutes.

...

"**§ 143-215.120A. Certification required from the Department of Military and Veterans Affairs.**

(a) The Department of Military and Veterans Affairs shall issue a certification for a proposed wind energy facility or proposed wind energy facility expansion unless the Department of Military and Veterans Affairs finds construction or operation of the proposed wind energy facility or wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the Department of Military and Veterans Affairs may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.

(b) If the Department of Military and Veterans Affairs determines that it cannot issue a certification for a proposed wind energy facility or proposed wind energy facility expansion based on the criteria set forth in subsection (a) of this section, the Department of Military and Veterans Affairs shall notify the applicant and the Department within 10 days of such decision, which shall include findings of fact that document the basis for the decision.

...."

SECTION 3.7.(b) Subsection (a) of this section becomes effective October 1, 2018, and applies to applications for permits for a proposed wind energy facility or a proposed wind energy facility expansion submitted on or after that date.

SECTION 3.7.(c) The Revisor of Statutes shall make the following recodifications in connection with the transfer of the Military Lands Protection Act of 2013:

(1) Article 9G of Chapter 143 of the General Statutes (Military Lands Protection) is recodified into Part 12 of Article 14 of Chapter 143B of the General Statutes with the sections to be numbered as G.S. 143B-1315A through G.S. 143B-1315H, respectively.

SECTION 3.7.(d) Part 12 of Article 14 of Chapter 143B of the General Statutes, as recodified by subsection (c) of this section and as amended by Section 3.6(c) of this act, reads as rewritten:

"~~Article 9G.~~Part 12. Military Lands Protection.

"**§ 143B-1315A. Short title.**

This ~~Article~~ Part shall be known as the Military Lands Protection Act of 2013.

"**§ 143B-1315B. Definitions.**

Within the meaning of this ~~Article:~~Part:

(1) "Area surrounding major military installations" is the area that extends five miles beyond the boundary of a major military installation and may include incorporated and unincorporated areas of counties and municipalities.

(2) Repealed by Session Laws 2014-79, s. 2, effective July 22, 2014.

(3) Repealed.
(4) "Construction" includes reconstruction, alteration, or expansion.
(4a) "Department" means the Department of Military and Veterans Affairs.
(5) "Major military installation" means Fort Bragg, Pope Army Airfield, Camp Lejeune Marine Corps Air Base, New River Marine Corps Air Station, Cherry Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point, the United States Coast Guard Air Station at Elizabeth City, Naval Support Activity Northwest, Air Route Surveillance Radar (ARSR-4) at Fort Fisher, and Seymour Johnson Air Force Base, in its own right and as the responsible entity for the Dare County Bombing Range, and any facility located within the State that is subject to the installations' oversight and control.
(6) "Person" means any individual, partnership, firm, association, joint venture, public or private corporation, trust, estate, commission, board, public or private institution, utility, cooperative, interstate body, the State of North Carolina and its agencies and political subdivisions, or other legal entity.
~~(6a) "State Construction Office" means the State Construction Office of the Department of Administration.~~
(6b) "Secretary" means the Secretary of the Department of ~~Administration.~~Military and Veterans Affairs.
(7) "Tall buildings or structures" means any building, structure, or unit within a multiunit building with a vertical height of more than 200 feet (200') measured from the top of the foundation of the building, structure, or unit and the uppermost point of the building, structure, or unit. "Tall buildings or structures" do not include buildings and structures listed individually or as contributing resources within a district listed in the National Register of Historic Places.

...

"§ 143B-1315D. Certain buildings and structures prohibited without endorsement.

(a) No county or city may authorize the construction of and no person may construct a tall building or structure in any area surrounding a major military installation in this State, unless the county or city is in receipt of either a letter of endorsement issued to the person by the ~~State Construction Office~~Department pursuant to ~~G.S. 143-151.75.~~G.S. 143B-1315F.

(b) No county or city may authorize the provision of the following utility services to any building or structure constructed in violation of subsection (a) of this section: electricity, telephone, gas, water, sewer, or septic system.

...

"§ 143-1315F. Endorsement for proposed tall buildings or structures required.

(a) No person shall undertake construction of a tall building or structure in any area surrounding a major military installation in this State without first obtaining the endorsement from the ~~State Construction Office.~~Department.

(b) A person seeking endorsement for a proposed tall building or structure in any area surrounding a major military installation in this State shall provide written notice of the intent to seek endorsement to the base commander of the major military installation that is located within five miles of the proposed tall building or structure and shall provide all of the following to the ~~State Construction Office:~~Department:

(1) Identification of the major military installation and the base commander of the installation that is located within five miles of the proposed tall building or structure.
(2) A copy of the written notice sent to the base commander of the installation identified in subdivision (1) of this subsection that is located within five miles of the proposed tall building or structure.

(3) A written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012, Edition) for the proposed tall building or structure.

(c) After receipt of the information provided by the person pursuant to subsection (b) of this section, the ~~State Construction Office~~Department shall, in writing, request a written statement concerning the proposed tall building or structure from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. The ~~State Construction Office~~Department shall request that the following information be included in the written statement from the base commander:

(1) A determination whether the location of the proposed tall building or structure is within an area that surrounds the major military installation.

(2) A determination whether any activities of the installation may be adversely affected by the proposed tall building or structure. A detailed description of the potential adverse effects, including frequency disturbances and physical obstructions, shall accompany the determination required by this subdivision.

(d) The ~~State Construction Office~~Department shall not endorse a tall building or structure if the ~~State Construction Office~~Department finds any one or more of the following:

(1) The proposed tall building or structure would encroach upon or otherwise interfere with the mission, training, or operations of any major military installation in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the ~~State Construction Office~~Department may consider whether the proposed tall building or structure would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on the written statement received from a base commander as provided in subsection (c) of this section and written comments received by members of affected communities. Provided, however, if the ~~State Construction Office~~Department does not receive a written statement requested pursuant to subsection (c) of this section within 45 days of issuance of the request to the base commander, the ~~State Construction Office~~Department shall deem the tall building or structure as denied by the base commander.

(2) The ~~State Construction Office~~Department is not in receipt of the written "Determination of No Hazard to Air Navigation" issued to the person by the Federal Aviation Administration required pursuant to subdivision (3) of subsection (b) of this section.

(e) The ~~State Construction Office~~Department shall make a final decision on the request for endorsement of a tall building or structure within 90 days from the date on which the ~~State Construction Office~~Department requested the written statement from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. If the ~~State Construction Office~~Department determines that a request for a tall building or structure fails to meet the requirements for endorsement under this section, the ~~State Construction Office~~Department shall deny the request. The ~~State Construction Office~~Department shall notify the person of the denial, and the notice shall include a written statement of the reasons for the denial. If the ~~State Construction Office~~Department fails to act within any time period set forth in this section, the person may treat the failure to act as a decision to deny endorsement of the tall building or structure.

"**§ 143B-1315G. Application to existing tall buildings and structures.**

~~G.S. 143-151.73~~G.S. 143B-1315D applies to tall buildings or structures that existed in an area surrounding major military installations on October 1, 2013, as follows:

(1) No reconstruction, alteration, or expansion may aggravate or intensify a violation by an existing building or structure that did not comply with ~~G.S. 143-151.73~~ G.S. 143B-1315D on October 1, 2013.

(2) No reconstruction, alteration, or expansion may cause or create a violation by an existing building or structure that did comply with ~~G.S. 143-151.73~~G.S. 143B-1315D on October 1, 2013.

"§ 143B-1315H. Enforcement and penalties.

...

(e) Whenever the Secretary has reasonable cause to believe that any person has violated or is threatening to violate any of the provisions of this Article, a rule implementing this Article, or any of the terms of any endorsement issued pursuant to this Article, the ~~State Construction Office~~Department may, either before or after the institution of any other action or proceeding authorized by this Article, request the Attorney General to institute a civil action in the name of the State upon the request of the ~~State Construction Office~~Department for injunctive relief to restrain the violation or threatened violation and for such other and further relief in the premises as the court shall deem proper. The Attorney General may institute such action in the superior court of the county in which the violation occurred or may occur or, in the Attorney General's discretion, in the superior court of the county in which the person responsible for the violation or threatened violation resides or has the person's principal place of business. Upon a determination by the court that the alleged violation of the provisions of this Article or the regulations of the ~~State Construction Office~~Department has occurred or is threatened, the court shall grant the relief necessary to prevent or abate the violation or threatened violation. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed for violation of this Article."

SECTION 3.7.(e) Subsections (c) and (d) of this section become effective October 1, 2018, and apply to requests for endorsements to construct tall buildings or structures submitted on or after that date.

SECTION 3.8.(a) G.S. 153A-323 reads as rewritten:

"§ 153A-323. Procedure for adopting, amending, or repealing ordinances under this Article and Chapter 160A, Article 19.

(a) Before adopting, amending, or repealing any ordinance authorized by this Article or Chapter 160A, Article 19, the board of commissioners shall hold a public hearing on the ordinance or amendment. The board shall cause notice of the hearing to be published once a week for two successive calendar weeks. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

(b) If the adoption or modification of the ordinance would result in any of the changes listed in this subsection and those changes would be located five miles or less from the perimeter boundary of a military base, the board of commissioners shall provide written notice of the proposed changes by certified mail, or by any other written means reasonably designed to provide actual notice, to the Department of Military and Veterans Affairs and the commander of the military base or the commander's designee not less than 10 days nor more than 25 days before the date fixed for the public hearing. Prior to the date of the public hearing, the Department of Military and Veterans Affairs and the military may provide comments or analysis to the board regarding the compatibility of the proposed changes with military operations at the base. If the board does not receive a response within 30 days of the notice, the Department of Military and Veterans Affairs and the military ~~is~~ are deemed to waive the comment period. If the Department of Military and Veterans Affairs and the military ~~provides~~ provide comments or analysis regarding the compatibility of the proposed ordinance or amendment with military operations at the base, the board of commissioners shall take the comments and analysis into consideration before making a final determination on the ordinance. The proposed changes requiring notice are:

(1) Changes to the zoning map.
(2) Changes that affect the permitted uses of land.
(3) Changes relating to telecommunications ~~towers or windmills.~~towers and tall buildings and structures, as that term is defined in Article 9G of Chapter 143 of the General Statutes.
(3a) Changes relating to wind energy facilities or wind energy facility expansions as those terms are defined in Article 21C of Chapter 143 of the General Statutes.
(4) Changes to proposed new major subdivision preliminary plats.
(5) An increase in the size of an approved subdivision by more than fifty percent (50%) of the subdivision's total land area including developed and undeveloped land."

SECTION 3.8.(b) G.S. 160A-364 reads as rewritten:

"**§ 160A-364. Procedure for adopting, amending, or repealing ordinances under Article.**

(a) Before adopting, amending, or repealing any ordinance authorized by this Article, the city council shall hold a public hearing on it. A notice of the public hearing shall be given once a week for two successive calendar weeks in a newspaper having general circulation in the area. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

(b) If the adoption or modification of the ordinance would result in any of the changes listed in this subsection and those changes would be located five miles or less from the perimeter boundary of a military base, the governing body of the local government shall provide written notice of the proposed changes by certified mail, or by any other written means reasonably designed to provide actual notice, to the Department of Military and Veterans Affairs and the commander of the military base or the commander's designee not less than 10 days nor more than 25 days before the date fixed for the public hearing. Prior to the date of the public hearing, the Department of Military and Veterans Affairs and the military may provide comments or analysis to the board [governing body of the local government] regarding the compatibility of the proposed changes with military operations at the base. If the board [governing body of the local government] does not receive a response within 30 days of the notice, the Department of Military and Veterans Affairs and the military ~~is~~ are deemed to waive the comment period. If the Department of Military and Veterans Affairs and the military ~~provides~~ provide comments or analysis regarding the compatibility of the proposed ordinance or amendment with military operations at the base, the governing body of the local government shall take the comments and analysis into consideration before making a final determination on the ordinance. The proposed changes requiring notice are:

(1) Changes to the zoning map.
(2) Changes that affect the permitted uses of land.
(3) Changes relating to telecommunications ~~towers or windmills.~~towers and tall buildings and structures, as that term is defined in Article 9G of Chapter 143 of the General Statutes.
(3a) Changes relating to wind energy facilities or wind energy facility expansions as those terms are defined in Article 21C of Chapter 143 of the General Statutes.
(4) Changes to proposed new major subdivision preliminary plats.
(5) An increase in the size of an approved subdivision by more than fifty percent (50%) of the subdivision's total land area including developed and undeveloped land."

SECTION 3.8.(c) G.S. 143B-1121 is amended by adding a new subdivision to read:

"**§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.**

It shall be the duty of the Department of Military and Veterans Affairs to do all of the following:

...

(25) Maintain, and make available to the public, accurate maps of areas surrounding major military installations, military training routes, and military operating areas, as defined in G.S. 143B-1315B, that are subject to the provisions of Part 12 of this Article."

SECTION 3.8.(d) G.S. 143-135.29 is repealed.

SECTION 3.8.(e) G.S. 143B-1121 is amended by adding two new subdivisions to read:

"**§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.**

It shall be the duty of the Department of Military and Veterans Affairs to do all of the following:

...

(26) Issue certifications for a proposed wind energy facility or a proposed wind energy facility expansion as provided in G.S. 143-215.120A and otherwise assist in administration of the provisions of Article 21C of Chapter 143 of the General Statutes.

(27) Issue endorsements for the construction of proposed tall buildings or structures as provided in G.S. 143B-1315F and otherwise assist in the administration and implementation of the provisions of Part 12 of this Article."

SECTION 3.8.(f) Subsection (e) of this section becomes effective October 1, 2018, and applies to certifications and endorsements issued on or after that date. Subsections (a) through (d) of this section are effective when this act becomes law.

DEQ TO STUDY RIPARIAN BUFFERS FOR INTERMITTENT STREAMS

SECTION 3.9. The Department of Environmental Quality shall study whether the size of riparian buffers required for intermittent streams should be adjusted and whether the allowable activities within the buffers should be modified. The Department shall report the results of the study, including any recommendations, to the Environmental Review Commission no later than December 1, 2016.

TRANSFER OF CERTAIN CONSERVATION EASEMENTS

SECTION 3.10. G.S. 143-214.12 reads as rewritten:

"**§ 143-214.12. Division of Mitigation Services: Ecosystem Restoration Fund.**

(a) Ecosystem Restoration Fund. – The Ecosystem Restoration Fund is established as a nonreverting fund within the Department. The Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Ecosystem Restoration Fund shall provide a repository for monetary contributions and donations or dedications of interests in real property to promote projects for the restoration, enhancement, preservation, or creation of wetlands and riparian areas and for payments made in lieu of compensatory mitigation as described in subsection (b) of this section. No funds shall be expended from this Fund for any purpose other than those directly contributing to the acquisition, perpetual maintenance, enhancement, restoration, or creation of wetlands and riparian areas in accordance with the basinwide plan as described in G.S. 143-214.10. The cost of acquisition includes a payment in lieu of ad valorem taxes required under G.S. 146-22.3 when the Department is the State agency making the acquisition.

(a1) The Department may distribute funds from the Ecosystem Restoration Fund directly to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. ~~A recipient of funds under this subsection shall grant a conservation easement in the real property or interest in real property acquired with the funds to the Department in a form that is acceptable to the Department.~~ When the recipient of funds under

this subsection acquires a conservation easement or interest in real property appurtenant to a restoration project delivered to the Division of Mitigation Services, the recipient, upon approval from the Department, may directly transfer the conservation easement or real property interest to another governmental agency or a Department approved third party. The Department may convey real property or an interest in real property that has been acquired under the Division of Mitigation Services to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. A grantee of real property or an interest in real property under this subsection shall grant a conservation easement in the real property or interest in real property to the Department in a form that is acceptable to the Department.

(b) Authorized Methods of Payment. – A person subject to a permit or authorization issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 may contribute to the Division of Mitigation Services in order to comply with conditions to, or terms of, the permit or authorization if participation in the Division of Mitigation Services will meet the mitigation requirements of the United States Army Corps of Engineers. The Department shall, at the discretion of the applicant, accept payment into the Ecosystem Restoration Fund in lieu of other compensatory mitigation requirements of any authorizations issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 if the contributions will meet the mitigation requirements of the United States Army Corps of Engineers. Payment may be made in the form of monetary contributions according to a fee schedule established by the Environmental Management Commission or in the form of donations of real property provided that the property is approved by the Department as a suitable site consistent with the basinwide wetlands restoration plan.

(c) Accounting of Payments. – The Department shall provide an itemized statement that accounts for each payment into the Fund. The statement shall include the expenses and activities financed by the payment."

PART IV. ELIMINATE, CONSOLIDATE, AND AMEND ENVIRONMENTAL REPORTS

ELIMINATE ANNUAL REPORT ON MINING ACCOUNT PURSUANT TO THE MINING ACT OF 1971 BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.1. G.S. 74-54.1(c) is repealed.

ELIMINATE ANNUAL REPORT ON THE IMPLEMENTATION OF THE SUSTAINABLE ENERGY EFFICIENT BUILDINGS PROGRAM BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.2.(a) G.S. 143-135.39(f) and (g) are repealed.

SECTION 4.2.(b) G.S. 143-135.40(b) is repealed.

ELIMINATE QUARTERLY REPORT ON SYSTEMWIDE MUNICIPAL AND DOMESTIC WASTEWATER COLLECTION SYSTEM PERMIT PROGRAM BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.3. G.S. 143-215.9B reads as rewritten:

"**§ 143-215.9B. Systemwide municipal and domestic wastewater collection system permit program report.**

The Environmental Management Commission shall develop and implement a permit program for municipal and domestic wastewater collection systems on a systemwide basis. The collection system permit program shall provide for performance standards, minimum design and construction requirements, a capital improvement plan, operation and maintenance requirements, and minimum reporting requirements. In order to ensure an orderly and cost-effective phase-in of the collection system permit program, the Commission shall implement the permit program over a five-year period beginning 1 July 2000. The Commission shall issue permits for approximately

twenty percent (20%) of municipal and domestic wastewater collection systems that are in operation on 1 July 2000 during each of the five calendar years beginning 1 July 2000 and shall give priority to those collection systems serving the largest populations, those under a moratorium imposed by the Commission under G.S. 143-215.67, and those for which the Department of Environmental Quality has issued a notice of violation for the discharge of untreated wastewater. ~~The Commission shall report on its progress in developing and implementing the collection system permit program required by this section as a part of each quarterly report the Environmental Management Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE ANNUAL REPORTS ON REDUCING VEHICLE EMISSIONS FROM STATE EMPLOYEE AND PRIVATE SECTOR VEHICLES BY THE DEPARTMENT OF TRANSPORTATION

SECTION 4.4. G.S. 143-215.107C(d) and (e) are repealed.

ELIMINATE ANNUAL REPORT ON PURCHASE OF NEW MOTOR VEHICLES AND FUEL SAVINGS BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.5. G.S. 143-341(8)i.2b. reads as rewritten:

"2b. As used in this sub-sub-subdivision, "fuel economy" and "class of comparable automobiles" have the same meaning as in Part 600 of Title 40 of the Code of Federal Regulations (July 1, 2008 Edition). As used in this sub-sub-subdivision, "passenger motor vehicle" has the same meaning as "private passenger vehicle" as defined in G.S. 20-4.01. Notwithstanding the requirements of sub-sub-subdivision 2a. of this sub-subdivision, every request for proposals for new passenger motor vehicles to be purchased by the Department shall state a preference for vehicles that have a fuel economy for the new vehicle's model year that is in the top fifteen percent (15%) of its class of comparable automobiles. The award for every new passenger motor vehicle that is purchased by the Department shall be based on the Department's evaluation of the best value for the State, taking into account fuel economy ratings and life cycle cost that reasonably consider both projected fuel costs and acquisition costs. This sub-sub-subdivision does not apply to vehicles used in law enforcement, emergency medical response, and firefighting. ~~The Department shall report the number of new passenger motor vehicles that are purchased as required by this sub-sub-subdivision, the savings or costs for the purchase of vehicles to comply with this sub-sub-subdivision, and the quantity and cost of fuel saved for the previous fiscal year on or before October 1 of each year to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission.~~"

ELIMINATE BIENNIAL STATE OF THE ENVIRONMENT REPORT BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.6. G.S. 143B-279.5 is repealed.

ELIMINATE THE ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT ON DEVELOPING ENGINEERING STANDARDS GOVERNING MUNICIPAL AND DOMESTIC SYSTEMS TO ALLOW REGIONAL INTERCONNECTION

SECTION 4.8. Section 11.1 of S.L. 1999-329 reads as rewritten:

"Section 11.1. The Environmental Management Commission shall develop engineering standards governing municipal and domestic wastewater collection systems that will allow interconnection of these systems on a regional basis. ~~The Commission shall report on its progress in developing the engineering standards required by this section as a part of each quarterly report the Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE BIENNIAL REPORT ON IMPLEMENTATION OF THE NORTH CAROLINA BEACH AND INLET MANAGEMENT PLAN BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.9. Section 13.9(d) of S.L. 2000-67 reads as rewritten:

"Section 13.9.(d) Each plan shall be as complete as resources and available information allow. ~~The Department of Environment and Natural Resources shall revise the plan every two years and shall submit the revised plan to the General Assembly no later than March 1 of each odd-numbered year. The Department may issue a supplement to the plan in even numbered years if significant new information becomes available.~~"

ELIMINATE ANNUAL REPORT ON INFORMAL REVIEW PROCESS FOR AGENCY REVIEW OF ENGINEERING WORK

SECTION 4.10. Sections 29(j) and 29(k) of S.L. 2014-120 are repealed.

CONSOLIDATE REPORTS ON THE COASTAL HABITAT PROTECTION PLAN

SECTION 4.11.(a) G.S. 143B-279.8(e) reads as rewritten:

"(e) The Coastal Resources Commission, the Environmental Management Commission, and the Marine Fisheries Commission shall report to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission on progress in developing and implementing the Coastal Habitat Protection Plans, including the extent to which the actions of the three commissions are consistent with the Plans, on or before ~~1 September~~September 1 of each ~~year.~~year in which any significant revisions to the Plans are made."

SECTION 4.11.(b) G.S. 143B-279.8(f) is repealed.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS ON COST AND IMPLEMENTATION OF ENVIRONMENTAL PERMITTING PROGRAMS

SECTION 4.12.(a) G.S. 143-215.3A(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on the cost of the State's environmental permitting programs contained within the Department on or before ~~1 November~~ January 1 of each odd-numbered year. The report shall include, but is not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly. The Department shall submit this report with the report required by G.S. 143B-279.17 as a single report."

SECTION 4.12.(b) G.S. 143B-279.17 reads as rewritten:

"**§ 143B-279.17. Tracking and report on permit processing times.**

The Department of Environmental Quality shall track the time required to process all permit applications in the One-Stop for Certain Environmental Permits Programs established by G.S. 143B-279.12 and the Express Permit and Certification Reviews established by

G.S. 143B-279.13 that are received by the Department. The processing time tracked shall include (i) the total processing time from when an initial permit application is received to issuance or denial of the permit and (ii) the processing time from when a complete permit application is received to issuance or denial of the permit. No later than ~~March~~ January 1 of each odd-numbered year, the Department shall report to the Fiscal Research Division of the General Assembly and the Environmental Review Commission on the permit processing times required to be tracked pursuant to this section. The Department shall submit this report with the report required by G.S. 143-215.3A(c) as a single report."

SECTION 4.12.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 1, 2017.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.13.(a) G.S. 143B-282(b) reads as rewritten:

"(b) The Environmental Management Commission shall submit ~~quarterly~~ written reports as to its operation, activities, programs, and progress to the Environmental Review ~~Commission.~~Commission by January 1 of each year. The Environmental Management Commission shall supplement the written reports required by this subsection with additional written and oral reports as may be requested by the Environmental Review Commission. ~~The Environmental Management Commission shall submit the written reports required by this subsection whether or not the General Assembly is in session at the time the report is due.~~"

SECTION 4.13.(b) G.S. 143-215.1(h) reads as rewritten:

"(h) Each applicant for a new permit or the modification of an existing permit issued under subsection (c) of this section shall include with the application: (i) the extent to which the new or modified facility is constructed in whole or in part with funds provided or administered by the State or a unit of local government, (ii) the impact of the facility on water quality, and (iii) whether there are cost-effective alternative technologies that will achieve greater protection of water quality. The Commission shall prepare ~~a quarterly~~ an annual summary and analysis of the information provided by applicants pursuant to this subsection. The Commission shall submit the summary and analysis required by this subsection to the Environmental Review Commission (ERC) as a part of each ~~quarterly~~ annual report that the Commission is required to make to the ERC under G.S. 143B-282(b)."

SECTION 4.13.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than January 1, 2017.

CONSOLIDATE WASTE MANAGEMENT REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.14.(a) G.S. 130A-309.06(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on or before ~~15 January~~January 15 of each year on the status of solid waste management efforts in the State. The report shall include:

(1) A comprehensive analysis, to be updated in each report, of solid waste generation and disposal in the State projected for the 20-year period beginning on ~~1 July~~ July 1 1991.

(2) The total amounts of solid waste recycled and disposed of and the methods of solid waste recycling and disposal used during the calendar year prior to the year in which the report is published.

(3) An evaluation of the development and implementation of local solid waste management programs and county and municipal recycling programs.

(4) An evaluation of the success of each county or group of counties in meeting the municipal solid waste reduction goal established in G.S. 130A-309.04.

(5) Recommendations concerning existing and potential programs for solid waste reduction and recycling that would be appropriate for units of local government and State agencies to implement to meet the requirements of this Part.

(6) An evaluation of the recycling industry, the markets for recycled materials, the recycling of polystyrene, and the success of State, local, and private industry efforts to enhance the markets for these materials.

(7) Recommendations to the Governor and the Environmental Review Commission to improve the management and recycling of solid waste in the State, including any proposed legislation to implement the recommendations.

(8) A description of the condition of the Solid Waste Management Trust Fund and the use of all funds allocated from the Solid Waste Management Trust Fund, as required by G.S. 130A-309.12(c).

(9) A description of the review and revision of bid procedures and the purchase and use of reusable, refillable, repairable, more durable, and less toxic supplies and products by both the Department of Administration and the Department of Transportation, as required by G.S. 130A-309.14(a1)(3).

(10) A description of the implementation of the North Carolina Scrap Tire Disposal Act that includes the amount of revenue used for grants and to clean up nuisance tire collection under the provisions of G.S 130A-309.64.

(11) A description of the management of white goods in the State, as required by G.S. 130A-309.85.

(12) A summary of the report by the Department of Transportation on the amounts and types of recycled materials that were specified or used in contracts that were entered into by the Department of Transportation during the previous fiscal year, as required by G.S. 136-28.8(g).

(13) Repealed by Session Laws 2010-142, s. 1, effective July 22, 2010.

(14) (Expiring October 1, 2023) A description of the activities related to the management of abandoned manufactured homes in the State in accordance with G.S. 130A-117, the beginning and ending balances in the Solid Waste Management Trust Fund for the reporting period and the amount of funds used, itemized by county, for grants made under Part 2F of Article 9 of Chapter 130A of the General Statutes.

(15) A report on the recycling of discarded computer equipment and televisions in the State pursuant to G.S. 130A-309-140(a).

(16) An evaluation of the Brownfields Property Reuse Act pursuant to G.S. 130A-310.40.

(17) A report on the Inactive Hazardous Waste Response Act of 1987 pursuant to G.S. 130A-310.10(a).

(18) A report on the Dry-Cleaning Solvent Cleanup Act of 1997 pursuant to G.S. 143-215.104U(a) until such time as the Act expires pursuant to Part 6 of Article 21A of Chapter 143 of the General Statutes.

(19) A report on the implementation and cost of the hazardous waste management program pursuant to G.S. 130A-294(i)."

SECTION 4.14.(b) G.S. 130A-309.140(a) reads as rewritten:

"(a) ~~No later than January 15 of each year, the Department shall submit a report on~~ The Department shall include in the status of solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on the recycling of discarded computer equipment and televisions in the State under this ~~Part to the Environmental Review Commission.~~Part. The report must include an evaluation of the recycling rates in the State

for discarded computer equipment and televisions, a discussion of compliance and enforcement related to the requirements of this Part, and any recommendations for any changes to the system of collection and recycling of discarded computer equipment, televisions, or other electronic devices."

SECTION 4.14.(c) G.S. 130A-310.40 reads as rewritten:

"**§ 130A-310.40. Legislative reports.**

The Department shall ~~prepare and submit to the Environmental Review Commission, concurrently with the report on the Inactive Hazardous Sites Response Act of 1987 required under G.S. 130A-310.10,~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) an evaluation of the effectiveness of this Part in facilitating the remediation and reuse of existing industrial and commercial properties. This evaluation shall include any recommendations for additional incentives or changes, if needed, to improve the effectiveness of this Part in addressing such properties. This evaluation shall also include a report on receipts by and expenditures from the Brownfields Property Reuse Act Implementation Account."

SECTION 4.14.(d) G.S. 130A-310.10(a) reads as rewritten:

"(a) The Secretary shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on inactive hazardous sites ~~to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division on or before October 1 of each year. The report shall include~~that includes at least the following:

(1) The Inactive Hazardous Waste Sites Priority List.

(2) A list of remedial action plans requiring State funding through the Inactive Hazardous Sites Cleanup Fund.

(3) A comprehensive budget to implement these remedial action plans and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the cost of said plans.

(4) A prioritized list of sites that are eligible for remedial action under CERCLA/SARA together with recommended remedial action plans and a comprehensive budget to implement such plans. The budget for implementing a remedial action plan under CERCLA/SARA shall include a statement as to any appropriation that may be necessary to pay the State's share of such plan.

(5) A list of sites and remedial action plans undergoing voluntary cleanup with Departmental approval.

(6) A list of sites and remedial action plans that may require State funding, a comprehensive budget if implementation of these possible remedial action plans is required, and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the possible costs of said plans.

(7) A list of sites that pose an imminent hazard.

(8) A comprehensive budget to develop and implement remedial action plans for sites that pose imminent hazards and that may require State funding, and the adequacy of the Inactive Hazardous Sites Cleanup Fund.

(8a) Repealed by Session Laws 2015-286, s. 4.7(f), effective October 22, 2015.

(9) Any other information requested by the General Assembly or the Environmental Review Commission."

SECTION 4.14.(e) G.S. 143-215.104U reads as rewritten:

"**§ 143-215.104U. Reporting requirements.**

(a) The Secretary shall ~~present an annual report to the Environmental Review Commission that shall include~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on at least the following:

(1) A list of all dry-cleaning solvent contamination reported to the Department.

(2) A list of all facilities and abandoned sites certified by the Commission and the status of contamination associated with each facility or abandoned site.
(3) An estimate of the cost of assessment and remediation required in connection with facilities or abandoned sites certified by the Commission and an estimate of assessment and remediation costs expected to be paid from the Fund.
(4) A statement of receipts and disbursements for the Fund.
(5) A statement of all claims against the Fund, including claims paid, claims denied, pending claims, anticipated claims, and any other obligations.
(6) The adequacy of the Fund to carry out the purposes of this Part together with any recommendations as to measures that may be necessary to assure the continued solvency of the Fund.

~~(b) The Secretary shall make the annual report required by this section on or before 1 October of each year.~~"

SECTION 4.14.(f) G.S. 130A-294(i) reads as rewritten:

"(i) The Department shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report ~~to the Fiscal Research Division of the General Assembly, the Senate Appropriations Subcommittee on Natural and Economic Resources, the House Appropriations Subcommittee on Natural and Economic Resources, and the Environmental Review Commission on or before January 1 of each year~~ on the implementation and cost of the hazardous waste management program. The report shall include an evaluation of how well the State and private parties are managing and cleaning up hazardous waste. The report shall also include recommendations to the Governor, State agencies, and the General Assembly on ways to: improve waste management; reduce the amount of waste generated; maximize resource recovery, reuse, and conservation; and minimize the amount of hazardous waste which must be disposed of. The report shall include beginning and ending balances in the Hazardous Waste Management Account for the reporting period, total fees collected pursuant to G.S. 130A-294.1, anticipated revenue from all sources, total expenditures by activities and categories for the hazardous waste management program, any recommended adjustments in annual and tonnage fees which may be necessary to assure the continued availability of funds sufficient to pay the State's share of the cost of the hazardous waste management program, and any other information requested by the General Assembly. In recommending adjustments in annual and tonnage fees, the Department may propose fees for hazardous waste generators, and for hazardous waste treatment facilities that treat waste generated on site, which are designed to encourage reductions in the volume or quantity and toxicity of hazardous waste. The report shall also include a description of activities undertaken to implement the resident inspectors program established under G.S. 130A-295.02. ~~In addition, the report shall include an annual update on the mercury switch removal program that shall include, at a minimum, all of the following:~~

~~(1) A detailed description of the mercury recovery performance ratio achieved by the mercury switch removal program.~~
~~(2) A detailed description of the mercury switch collection system developed and implemented by vehicle manufacturers in accordance with the NVMSRP.~~
~~(3) In the event that a mercury recovery performance ratio of at least 0.90 of the national mercury recovery performance ratio as reported by the NVMSRP is not achieved, a description of additional or alternative actions that may be implemented to improve the mercury switch removal program.~~
~~(4) The number of mercury switches collected and a description of how the mercury switches were managed.~~
~~(5) A statement that details the costs required to implement the mercury switch removal program, including a summary of receipts and disbursements from the Mercury Switch Removal Account.~~"

SECTION 4.14.(g) The first combined report required by subsections (a) through (f) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 15, 2017.

CONSOLIDATE SEDIMENTATION POLLUTION CONTROL ACT AND STORMWATER REPORTS

SECTION 4.15.(a) G.S. 113A-67 reads as rewritten:

"**§ 113A-67. Annual Report.**

The Department shall report to the Environmental Review Commission on the implementation of this Article on or before ~~1 October~~October 1 of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 143-214.7(e) as a single report."

SECTION 4.15.(b) G.S. 143-214.7(e) reads as rewritten:

"(e) On or before October 1 of each year, the ~~Commission~~ Department shall report to the Environmental Review Commission on the implementation of this section, including the status of any stormwater control programs administered by State agencies and units of local government. The status report shall include information on any integration of stormwater capture and reuse into stormwater control programs administered by State agencies and units of local government. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 113A-67 as a single report."

SECTION 4.15.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than October 1, 2016.

CONSOLIDATE VARIOUS WATER RESOURCES AND WATER QUALITY REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.16.(a) G.S. 143-355(n) is repealed.

SECTION 4.16.(b) G.S. 143-355(o)(9) is repealed.

SECTION 4.16.(c) G.S. 143-355 is amended by adding a new subsection to read:

"(p) Report. – The Department of Environmental Quality shall report to the Environmental Review Commission on the implementation of this section, including the development of the State water supply plan and the development of basinwide hydrologic models, no later than November 1 of each year. The Department shall submit the report required by this subsection with the report on basinwide water quality management plans required by G.S. 143-215.8B(d) as a single report."

SECTION 4.16.(d) G.S. 143-215.8B(d) reads as rewritten:

"(d) ~~The~~ As a part of the report required pursuant to G.S. 143-355(p), the Commission and the Department shall each report on or before ~~1 October~~November 1 of each year on an annual basis to the Environmental Review Commission on the progress in developing and implementing basinwide water quality management plans and on increasing public involvement and public education in connection with basinwide water quality management planning. The report to the Environmental Review Commission by the Department shall include a written statement as to all concentrations of heavy metals and other pollutants in the surface waters of the State that are identified in the course of preparing or revising the basinwide water quality management plans."

SECTION 4.16.(e) The first combined report required by subsections (c) and (d) of this section shall be submitted to the Environmental Review Commission no later than November 1, 2016.

CONSOLIDATE REPORTS BY THE DIVISION OF WATER INFRASTRUCTURE OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY AND THE STATE WATER INFRASTRUCTURE AUTHORITY

SECTION 4.17.(a) G.S. 159G-26(a) reads as rewritten:

"(a) Requirement. – The Department ~~must~~ shall publish a report each year on the accounts in the Water Infrastructure Fund that are administered by the Division of Water Infrastructure. The report ~~must~~ shall be published by ~~1~~ November 1 of each year and cover the preceding fiscal year. The Department ~~must~~ shall make the report available to the public and ~~must~~ shall give a copy of the report to the Environmental Review ~~Commission and the~~Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research ~~Division of the Legislative Services Commission.~~Division with the report required by G.S. 159G-72 as a single report."

SECTION 4.17.(b) G.S. 159G-72 reads as rewritten:

"**§ 159G-72. State Water Infrastructure Authority; reports.**

No later than November 1 of each year, the Authority shall submit a report of its activity and findings, including any recommendations or legislative proposals, to the ~~Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the Legislative Services Commission.~~ Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division with the report required by G.S. 159G-26(a) as a single report."

SECTION 4.17.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division no later than November 1, 2016.

CONSOLIDATE REPORTS BY SOIL AND WATER CONSERVATION COMMISSION AND THE DIVISION OF SOIL AND WATER CONSERVATION OF THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

SECTION 4.18.(a) G.S. 106-850(e) reads as rewritten:

"(e) The Soil and Water Conservation Commission shall report on or before ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. This report shall include a list of projects that received State funding pursuant to the program, the results of the evaluations conducted pursuant to subdivision (7) of subsection (b) of this section, findings regarding the effectiveness of each of these projects to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division with the reports required by G.S. 106-860(e) and G.S. 139-60(d) as a single report."

SECTION 4.18.(b) G.S. 106-860(e) reads as rewritten:

"(e) Report. – The Soil and Water Conservation Commission shall report no later than ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. The report shall include a summary of projects that received State funding pursuant to the Program, the results of the evaluation conducted pursuant to subdivision (5) of subsection (b) of this section, findings regarding the effectiveness of each project to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(c) G.S. 139-60(d) reads as rewritten:

"(d) Report. – No later than January 31 of each year, the Division of Soil and Water Conservation of the Department of Agriculture and Consumer Services shall prepare a comprehensive report on the implementation of subsections (a) through (c) of this section. The report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(d) The first combined report required by subsections (a) through (c) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 31, 2017.

DECREASE REPORTING FREQUENCY ON TERMINAL GROINS PILOT PROJECT BY THE COASTAL RESOURCES COMMISSION

SECTION 4.20. G.S. 113A-115.1(i) reads as rewritten:

"(i) No later than ~~September 1 of each year,~~January 1, 2017, and every five years thereafter, the Coastal Resources Commission shall report to the Environmental Review Commission on the implementation of this section. The report shall provide a detailed description of each proposed and permitted terminal groin and its accompanying beach fill project, including the information required to be submitted pursuant to subsection (e) of this section. For each permitted terminal groin and its accompanying beach fill project, the report shall also provide all of the following:

(1) The findings of the Commission required pursuant to subsection (f) of this section.

(2) The status of construction and maintenance of the terminal groin and its accompanying beach fill project, including the status of the implementation of the plan for construction and maintenance and the inlet management plan.

(3) A description and assessment of the benefits of the terminal groin and its accompanying beach fill project, if any.

(4) A description and assessment of the adverse impacts of the terminal groin and its accompanying beach fill project, if any, including a description and assessment of any mitigation measures implemented to address adverse impacts."

DECREASE REPORTING FREQUENCY ON PARKS SYSTEM PLAN BY THE DEPARTMENT OF NATURAL AND CULTURAL RESOURCES

SECTION 4.21. G.S. 143B-135.48(d) reads as rewritten:

"(d) No later than October ~~1 of each year,~~1, 2016, and every five years thereafter, the Department shall submit electronically the State Parks System Plan to the Environmental Review Commission, ~~the Senate and the House of Representatives appropriations committees with jurisdiction over natural and cultural resources,~~ the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division. Concurrently, the Department shall submit a summary of each change to the Plan that was made during the previous ~~fiscal year.~~five fiscal years."

REDIRECT INTERAGENCY REPORT ON SUPERFUND COST SHARE TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.22. Section 15.6 of S.L. 1999-237 reads as rewritten:

"Section 15.6.(a) The Department of ~~Environment and Natural Resources~~Environmental Quality may use available funds, with the approval of the Office of State Budget and Management, to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites, to pay the operating and maintenance costs associated with these Superfund cleanups, and for the cleanup of priority inactive hazardous substance or waste disposal

sites under Part 3 of Article 9 of Chapter 130A of the General Statutes. These funds may be in addition to those appropriated for this purpose.

"Section 15.6.(b) The Department of ~~Environment and Natural Resources~~Environmental Quality and the Office of State Budget and Management shall report to the ~~Environmental Review Commission and the Joint Legislative Commission on Governmental Operations~~Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds."

REDIRECT REPORT ON EXPENDITURES FROM BERNARD ALLEN EMERGENCY DRINKING WATER FUND TO ANER OVERSIGHT COMMITTEE

SECTION 4.23. G.S. 87-98(e) reads as rewritten:

"(e) The Department, in consultation with the Commission for Public Health and local health departments, shall report no later than October 1 of each year to the ~~Environmental Review Commission, the House of Representatives and Senate Appropriations Subcommittees on Natural~~ Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division of the General Assembly on the implementation of this section. The report shall include the purpose and amount of all expenditures from the Fund during the prior fiscal year, a discussion of the benefits and deficiencies realized as a result of the section, and may also include recommendations for any legislative action."

REDIRECT REPORT ON PARKS AND RECREATION TRUST FUND TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.24. G.S. 143B-135.56(f) reads as rewritten:

"(f) Reports. – The North Carolina Parks and Recreation Authority shall report no later than October 1 of each year to the Joint Legislative ~~Commission on Governmental Operations, the House and Senate Appropriations Subcommittees on Natural and Economic Resources,~~ Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division, and the Environmental Review Commission on allocations from the Trust Fund from the prior fiscal year. For funds allocated from the Trust Fund under subsection (c) of this section, this report shall include the operating expenses determined under subdivisions (1) and (2) of subsection (e) of this section."

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 5.1. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 5.2. Except as otherwise provided, this act is effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT
Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE AND RE-REFERRED

HB **1069** 2016 NC Employee Protection Act.

Draft Number:	None
Serial Referral:	**APPROPRIATIONS**
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Cleveland

TOTAL REPORTED: 1

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB AND RE-REFERRED

SB **303** **(CS#1)** Protect Safety/Well-Being of NC Citizens.

Draft Number:	S303-PCS15387-SB-20
Serial Referral:	**FINANCE**
Recommended Referral:	None
Long Title Amended:	Yes
Floor Manager:	J. Bell

TOTAL REPORTED: 1

House Committee on Regulatory Reform
Tuesday, June 14, 2016 at 8:30 AM
Room 643

MINUTES

The House Committee on Regulatory Reform met at 8:30 AM on June 14, 2016 in Room 643. Representatives Bishop, Blackwell, Bradford, Brody, Cunningham, Dollar, Goodman, Jones, Jordan, Meyer, Millis, Queen, Riddell, Speciale, Stam, Stevens, and Whitmire attended.

Representative Dennis Riddell, Co-Chair, presided.

Representative Riddell recognized the staff, sergeant at arms, and pages. The sergeant at arms present are listed in Attachment 1. The guests present are listed in Attachment 2.

The following bill was considered:

HB 976 Enhance Oversight of Service Contracts/PED (Representatives Horn, Davis, Hurley, Dollar)
Representative Dollar explained the bill. The bill was discussed and debated. Representatives Bishop, Stam, and Stevens each offered amendments which all were adopted. See attachments 3, 4, and 5. Representative Stevens motioned an unfavorable to the original and favorable to proposed committee substitute report from the committee. The vote was called and passed unanimously. See attachment 6.

The meeting adjourned at 9:25 AM.

Representative Dennis Riddell, Co-Chair
Presiding

Polly Riddell, Committee Clerk

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Tuesday, June 14, 2016
TIME: **8:30 AM**
LOCATION: **643 LOB**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
S 976	Enhance Oversight of Service Contracts/PED.	Representative Horn Representative Davis Representative Hurley Representative Dollar

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 3:49 PM on Sunday, June 12, 2016.

___ Principal Clerk
___ Reading Clerk – House Chamber

Polly Riddell (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **June 14, 2016**
Room: **643 LOB**
Time: **8:30 a.m.**
Presiding: **Representative Dennis Riddell, Co-Chair**

AGENDA ITEMS

HB 976 **ENHANCE OVERSIGHT OF SERVICE CONTRACTS/PED**
Representative Dollar, Sponsor
Representative Davis, Sponsor
Representative Horn, Sponsor
Representative Hurley, Sponsor

ADJOURNMENT

ATTACHMENT 1

Committee Sergeants at Arms

NAME OF COMMITTEE HOUSE COMM ON REGULATORY REFORM

DATE: 6-14-2016 Room: 643

House Sgt-At Arms:

1. Name: REGGIE SILLS
2. Name: MARVIN LEE
3. Name: REX FOSTER
4. Name: RANDY WALL
5. Name:

Senate Sgt-At Arms:

1. Name:
2. Name:
3. Name:
4. Name:
5. Name:

ATTACHMENT 2

VISITOR REGISTRATION SHEET

14 1 VA

House Committee on Regulatory Reform, 2015-2016 — June 13, 2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Penny Hartin	SOG
Meghan Cook	NC DIT
Patti Brown	NCDHHS
Phoebe Landon	MWC
Scott Lasitter	SSGNC
Sarah McC	SSFNC
Weldon Jones	Jordan Price
Susan Wenwald	WM
Susan Vick	Duke Energy
Jenny Roberson	TWC
Dana Lassiter	[illegible]
TJ Bugbee	NP

VISITOR REGISTRATION SHEET

14 PTR

House Committee on Regulatory Reform, 2015-2016 June 13, 2016

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
DAN CRAWFORD	NCLCV
Tom West	NCICA
Aaron Oxendine	DACS
Cameron Nieters	KTS
Will Barry-Hill	NCHFA
Daniel Jordan	NCHFA
Caroline Daly	Governors office
Jackson Cozart	NSS
Paul Hoffmann	Inform Inc.
Tom Beason	EDF
Starnes	OST

PYR

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — June ~~13~~ 14, 2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ibalsel Villar-Gosta	NCAK
Cady Thomas	Focus Carolina
Thomas [illegible]	CBA
Kelsey Byrley	Laurie Onorio [illegible]
Paul Sherman	NCFB
Catherine Harward	NCFB
J Goodman	CCC

VISITOR REGISTRATION SHEET

RTR

House Committee on Regulatory Reform, 2015-2016 — June 13, 2016
Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
MATT ARSENAULT	SIERRA CLUB
Canaan Thie	MVA
Kim Fowler	INTERN- House of Reps
Katy Hingsburg	BP

HOUSE BILL 976*

Short Title:	Enhance Oversight of Service Contracts/PED.	(Public)
Sponsors:	Representatives Horn, Davis, Hurley, and Dollar (Primary Sponsors). *For a complete list of sponsors, refer to the North Carolina General Assembly web site.*	
Referred to:	Regulatory Reform	

April 27, 2016

A BILL TO BE ENTITLED

AN ACT TO ENHANCE OVERSIGHT OF STATE SERVICE CONTRACTS, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"**§ 143-50.2. Oversight of certain service contracts.**

(a) Creation of Business Case Justification Template. – The Secretary of the Department of Administration, in consultation with the Office of State Budget and Management, shall develop a business case justification template to be used by State agencies to document the business case for changing the provider of one or more agency services. The template shall provide for inclusion of at least all of the following:

(1) A detailed description of the manner in which the service is currently provided.

(2) The unit and total cost of performing the service during the most recently completed fiscal year.

(3) A description of the metrics to be used to evaluate the service, the current level of performance for each metric, and the expected level of performance for each metric once the change has been made.

(4) Identification of resources required to effectively procure the service, if applicable.

(5) An assessment of the availability of private providers who could provide the service.

(6) Justification for a waiver from competitive bidding requirements, if applicable.

(7) Justification for use of multiple private providers to perform the service, if applicable.

(8) Information security requirements that a private provider would need to satisfy, if applicable.

(9) Identification of roles, organizational placement, responsibilities, and qualifications of key project team members, including demonstrated competency incorporating government-vendor partnerships into the procurement process, if applicable.

(10) Identification of funding requirements and funding sources for the proposed contract period, if applicable.

(11) A description of the transition process for changing the provider of the service.

(b) Documentation and Approval of Provider Changes Required. – Notwithstanding any other provision of law, a State agency shall not change the provider of an agency service until it has done all of the following, regardless of whether the new provider of that service will be the State agency itself or a private provider:

(1) Documented the business case for making the change on the business case justification template developed pursuant to subsection (a) of this section.

(2) Obtained written approvals from all of the following, as applicable, upon a determination that there is an adequate business case for making the change:

a. If the total cost of providing the service is five million dollars ($5,000,000) or less, the State Purchasing Officer. The State Purchasing Officer may delegate the authority to make approvals pursuant to this sub-subdivision to the head of a State agency if the State Purchasing Officer determines that at least all of the following conditions are satisfied:

1. The State agency's procurement staff have demonstrated competency with respect to the skills necessary to effectively utilize government-vendor partnerships to achieve best value.

2. The results of recent Division of Purchase and Contract compliance reviews of the agency's procurement processes have been satisfactory.

b. If the total cost of providing the service exceeds five million dollars ($5,000,000):

1. The State Purchasing Officer.

2. The Office of State Budget and Management.

(3) Consulted with the Joint Legislative Commission on Governmental Operations about the change. The requirement to consult shall be deemed satisfied if the Commission does not have a meeting at which the matter is heard within 15 days of receiving the required submission, unless the chairs of the Commission notify the agency during that period that they need additional time to review the change, in which case G.S. 12-3(15)b. shall govern when the requirement to consult shall be deemed to have been satisfied.

(c) Exceptions. – Subsection (b) of this section shall not apply if any of the following conditions are satisfied:

(1) The proposed new provider of the agency service is a county, municipality, or some other governmental entity other than the State agency required or authorized to provide the service.

(2) The total cost of providing the agency service does not exceed one million dollars ($1,000,000).

(3) The procurement of a contract to obtain the service would not be subject to the Secretary of Administration's authority under G.S. 143-49(3) to purchase or contract for services.

(d) Definitions. – The following definitions apply in this section:

(1) Agency service. – A service that a State agency is required or authorized to provide.

(2) Service contract. – A contract between a State agency and a private provider that is a new contract for one or more agency services, is for the renewal of an existing contract for one or more agency services, or is an extension of an existing contract for one or more agency services.

(3) Private provider. – A non-State entity other than a county, municipality, or other governmental entity.

(4) Total cost. – If the proposed service provider is a private provider, the total amount of revenue that a service provider or combination of service providers would be estimated to receive during the first three years of providing the agency service. Otherwise, the total amount of funds that the State agency would be estimated to expend providing the agency service during the first three years of providing the service."

SECTION 2.(a) The Office of State Budget and Management shall develop and implement a plan to determine whether services provided by State agencies could be more effectively provided by private providers, as that term is defined in G.S. 143-50.2(d)(3), as enacted by Section 1 of this act. No later than December 1, 2016, the Office of State Budget and Management shall report the plan to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the General Assembly. The plan developed pursuant to this section shall do all of the following:

(1) Provide for an examination of each service provided by each State agency.

(2) Include an examination of methods for providing each service through contracts with non-State entities.

(3) Include an analysis of the costs and benefits to the State of providing each service through contracts with non-State entities.

SECTION 2.(b) Each State agency shall fully cooperate with the Office of State Budget and Management in the development and implementation of the plan required by subsection (a) of this section.

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

"**§ 143-50.3. Contract management system.**

(a) Operation of Contract Management System. – The State Purchasing Officer shall operate a contract management system and require each State agency to use the system to manage all service contracts entered by the agency. The system developed pursuant to this subsection shall include the capacity to ensure at least all of the following:

(1) That payments are made in accordance with the applicable contract terms and conditions.

(2) That key documents related to contracts can be stored, searched, and retrieved from the system by appropriate personnel.

(3) That customizable management reports can be generated by State agencies that are parties to contracts or that have contract oversight responsibilities.

(b) Reporting. – No later than December 1 of each year, the State Purchasing Officer shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the General Assembly on service contracts entered into by State agencies. Each report shall include the following information about each service contract entered into between State agencies and non-State entities during the previous fiscal year:

(1) The description, value, and procurement method of the contract.

(2) The amount of payments made under the contract during the previous fiscal year.

(3) The total amount of payments made under the contract.

(4) A description of the business case for entering the contract as submitted to the Department of Administration and the date on which the business case was submitted and approved in accordance with G.S. 143-50.2(b).

(5) The results of any reviews of the State agency's procurement processes conducted by the contract management system.

(c) For purposes of this section, the term "service contract" shall have the same meaning as in G.S. 143-50.2(d)."

SECTION 3.(b) Notwithstanding G.S. 143-50.3(a), as enacted by subsection (a) of this section, a State agency shall not be required to use the contract management system established pursuant to that section until the agency is notified by the Division of Purchase and Contract of the Department of Administration that the system is operational. The Division shall notify each State agency within 30 days of the contract management system becoming operational.

SECTION 4. G.S. 143-48.3 is amended by adding a new subsection to read:

"(g) The requirements of this section shall be construed consistently with G.S. 143-50.3."

SECTION 5. G.S. 143-50.1(e) reads as rewritten:

"(e) ~~The~~ Consistently with the requirements of G.S. 143-50.3, the Department of Administration shall adopt procedures for the record keeping of the information provided by State agencies and that has been received by the Secretary or the Secretary's designee pursuant to G.S. 114-8.3(c). The Department shall keep the records, and shall include a log with information that provides identification of individual contracts and where the contract documents are located. The Secretary is authorized to require that entities reporting pursuant to G.S. 114-8.39(c) provide additional information that may be required to identify the individual contracts."

SECTION 6. Section 1 of this act becomes effective October 1, 2016. The remainder of this act is effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY AMEI

(Please type or use ballpoint pen)

ATTACHMENT 3

EDITION No. 1

H. B. No. 976 DATE June 14/2016

S. B. No. _____ Amendment No. _____

(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Bishop
)
Sen.)

moves to amend the bill on page 1, line 12

( ) WHICH CHANGES THE TITLE

by deleting the word "changing" and substituting the word "selecting"; and on page 1, line 19, by deleting the word "change" and substituting the word "selection"; and on page 1, line 35, by deleting the word "changing" and substituting the word "selecting"; and on page 2, line 4, by deleting word "Changes" and substituting the word "Selection" and on page 2, line 2, by deleting the word "change" and substituting the word "select" and on page 2, line 5, by deleting the word "change" and substituting the word "selection"; and on page 2 line 8, by deleting the word "change:" and substituting the word "selection:" and on page 2, line 26, by deleting the word "change." and substituting the word "selection."; and on page 2, line 30, by deleting the word "change," and substituting "selection,".

SIGNED _____

ADOPTED ✓ FAILED _____ TABLED _____

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

ATTACHMENT #4

NORTH CAROLINA GENERAL ASSEMBLY AMEN

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 976 DATE 6-14-16

S. B. No. _____ Amendment No. _____
(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

(Rep.) Stam
(Sen.)

moves to amend the bill on page 2, lines 1 and 2

( ) WHICH CHANGES THE TITLE

by rewriting the lines to read:

"(k) Documentation and Approval of Provider Changes Required. — A State agency shall not change the provider of an agency service until it".

SIGNED Stam

ADOPTED ✓ FAILED _____ TABLED _____

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

ATTACHMENT 5

NORTH CAROLINA GENERAL ASSEMBLY AMEI

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 976 DATE June 14, 2016

S. B. No. _____ Amendment No. _____
(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Stevens
Sen.)

moves to amend the bill on page 3, line 8

( ) WHICH CHANGES THE TITLE

by DELETING THE WORD "IMPLEMENT" AND SUBSTITUTING THE WORD "SUBMIT". AND

ON PAGE 3, LINE 20, BY DELETING THE WORD "IMPLEMENTATION" AND SUBSTITUTING THE WORD "SUBMISSION".

SIGNED _____

ADOPTED ✓ FAILED _____ TABLED _____

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H D

HOUSE BILL 976
PROPOSED COMMITTEE SUBSTITUTE H976-PCS40663-RO-37

Short Title: Enhance Oversight of Service Contracts/PED. (Public)

Sponsors:

Referred to:

April 27, 2016

A BILL TO BE ENTITLED

AN ACT TO ENHANCE OVERSIGHT OF STATE SERVICE CONTRACTS, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"**§ 143-50.2. Oversight of certain service contracts.**

(a) Creation of Business Case Justification Template. – The Secretary of the Department of Administration, in consultation with the Office of State Budget and Management, shall develop a business case justification template to be used by State agencies to document the business case for selecting the provider of one or more agency services. The template shall provide for inclusion of at least all of the following:

(1) A detailed description of the manner in which the service is currently provided.

(2) The unit and total cost of performing the service during the most recently completed fiscal year.

(3) A description of the metrics to be used to evaluate the service, the current level of performance for each metric, and the expected level of performance for each metric once the selection has been made.

(4) Identification of resources required to effectively procure the service, if applicable.

(5) An assessment of the availability of private providers who could provide the service.

(6) Justification for a waiver from competitive bidding requirements, if applicable.

(7) Justification for use of multiple private providers to perform the service, if applicable.

(8) Information security requirements that a private provider would need to satisfy, if applicable.

(9) Identification of roles, organizational placement, responsibilities, and qualifications of key project team members, including demonstrated competency incorporating government-vendor partnerships into the procurement process, if applicable.

(10) Identification of funding requirements and funding sources for the proposed contract period, if applicable.

(11) A description of the transition process for selecting the provider of the service.

(b) Documentation and Approval of Provider Selection Required. – A State agency shall not select the provider of an agency service until it has done all of the following, regardless of whether the new provider of that service will be the State agency itself or a private provider:

(1) Documented the business case for making the selection on the business case justification template developed pursuant to subsection (a) of this section.

(2) Obtained written approvals from all of the following, as applicable, upon a determination that there is an adequate business case for making the selection:

a. If the total cost of providing the service is five million dollars ($5,000,000) or less, the State Purchasing Officer. The State Purchasing Officer may delegate the authority to make approvals pursuant to this sub-subdivision to the head of a State agency if the State Purchasing Officer determines that at least all of the following conditions are satisfied:

1. The State agency's procurement staff have demonstrated competency with respect to the skills necessary to effectively utilize government-vendor partnerships to achieve best value.

2. The results of recent Division of Purchase and Contract compliance reviews of the agency's procurement processes have been satisfactory.

b. If the total cost of providing the service exceeds five million dollars ($5,000,000):

1. The State Purchasing Officer.

2. The Office of State Budget and Management.

(3) Consulted with the Joint Legislative Commission on Governmental Operations about the selection. The requirement to consult shall be deemed satisfied if the Commission does not have a meeting at which the matter is heard within 15 days of receiving the required submission, unless the chairs of the Commission notify the agency during that period that they need additional time to review the selection, in which case G.S. 12-3(15)b. shall govern when the requirement to consult shall be deemed to have been satisfied.

(c) Exceptions. – Subsection (b) of this section shall not apply if any of the following conditions are satisfied:

(1) The proposed new provider of the agency service is a county, municipality, or some other governmental entity other than the State agency required or authorized to provide the service.

(2) The total cost of providing the agency service does not exceed one million dollars ($1,000,000).

(3) The procurement of a contract to obtain the service would not be subject to the Secretary of Administration's authority under G.S. 143-49(3) to purchase or contract for services.

(d) Definitions. – The following definitions apply in this section:

(1) Agency service. – A service that a State agency is required or authorized to provide.

(2) Private provider. – A non-State entity other than a county, municipality, or other governmental entity.

(3) Service contract. – A contract between a State agency and a private provider that is a new contract for one or more agency services, is for the renewal of an existing contract for one or more agency services, or is an extension of an existing contract for one or more agency services.

(4) Total cost. – If the proposed service provider is a private provider, the total amount of revenue that a service provider or combination of service providers

would be estimated to receive during the first three years of providing the agency service. Otherwise, the total amount of funds that the State agency would be estimated to expend providing the agency service during the first three years of providing the service."

SECTION 2.(a) The Office of State Budget and Management shall develop and submit a plan to determine whether services provided by State agencies could be more effectively provided by private providers, as that term is defined in G.S. 143-50.2(d)(2), as enacted by Section 1 of this act. No later than December 1, 2016, the Office of State Budget and Management shall report the plan to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the General Assembly. The plan developed pursuant to this section shall do all of the following:

(1) Provide for an examination of each service provided by each State agency.

(2) Include an examination of methods for providing each service through contracts with non-State entities.

(3) Include an analysis of the costs and benefits to the State of providing each service through contracts with non-State entities.

SECTION 2.(b) Each State agency shall fully cooperate with the Office of State Budget and Management in the development and submission of the plan required by subsection (a) of this section.

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

"**§ 143-50.3. Contract management system.**

(a) Operation of Contract Management System. – The State Purchasing Officer shall operate a contract management system and require each State agency to use the system to manage all service contracts entered by the agency. The system developed pursuant to this subsection shall include the capacity to ensure at least all of the following:

(1) That payments are made in accordance with the applicable contract terms and conditions.

(2) That key documents related to contracts can be stored, searched, and retrieved from the system by appropriate personnel.

(3) That customizable management reports can be generated by State agencies that are parties to contracts or that have contract oversight responsibilities.

(b) Reporting. – No later than December 1 of each year, the State Purchasing Officer shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the General Assembly on service contracts entered into by State agencies. Each report shall include the following information about each service contract entered into between State agencies and non-State entities during the previous fiscal year:

(1) The description, value, and procurement method of the contract.

(2) The amount of payments made under the contract during the previous fiscal year.

(3) The total amount of payments made under the contract.

(4) A description of the business case for entering the contract as submitted to the Department of Administration and the date on which the business case was submitted and approved in accordance with G.S. 143-50.2(b).

(5) The results of any reviews of the State agency's procurement processes conducted by the contract management system.

(c) For purposes of this section, the term "service contract" shall have the same meaning as in G.S. 143-50.2(d)."

SECTION 3.(b) Notwithstanding G.S. 143-50.3(a), as enacted by subsection (a) of this section, a State agency shall not be required to use the contract management system established pursuant to that section until the agency is notified by the Division of Purchase and

Contract of the Department of Administration that the system is operational. The Division shall notify each State agency within 30 days of the contract management system becoming operational.

SECTION 4. G.S. 143-48.3 is amended by adding a new subsection to read:

"(g) The requirements of this section shall be construed consistently with G.S. 143-50.3."

SECTION 5. G.S. 143-50.1(e) reads as rewritten:

"(e) ~~The~~ Consistently with the requirements of G.S. 143-50.3, the Department of Administration shall adopt procedures for the record keeping of the information provided by State agencies and that has been received by the Secretary or the Secretary's designee pursuant to G.S. 114-8.3(c). The Department shall keep the records, and shall include a log with information that provides identification of individual contracts and where the contract documents are located. The Secretary is authorized to require that entities reporting pursuant to G.S. 114-8.39(c) provide additional information that may be required to identify the individual contracts."

SECTION 6. Section 1 of this act becomes effective October 1, 2016. The remainder of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAR
SESSION 2015

H 2

HOUSE BILL 976*
Committee Substitute Favorable 6/14/16

Short Title: Enhance Oversight of Service Contracts/PED. (Public)

Sponsors:

Referred to:

April 27, 2016

A BILL TO BE ENTITLED

AN ACT TO ENHANCE OVERSIGHT OF STATE SERVICE CONTRACTS, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"**§ 143-50.2. Oversight of certain service contracts.**

(a) Creation of Business Case Justification Template. – The Secretary of the Department of Administration, in consultation with the Office of State Budget and Management, shall develop a business case justification template to be used by State agencies to document the business case for selecting the provider of one or more agency services. The template shall provide for inclusion of at least all of the following:

(1) A detailed description of the manner in which the service is currently provided.

(2) The unit and total cost of performing the service during the most recently completed fiscal year.

(3) A description of the metrics to be used to evaluate the service, the current level of performance for each metric, and the expected level of performance for each metric once the selection has been made.

(4) Identification of resources required to effectively procure the service, if applicable.

(5) An assessment of the availability of private providers who could provide the service.

(6) Justification for a waiver from competitive bidding requirements, if applicable.

(7) Justification for use of multiple private providers to perform the service, if applicable.

(8) Information security requirements that a private provider would need to satisfy, if applicable.

(9) Identification of roles, organizational placement, responsibilities, and qualifications of key project team members, including demonstrated competency incorporating government-vendor partnerships into the procurement process, if applicable.

(10) Identification of funding requirements and funding sources for the proposed contract period, if applicable.

(11) A description of the transition process for selecting the provider of the service.

(b) Documentation and Approval of Provider Selection Required. – A State agency shall not select the provider of an agency service until it has done all of the following, regardless of whether the new provider of that service will be the State agency itself or a private provider:

(1) Documented the business case for making the selection on the business case justification template developed pursuant to subsection (a) of this section.

(2) Obtained written approvals from all of the following, as applicable, upon a determination that there is an adequate business case for making the selection:

a. If the total cost of providing the service is five million dollars ($5,000,000) or less, the State Purchasing Officer. The State Purchasing Officer may delegate the authority to make approvals pursuant to this sub-subdivision to the head of a State agency if the State Purchasing Officer determines that at least all of the following conditions are satisfied:

1. The State agency's procurement staff have demonstrated competency with respect to the skills necessary to effectively utilize government-vendor partnerships to achieve best value.

2. The results of recent Division of Purchase and Contract compliance reviews of the agency's procurement processes have been satisfactory.

b. If the total cost of providing the service exceeds five million dollars ($5,000,000):

1. The State Purchasing Officer.

2. The Office of State Budget and Management.

(3) Consulted with the Joint Legislative Commission on Governmental Operations about the selection. The requirement to consult shall be deemed satisfied if the Commission does not have a meeting at which the matter is heard within 15 days of receiving the required submission, unless the chairs of the Commission notify the agency during that period that they need additional time to review the selection, in which case G.S. 12-3(15)b. shall govern when the requirement to consult shall be deemed to have been satisfied.

(c) Exceptions. – Subsection (b) of this section shall not apply if any of the following conditions are satisfied:

(1) The proposed new provider of the agency service is a county, municipality, or some other governmental entity other than the State agency required or authorized to provide the service.

(2) The total cost of providing the agency service does not exceed one million dollars ($1,000,000).

(3) The procurement of a contract to obtain the service would not be subject to the Secretary of Administration's authority under G.S. 143-49(3) to purchase or contract for services.

(d) Definitions. – The following definitions apply in this section:

(1) Agency service. – A service that a State agency is required or authorized to provide.

(2) Private provider. – A non-State entity other than a county, municipality, or other governmental entity.

(3) Service contract. – A contract between a State agency and a private provider that is a new contract for one or more agency services, is for the renewal of an existing contract for one or more agency services, or is an extension of an existing contract for one or more agency services.

(4) Total cost. – If the proposed service provider is a private provider, the total amount of revenue that a service provider or combination of service providers

would be estimated to receive during the first three years of providing the agency service. Otherwise, the total amount of funds that the State agency would be estimated to expend providing the agency service during the first three years of providing the service."

SECTION 2.(a) The Office of State Budget and Management shall develop and submit a plan to determine whether services provided by State agencies could be more effectively provided by private providers, as that term is defined in G.S. 143-50.2(d)(2), as enacted by Section 1 of this act. No later than December 1, 2016, the Office of State Budget and Management shall report the plan to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the General Assembly. The plan developed pursuant to this section shall do all of the following:

(1) Provide for an examination of each service provided by each State agency.

(2) Include an examination of methods for providing each service through contracts with non-State entities.

(3) Include an analysis of the costs and benefits to the State of providing each service through contracts with non-State entities.

SECTION 2.(b) Each State agency shall fully cooperate with the Office of State Budget and Management in the development and submission of the plan required by subsection (a) of this section.

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

"**§ 143-50.3. Contract management system.**

(a) Operation of Contract Management System. – The State Purchasing Officer shall operate a contract management system and require each State agency to use the system to manage all service contracts entered by the agency. The system developed pursuant to this subsection shall include the capacity to ensure at least all of the following:

(1) That payments are made in accordance with the applicable contract terms and conditions.

(2) That key documents related to contracts can be stored, searched, and retrieved from the system by appropriate personnel.

(3) That customizable management reports can be generated by State agencies that are parties to contracts or that have contract oversight responsibilities.

(b) Reporting. – No later than December 1 of each year, the State Purchasing Officer shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the General Assembly on service contracts entered into by State agencies. Each report shall include the following information about each service contract entered into between State agencies and non-State entities during the previous fiscal year:

(1) The description, value, and procurement method of the contract.

(2) The amount of payments made under the contract during the previous fiscal year.

(3) The total amount of payments made under the contract.

(4) A description of the business case for entering the contract as submitted to the Department of Administration and the date on which the business case was submitted and approved in accordance with G.S. 143-50.2(b).

(5) The results of any reviews of the State agency's procurement processes conducted by the contract management system.

(c) For purposes of this section, the term "service contract" shall have the same meaning as in G.S. 143-50.2(d)."

SECTION 3.(b) Notwithstanding G.S. 143-50.3(a), as enacted by subsection (a) of this section, a State agency shall not be required to use the contract management system established pursuant to that section until the agency is notified by the Division of Purchase and

Contract of the Department of Administration that the system is operational. The Division shall notify each State agency within 30 days of the contract management system becoming operational.

SECTION 4. G.S. 143-48.3 is amended by adding a new subsection to read:

"(g) The requirements of this section shall be construed consistently with G.S. 143-50.3."

SECTION 5. G.S. 143-50.1(e) reads as rewritten:

"(e) ~~The~~ Consistently with the requirements of G.S. 143-50.3, the Department of Administration shall adopt procedures for the record keeping of the information provided by State agencies and that has been received by the Secretary or the Secretary's designee pursuant to G.S. 114-8.3(c). The Department shall keep the records, and shall include a log with information that provides identification of individual contracts and where the contract documents are located. The Secretary is authorized to require that entities reporting pursuant to G.S. 114-8.39(c) provide additional information that may be required to identify the individual contracts."

SECTION 6. Section 1 of this act becomes effective October 1, 2016. The remainder of this act is effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL

HB **976** Enhance Oversight of Service Contracts/PED.

Draft Number:	H976-PCS40663-RO-37
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Dollar

TOTAL REPORTED: 1

House Committee on Regulatory Reform
Wednesday, June 15, 2016
15 Minutes after Session
Room 643 Legislative Office Building
Representatives J. Bell, Millis, Riddell – Co-Chairs

MINUTES

The House Committee on Regulatory Reform met 15 minutes after Session on Wednesday, June 15, 2016 in Room 643 of the Legislative Office Building. The following Committee Members were present: Representatives J. Bell, Millis, Riddell, Goodman, Jordan, Speciale, Bishop, Blackwell, Bradford, Brody, Bryan, Catlin, Cotham, Cunningham, Dixon, Hager, Harrison, Jones, McElraft, Meyer, Queen, Stam, Stevens, and Whitmire.

Representative John Bell, Chair, called the meeting to order at 4:55 P.M. He introduced the Sergeant-at-Arms staff – there were no Pages in attendance.

The following bill was considered:

Senate Bill 303, entitled, Regulatory Reform Act of 2016
(Senators Barefoot, J. Davis, Hise)
Representative Hager made a motion for the Committee to adopt the proposed committee substitute (PCS) which passed by voice vote. Representatives Millis explained the different sections of the proposed committee substitute. (Attachment 4)

The following amendments were considered: (Attachment 5)

Amendment #1 was introduced by Representative Hager. After a lengthy discussion, Representative Hager introduced another amendment (see Amendment #2) and withdrew Amendment #1.

Amendment #2 was introduced by Representative Hager which adds a date certain in Section 3.2. Alex Miller who represents three utility solar companies in North Carolina said the information heard in previous meetings with stakeholders supported the fact that solar panels containing cadmium telluride are not considered hazardous waste and the implications of this amendment would send the wrong message and is bad policy. After a clarification by Representative Hager about the amendment, the Chair made a motion to adopt the amendment and it failed by voice vote.

Amendment #3 was introduced by Representative Stam. After discussion, the Chair made a motion to adopt the amendment and it passed by voice vote.

Amendment #4 was introduced by Representative Stam. He explained the amendment would change the section regarding the statute of limitation on land use violations. Rose Vaughn Williams who represents the N.C. League of Municipalities stated the amendment is an

improvement from the original bill. Joanna Reece who represents the N.C. Association of County Commissioners noted their concern was the county would have knowledge when the violation occurred at the beginning of the statute of limitation time clock. After discussion, the Chair made a motion to adopt the amendment and it passed by voice vote.

Representative Harrison made a motion for a favorable report to the proposed committee substitute as amended, unfavorable to the original bill. The motion passed by voice vote.

The meeting adjourned at 6:02 P.M.

Representative John R. Bell, IV
Presiding Co-Chair

Susan W. Horne
Committee Clerk

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Wednesday, June 15, 2016
TIME: **15 Minutes After Session**
LOCATION: **643 LOB**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
SB 303	Regulatory Reform Act of 2016.	Senator Barefoot Senator J. Davis Senator Hise

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 2:56 PM on Wednesday, June 15, 2016.

___ Principal Clerk
___ Reading Clerk – House Chamber

Susan W. Horne (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **June 15, 2016**
Room: **643 LOB**
Time: **15 minutes after Session**
Presiding: **Representative John Bell, Co-Chair**

AGENDA ITEM

SB 303 REGULATORY REFORM ACT OF 2016
Senator Barefoot, Sponsor
Senator J. Davis, Sponsor
Senator Hise, Sponsor

ADJOURNMENT

Committee Sergeants at Arms

NAME OF COMMITTEE House Reg. Reform (After Session)

DATE: 6/15/16 **Room:** 643

House Sgt-At Arms:

1. **Name:** Yang Bae
2. **Name:** Jim Moran
3. **Name:** Martha Gadison
4. **Name:** Bill Riley
5. **Name:**

Senate Sgt-At Arms:

1. **Name:**
2. **Name:**
3. **Name:**
4. **Name:**
5. **Name:**

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — June 15, 2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Caroline Miller	AMGA
Julie Robinson	NCSEA
Hannah Tedder	NCDTHHS
Caroline Daly	Governors office
Joe McClees	McClees Consult
Jon Cox	Jordan Rice
J Todd Frizsell	Hickory Fire Department
Deb Clary	NCSP
Jim Bradley	NCSFA
Kevin Gordon	NCSFA
Andy Webster	Cool Springs VFD
WINFIELD ABEE	LOVELADY FIRE/RESCUE

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — **June 15, 2016**

Name of Committee — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Benny Nichols	NCAFC P.O. Box 634, Hope Mills, NC 28348
Mollie Young	DEQ
John Grimes	NCSFA
Brian Cox	NCSFA
Brian Piercy	NCSFA
Cameron Nieters	KTS
Andy Chase	KMA
Andy Walsh	SA
Mary Shuping	NCCCS
Sue Ann Forest	NCICU
Edgar Miller	CTNL
My Nguyen	SEC

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — **Name of Committee**

June 15, 2016 — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jonathan Barbaker	Barbaker + Assoc.
Chris McClure	Bowles + Pierce
Dianna Downey	PSNCUC
James McLawhorn	PSNCUC
Tim Dodge	PSNCUC
Jane Royall	NCFPC
Kelly Kirsbury	EP
Joy Hicks	NCDA&CS
CHRIS DILLON	WAKE
Andy Gl	NGR
Jim Hunt	BH
Rob Hunter	

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — June 15, 2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Wendy Kelly	Forum Carolina
Thomas	[illegible]
Trey Rabon	AT&T
Scott Cooper	CCS
~~ASHLEY HOEKSTRA~~	NCACC
Johanna Reese	NCACC
Alan Miller	AMGA
Betsy McCorkle	SSG
Jerry Schill	NCFA
Cory Hand	NCAA
Julie White	NCMMC

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 — **June 15, 2016**

Name of Committee — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Rose Williams	NCLM
[signature]	NP
TJ Bybee	NP
Bo Heath	MWC
Sarah Wolfe	MWC
Preston Howard	NCMA
Susan Vick	Duke E.
Hayden Baugess	FSP
Tim Minton	NCHBA
Brian Menwald	[illegible]
Scott Laster	ESONC

VISITOR REGISTRATION SHEET

Regulatory Reform

(Committee Name)

June 15, 2016

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
W. Gorczyca	PPAB
Amanda Smith	NCPC
Catherine Harward	NCFB
Paul Sherman	NCFB

09-21-201

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform, 2015-2016 **June 15, 2016**

Name of Committee **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Brooks Rainey Pearson	SELC
[illegible]	[illegible]
David Crawford	[illegible]
Connie Wilson	CRMCA
[illegible]	[illegible]

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S 4

SENATE BILL 303

Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/22/15
Third Edition Engrossed 4/23/15
House Committee Substitute Favorable 6/8/16

Short Title: Regulatory Reform Act of 2016. (Public)

Sponsors:

Referred to:

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

PART I. BUSINESS REGULATION

EMPLOYMENT STATUS OF FRANCHISES

SECTION 1.1. Article 2A of Chapter 95 of the General Statutes is amended by adding a new section to read:

"**§ 95-25.24A. Franchisee status.**

Neither a franchisee nor a franchisee's employee shall be deemed to be an employee of the franchisor for any purposes, including, but not limited to, this Article and Chapters 96 and 97 of the General Statutes. For purposes of this section, "franchisee" and "franchisor" have the same definitions as set out in 16 C.F.R. § 436.1."

PART II. STATE AND LOCAL GOVERNMENT REGULATION

PERSONALLY IDENTIFIABLE INFORMATION OF PUBLIC UTILITY CUSTOMERS

SECTION 2.1. Chapter 132 of the General Statutes is amended by adding a new section to read:

"**§ 132-1.14. Personally identifiable information of public utility customers.**

(a) Except as otherwise provided in this section, a public record, as defined by G.S. 132-1, does not include personally identifiable information obtained by the Public Staff of the Utilities Commission from customers requesting assistance from the Public Staff regarding rate or service disputes with a public utility, as defined by G.S. 62-3(23).

(b) The Public Staff may disclose personally identifiable information of a customer to the public utility involved in the matter for the purpose of investigating such disputes.

(c) Such personally identifiable information is a public record to the extent disclosed by the customer in a complaint filed with the Commission pursuant to G.S. 62-73.

(d) For purposes of this section, "personally identifiable information" means the customer's name, physical address, e-mail address, telephone number, and public utility account number."

WATER AND SEWER BILLING BY LESSORS

SECTION 2.2.(a) G.S. 42-42.1 reads as rewritten:

"**§ 42-42.1. Water and electricity conservation.**

(a) For the purpose of encouraging water and electricity conservation, pursuant to a written rental agreement, a landlord may charge for the cost of providing water or sewer service to tenants ~~who occupy the same contiguous premises~~ pursuant to G.S. 62-110(g) or electric service pursuant to G.S. 62-110(h).

(b) The landlord may not disconnect or terminate the tenant's electric service or water or sewer services due to the tenant's nonpayment of the amount due for electric service or water or sewer services."

SECTION 2.2.(b) G.S. 62-110(g) reads as rewritten:

"(g) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, for the purpose of encouraging water conservation, the Commission may, consistent with the public interest, adopt procedures that allow a lessor to charge for the costs of providing water or sewer service to persons who occupy the ~~same contiguous~~leased premises. The following provisions shall apply:

(1) All charges for water or sewer service shall be based on the user's metered consumption of water, which shall be determined by metered measurement of all water consumed. The rate charged by the lessor shall not exceed the unit consumption rate charged by the supplier of the service.

(1a) If the ~~contiguous~~ leased premises ~~were~~are contiguous dwelling units built prior to ~~1989~~ 1989, and the lessor determines that the measurement of the tenant's total water usage is impractical or not economical, the lessor may allocate the cost for water and sewer service to the tenant using equipment that measures the tenant's hot water usage. In that case, each tenant shall be billed a percentage of the landlord's water and sewer costs for water usage in the dwelling units based upon the hot water used in the tenant's dwelling unit. The percentage of total water usage allocated for each dwelling unit shall be equal to that dwelling unit's individually submetered hot water usage divided by all submetered hot water usage in all dwelling units. The following conditions apply to billing for water and sewer service under this subdivision:

a. A lessor shall not utilize a ratio utility billing system or other allocation billing system that does not rely on individually submetered hot water usage to determine the allocation of water and sewer costs.

b. The lessor shall not include in a tenant's bill the cost of water and sewer service used in common areas or water loss due to leaks in the lessor's water mains. A lessor shall not bill or attempt to collect for excess water usage resulting from a plumbing malfunction or other condition that is not known to the tenant or that has been reported to the lessor.

c. All equipment used to measure water usage shall comply with guidelines promulgated by the American Water Works Association.

d. The lessor shall maintain records for a minimum of 12 months that demonstrate how each tenant's allocated costs were calculated for water and sewer service. Upon advanced written notice to the lessor, a tenant may inspect the records during reasonable business hours.

e. Bills for water and sewer service sent by the lessor to the tenant shall contain all the following information:

1. The amount of water and sewer services allocated to the tenant during the billing period.
2. The method used to determine the amount of water and sewer services allocated to the tenant.
3. Beginning and ending dates for the billing period.

4. The past-due date, which shall not be less than 25 days after the bill is mailed.
5. A local or toll-free telephone number and address that the tenant can use to obtain more information about the bill.

(2) The lessor may charge a reasonable administrative fee for providing water or sewer service not to exceed the maximum administrative fee authorized by the Commission.

(3) The Commission shall ~~issue~~ adopt rules to ~~define contiguous premises and to~~ implement this subsection. ~~In issuing the rule to define contiguous premises, the Commission shall consider contiguous premises where manufactured homes, as defined in G.S. 143-145(7), or spaces for manufactured homes are rented.~~

(4) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service. The form shall include all of the following:

a. A description of the applicant and the property to be served.
b. A description of the proposed billing method and billing statements.
c. The schedule of rates charged to the applicant by the supplier.
d. The schedule of rates the applicant proposes to charge the applicant's customers.
e. The administrative fee proposed to be charged by the applicant.
f. The name of and contact information for the applicant and its agents.
g. The name of and contact information for the supplying water or sewer system.
h. Any additional information that the Commission may require.

(4a) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service at single-family homes that allows the applicant to serve multiple homes in the State subject to single Commission approval. The form shall include all of the following:

a. A description of the applicant and a listing of the address of all the properties to be served, which shall be updated annually with the Commission.
b. A description of the proposed billing method and billing statements.
c. The administrative fee proposed to be charged by the applicant.
d. The name and contact information for the applicant and its agents.
e. Any additional information the Commission may require.

(5) The Commission shall approve or disapprove an application within 30 days of the filing of a completed application with the Commission. If the Commission has not issued an order disapproving a completed application within 30 days, the application shall be deemed approved.

(6) A provider of water or sewer service under this subsection may increase the rate for service so long as the rate does not exceed the unit consumption rate charged by the supplier of the service. A provider of water or sewer service under this subsection may change the administrative fee so long as the administrative fee does not exceed the maximum administrative fee authorized by the Commission. In order to change the rate or administrative fee, the provider shall file a notice of revised schedule of rates and fees with the Commission. The Commission may prescribe the form by which the provider files a notice of a revised schedule of rates and fees under this subsection. The form shall include all of the following:

a. The current schedule of the unit consumption rates charged by the provider.

b. The schedule of rates charged by the supplier to the provider that the provider proposes to pass through to the provider's customers.
c. The schedule of the unit consumption rates proposed to be charged by the provider.
d. The current administrative fee charged by the provider, if applicable.
e. The administrative fee proposed to be charged by the provider.

(7) A notification of revised schedule of rates and fees shall be presumed valid and shall be allowed to become effective upon 14 days notice to the Commission, unless otherwise suspended or disapproved by order issued within 14 days after filing.

(8) Notwithstanding any other provision of this Chapter, the Commission shall determine the extent to which the services shall be regulated and, to the extent necessary to protect the public interest, regulate the terms, conditions, and rates that may be charged for the services. Nothing in this subsection shall be construed to alter the rights, obligations, or remedies of persons providing water or sewer services and their customers under any other provision of law.

(9) A provider of water or sewer service under this subsection shall not be required to file annual reports pursuant to G.S. 62-36 or to furnish a bond pursuant to G.S. 62-110.3."

REZONING/SIMULTANEOUS COMPREHENSIVE PLAN AMENDMENT

SECTION 2.4.(a) G.S. 153A-340 is amended by adding a new subsection to read:

"(o) The county shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a county has adopted a unified development ordinance, the county shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(b) G.S. 160A-381 is amended by adding a new subsection to read:

"(k) The city shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a city has adopted a unified development ordinance, the city shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(c) This section becomes effective October 1, 2016.

PARENT PARCEL/SUBDIVISION CLARIFICATION

SECTION 2.5.(a) G.S. 153A-335 reads as rewritten:

"**§ 153A-335. "Subdivision" defined.**

(a) For purposes of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions are created for the purpose of sale or building development (whether immediate or future) and includes all division of land involving the dedication of a new street or a change in existing streets; however, the following is not included within this definition and is not subject to any regulations enacted pursuant to this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots if the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres if no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for widening or opening streets or for public transportation system corridors.

(4) The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and if the resultant lots are equal to or exceed the standards of the county as shown by its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A county may provide for expedited review of specified classes of subdivisions.

(c) For the division of a tract or parcel of land in single ownership the entire area of which is greater than five acres into not more than three lots, if not exempted under subdivision (a)(2) of this section and a dedicated means of ingress and egress is provided to all resultant lots, the county may require only a plat for recordation."

SECTION 2.5.(b) G.S. 160A-376 reads as rewritten:

"**§ 160A-376. Definition.**

(a) For the purpose of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions is created for the purpose of sale or building development (whether immediate or future) and shall include all divisions of land involving the dedication of a new street or a change in existing streets; but the following shall not be included within this definition nor be subject to the regulations authorized by this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots where the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the municipality as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres where no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for the widening or opening of streets or for public transportation system corridors.

(4) The division of a tract in single ownership whose entire area is no greater than two acres into not more than three lots, where no street right-of-way dedication is involved and where the resultant lots are equal to or exceed the standards of the municipality, as shown in its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A city may provide for expedited review of specified classes of subdivisions."

(c) For the division of a tract or parcel of land in single ownership the entire area of which is greater than five acres into not more than three lots, if not exempted under subdivision (a)(2) of this section and a dedicated means of ingress and egress is provided to all resultant lots, the city may require only a plat for recordation."

SECTION 2.5.(c) This section becomes effective October 1, 2016.

STATUTE OF LIMITATIONS/LAND-USE VIOLATIONS

SECTION 2.6.(a) G.S. 1-52 is amended by adding a new subdivision to read:

"**§ 1-52. Three years.**

Within three years an action -

...

(21) Against the owner of an interest in real property by a unit of local government for a violation of a land-use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. The claim for relief accrues when the violation is either apparent from a public right-of-way or is in

plain view from a place to which the public is invited. This section does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety."

SECTION 2.6.(b) This section becomes effective August 1, 2016, and applies to actions commenced on or after that date.

PROGRAM EVALUATION TO STUDY NONPROFIT CONTRACTING

SECTION 2.7.(a) The Joint Legislative Program Evaluation Oversight Committee may amend the 2016-2017 Program Evaluation Division work plan to direct the Division to study State law and internal agency policies and procedures for delivery of public services through State grants and contracts to nonprofit organizations. The study shall include, but not be limited to, how nonprofit organizations are compensated for actual, reasonable, documented indirect costs, and the extent to which any underpayment for indirect costs reduces the efficiency or effectiveness of the delivery of public services. The study shall propose improvements to State law and internal agency policies and procedures, if necessary, to remove unnecessary impediments to the efficient and effective delivery of public services, including, but not limited to, late execution of contracts, late payments, and late reimbursements. In conducting the study, the Division may require each State agency to provide data maintained by the agency to determine any of the following:

(1) The timeliness of delivery and execution of contracts.
(2) The timeliness of payment for services that have been delivered.
(3) The extent to which nonprofit contractors or grantees are reimbursed for their indirect costs.
(4) The contact information for all nonprofit grantees and contractors.

SECTION 2.7.(b) If the study is conducted, the Division shall submit a report on the results of the study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Commission on Governmental Operations no later than September 1, 2017.

SECTION 2.7.(c) This section becomes effective July 1, 2016.

RENAME AND AMEND THE BOARD OF REFRIGERATION EXAMINERS

SECTION 2.9.(a) Article 5 of Chapter 87 of the General Statutes reads as rewritten:

"Article 5.

"Commercial Refrigeration Contractors.

"**§ 87-52. State Board of Commercial Refrigeration Examiners; appointment; term of office.**

(a) For the purpose of carrying out the provisions of this Article, the State Board of Commercial Refrigeration Examiners is created, consisting of seven members appointed by the Governor to serve seven-year staggered terms. The Board shall consist ~~of one member who is a wholesaler or a manufacturer of refrigeration equipment; one member from an engineering school of The University of North Carolina, one member from the Division of Public Health of The University of North Carolina, two licensed refrigeration contractors, one member who has no ties with the construction industry to represent the interest of the public at large, and one member with an engineering background in refrigeration.~~of:

(1) One member who is a wholesaler or a manufacturer of refrigeration equipment.
(2) One member from an accredited engineering school located in this State.
(3) One member from the field of public health with an environmental science background from an accredited college or university located in this State.
(4) Two members who are licensed refrigeration contractors.
(5) One member who has no ties with the construction industry to represent the interest of the public at large.
(6) One member with an engineering background in refrigeration.

(b) The term of office of one member shall expire each year. Vacancies occurring during a term shall be filled by appointment of the Governor for the unexpired term. Whenever the term

"Board" is used in this Article, it means the State Board of Commercial Refrigeration Examiners. No Board member shall serve more than one complete consecutive term.

"...

"§ 87-58. Definitions; contractors licensed by Board; examinations.

(a) ~~As applied~~The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of this Chapter. The following definitions apply in this ~~Article,~~Article:

(1) Commercial refrigeration contractor. – ~~"refrigeration trade or business" is defined to include all~~ All persons, ~~firms~~ firms, or corporations engaged in the installation, maintenance, servicing and repairing of refrigerating machinery, equipment, devices and components relating ~~thereto and within limits as set forth in the codes, laws and regulations governing refrigeration installation, maintenance, service and repairs within the State of North Carolina or any of its political subdivisions. The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of Chapter 87 of the General Statutes.~~thereto.

(2) Industrial refrigeration contractor. – All persons, firms, or corporations engaged in commercial refrigeration contracting with the use of ammonia as a refrigerant gas.

(3) Transport refrigeration contractor. – All persons, firms, or corporations engaged in the business of installation, maintenance, repairing, and servicing of transport refrigeration.

(a1) This Article shall not apply to any of the following:

(1) The installation of self-contained commercial refrigeration units equipped with an Original Equipment Manufacturer (OEM) molded plug that does not require the opening of service ~~valves or replacement of lamps, fuses, and door gaskets.~~valves.

(2) The installation and servicing of domestic household self-contained refrigeration appliances equipped with an OEM molded plug connected to suitable receptacles which have been permanently installed and do not require the opening of service valves.

(3) Employees of persons, firms, or corporations or persons, firms or corporations, not engaged in refrigeration contracting as herein defined, that install, maintain and service their own refrigerating machinery, equipment and devices.

(4) Any person, firm or corporation engaged in the business of selling, repairing and installing any comfort cooling devices or systems.

(5) The replacement of lamps, fuses, and door gaskets.

(b) ~~The term "refrigeration contractor" means a person, firm or corporation engaged in the business of refrigeration contracting.~~The Board shall establish and issue the following licenses:

(1) A Class I license shall be required for any person engaged in the business of commercial refrigeration contracting.

(2) A Class II license shall be required for any person engaged in the business of industrial refrigeration contracting.

(3) A Class III license shall be required for any person engaged in the business of repair, maintenance, and servicing of commercial equipment.

(4) A Class IV license shall be required for any person engaged in the business of transport refrigeration contracting.

~~(b1) The term "transport refrigeration contractor" means a person, firm, or corporation engaged in the business of installation, maintenance, servicing, and repairing of transport refrigeration.~~

(c) Any person, firm or corporation who for valuable consideration engages in the refrigeration business or trade as herein defined shall be deemed and held to be in the business of refrigeration contracting.

(d) In order to protect the public health, comfort and safety, the Board shall prescribe the standard of experience to be required of an applicant for license and shall give an examination designed to ascertain the technical and practical knowledge of the applicant concerning the analysis of plans and specifications, estimating cost, fundamentals of installation and design as they pertain to refrigeration; and as a result of the examination, the Board shall issue a certificate of license in refrigeration to applicants who pass the required examination and a license shall be obtained in accordance with the provisions of this Article, before any person, firm or corporation shall engage in, or offer to engage in the business of refrigeration contracting. The Board shall prescribe standards for ~~and issue licenses for refrigeration contracting and for transport refrigeration contracting. A transport refrigeration contractor license is a specialty license that authorizes the licensee to engage only in transport refrigeration contracting. A refrigeration contractor licensee is authorized to engage in transport refrigeration and all other aspects of refrigeration contracting.~~all license classifications.

Each application for examination shall be accompanied by a check, post-office money order or cash in the amount of the annual license fee required by this Article. Regular examinations shall be given in the Board's office by appointment.

...

(k) Upon application and payment of the fee for license renewal provided in G.S. 87-64, the Board shall issue a certificate of license to any licensee whose business activities require a Class I or Class II license if that licensee had an established place of business and was licensed pursuant to this Article prior to January 1, 2016.

"...

"§ 87-64. Examination and license fees; annual renewal.

(a) Each applicant for a license by examination shall pay to the Board of Commercial Refrigeration Examiners a nonrefundable examination fee in an amount to be established by the Board not to exceed the sum of ~~forty~~ one hundred dollars ~~($40.00). In the event the applicant successfully passes the examination, the examination fee shall be applied to the license fee required of licensees for the current year in which the examination was taken and passed.~~($100.00).

(b) The license of every person licensed under the provisions of this statute shall be annually renewed. Effective January 1, 2012, the Board may require, as a prerequisite to the annual renewal of a license, that licensees complete continuing education courses in subjects related to refrigeration contracting to ensure the safe and proper installation of commercial and transport refrigeration work and equipment. On or before November 1 of each year the Board shall cause to be mailed an application for renewal of license to every person who has received from the Board a license to engage in the refrigeration business, as heretofore defined. On or before January 1 of each year every licensed person who desires to continue in the refrigeration business shall forward to the Board a nonrefundable renewal fee in an amount to be established by the Board not to exceed ~~forty~~ eighty dollars ~~($40.00)~~($80.00) together with the application for renewal. Upon receipt of the application and renewal fee the Board shall issue a renewal certificate for the current year. Failure to renew the license annually shall automatically result in a forfeiture of the right to engage in the refrigeration business.

(c) Any licensee who allows the license to lapse may be reinstated by the Board upon payment of a nonrefundable late renewal fee in an amount to be established by the Board not to exceed ~~seventy-five~~one hundred sixty dollars ~~($75.00).~~($160.00) together with the application for renewal. Any person who fails to renew a license for two consecutive years shall be required to take and pass the examination prescribed by the Board for new applicants before being licensed to engage further in the refrigeration business.

...."

SECTION 2.9.(b) This section becomes effective January 1, 2017, and applies to applications submitted and Board membership appointments on or after that date.

AMEND DEFINITION OF ANTIQUE AUTOMOBILE

SECTION 2.10. G.S. 105-330.9 reads as rewritten:

"**§ 105-330.9. Antique automobiles.**

(a) Definition. – For the purpose of this section, the term "antique automobile" means a motor vehicle that meets all of the following conditions:

(1) It is registered with the Division of Motor Vehicles and has an historic vehicle special license plate under G.S. 20-79.4.

(2) It is maintained primarily for use in exhibitions, club activities, parades, and other public interest functions.

(3) It is used only occasionally for other purposes.

(4) It is owned by an ~~individual.~~individual or owned directly or indirectly through one or more pass-through entities, by an individual.

(5) It is used by the owner for a purpose other than the production of income and is not used in connection with a business.

(b) Classification. – Antique automobiles are designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and must be assessed for taxation in accordance with this section. An antique automobile must be assessed at the lower of its true value or five hundred dollars ($500.00)."

COPIES OF CERTAIN PUBLIC RECORDS

SECTION 2.11.(a) G.S. 132-6.2 reads as rewritten:

"**§ 132-6.2. Provisions for copies of public records; fees.**

(a) Persons requesting copies of public records may elect to obtain them in any and all media in which the public agency is capable of providing them. No request for copies of public records in a particular medium shall be denied on the grounds that the custodian has made or prefers to make the public records available in another medium. The public agency may assess different fees for different media as prescribed by law.

(a1) A public agency may satisfy the requirement to provide access to public records and computer databases under G.S. 132-9 by making those public records or computer databases available online in a format that allows a person to download the public record or computer database to obtain a copy. A public agency that provides access to public records or computer databases under this subsection is not required to provide copies through any other method or medium. If a public agency, as a service to the requester, voluntarily elects to provide copies by another method or medium, the public agency may negotiate a reasonable charge for the service with the requester.

(b) Persons requesting copies of public records may request that the copies be certified or uncertified. The fees for certifying copies of public records shall be as provided by law. Except as otherwise provided by law, no public agency shall charge a fee for an uncertified copy of a public record that exceeds the actual cost to the public agency of making the copy. For purposes of this subsection, "actual cost" is limited to direct, chargeable costs related to the reproduction of a public record as determined by generally accepted accounting principles and does not include costs that would have been incurred by the public agency if a request to reproduce a public record had not been made. Notwithstanding the provisions of this subsection, if the request is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or if producing the record in the medium requested results in a greater use of information technology resources than that established by the agency for reproduction of the volume of information requested, then the agency may charge, in

addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the actual cost incurred for such extensive use of information technology resources or the labor costs of the personnel providing the services, or for a greater use of information technology resources that is actually incurred by the agency or attributable to the agency. If anyone requesting public information from any public agency is charged a fee that the requester believes to be unfair or unreasonable, the requester may ask the State Chief Information Officer or his designee to mediate the dispute.

(c) Persons requesting copies of computer databases may be required to make or submit such requests in writing. Custodians of public records shall respond to all such requests as promptly as possible. If the request is granted, the copies shall be provided as soon as reasonably possible. If the request is denied, the denial shall be accompanied by an explanation of the basis for the denial. If asked to do so, the person denying the request shall, as promptly as possible, reduce the explanation for the denial to writing.

(d) Nothing in this section shall be construed to require a public agency to respond to requests for copies of public records outside of its usual business hours.

(e) Nothing in this section shall be construed to require a public agency to respond to a request for a copy of a public record by creating or compiling a record that does not exist. If a public agency, as a service to the requester, voluntarily elects to create or compile a record, it may negotiate a reasonable charge for the service with the requester. Nothing in this section shall be construed to require a public agency to put into electronic medium a record that is not kept in electronic medium.

(f) For purposes of this section, the following definitions shall apply:

(1) Computer database. – As defined in G.S. 132-6.1.

(2) Media or Medium. – A particular form or means of storing information."

SECTION 2.11.(b) The State Chief Information Officer, working with the State Controller, the Office of State Budget and Management, the Local Government Commission, The University of North Carolina, The North Carolina Community College System, The School of Government at the University of North Carolina Chapel Hill, the North Carolina League of Municipalities, the North Carolina School Boards Association, and the North Carolina County Commissioners Association, shall report, including any recommendations, to the 2017 Regular Session of the General Assembly on or before February 1, 2017, regarding the development and use of computer databases by State and local agencies and the need for public access to those public records.

SECTION 2.11.(c) This section becomes effective July 1, 2016.

SPECIFY LOCATION OF LIEUTENANT GOVERNOR'S OFFICE

SECTION 2.12. G.S. 143A-5 reads as rewritten:

"**§ 143A-5. Office of the Lieutenant Governor.**

The Lieutenant Governor shall maintain an office in ~~a State building~~the Hawkins-Hartness House located at 310 North Blount Street in the City of Raleigh which office shall be open during normal working hours throughout the year. The Lieutenant Governor shall serve as President of the Senate and perform such additional duties as the Governor or General Assembly may assign to him. This section shall become effective January 1, 1973."

CLARIFY THAT DOT STORMWATER REQUIREMENTS ARE APPLICABLE TO STATE ROAD CONSTRUCTION UNDERTAKEN BY PRIVATE PARTIES

SECTION 2.14. Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-28.6B. Applicable stormwater regulation.**

For the purposes of stormwater regulation, any construction undertaken by a private party pursuant to the provisions of G.S. 136-18(17), 136-18(27), 136-18(29), 136-18(29a), 136-28.6, or

136-28.6A shall be considered to have been undertaken by the Department, and the stormwater law and rules applicable to the Department shall apply."

BUILDING CODE STUDY TO INCREASE EFFICIENCY AND IDENTIFY DUPLICATIVE INSPECTIONS

SECTION 2.15.(a) As part of its current six-year update process, the North Carolina Building Code Council shall examine the North Carolina Building Codes for the purposes of developing a more streamlined code and to assure that code provisions are contained in only one code volume. The Council shall also (i) give specific guidance as to which inspector shall have enforcement jurisdiction over each code provision and (ii) make all necessary changes to ensure that this directive is incorporated in the next edition of the North Carolina Building Code.

SECTION 2.15.(b) The Building Code Council shall review the North Carolina General Statutes with regard to authority granted to local building inspectors in counties and cities, pursuant to G.S. 153A-357, 153A-359, 153A-360, 153A-362, 153A-365, 160A-417, 160A-419, 160A-420, 160A-422, 160A-425, and any other statute deemed relevant by the Council, to identify any provisions that would either allow or require a specific code provision to be inspected by multiple inspectors. The Council shall report its findings to the Joint Legislative Commission on Governmental Operations no later than February 1, 2017.

SECTION 2.15.(c) This section is effective when it becomes law.

PART III. AGRICULTURE, ENERGY, ENVIRONMENT, AND NATURAL RESOURCES REGULATION

DIRECT DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES TO INSPECT RENDERING PLANTS

SECTION 3.1.(a) G.S. 106-168.5 is repealed.

SECTION 3.1.(b) G.S. 106-168.6 reads as rewritten:

"**§ 106-168.6. ~~Inspection by committee;~~ Inspection; certificate of specific findings.**

~~The committee upon notification by~~ Upon receipt of an application for license, the Commissioner or the Commissioner's designee shall promptly inspect the plans, specifications, and selected site in the case of proposed rendering plants and shall inspect the buildings, grounds, and equipment of established rendering plants. If the ~~committee~~ Commissioner or the Commissioner's designee finds that the plans, specifications, and selected site in the case of proposed plants, or the buildings, grounds, and equipment in the case of established plants, comply with the requirements of this Article and the rules and regulations promulgated ~~by the Commissioner not inconsistent therewith, it~~under the authority of this Article, the Commissioner shall certify ~~its~~ the findings in ~~writing and forward same to the Commissioner.~~writing. If there is a failure in any respect to meet such requirements, the ~~committee~~ Commissioner or the Commissioner's designee shall notify the applicant in writing of such deficiencies and ~~the committee shall~~ shall, within a reasonable time to be determined by the ~~Commissioner~~ Commissioner, make a second inspection. If the specified defects are remedied, the ~~committee~~ Commissioner or the Commissioner's designee shall ~~thereupon~~ certify ~~its~~ the findings in ~~writing to the Commissioner.~~writing. Not more than two inspections shall be required ~~of the committee~~ under any one application."

SECTION 3.1.(c) G.S. 106-168.7 reads as rewritten:

"**§ 106-168.7. Issuance of license.**

Upon ~~receipt of the certificate of compliance from the committee,~~certification in accordance with G.S. 106-168.6, the Commissioner shall issue a license to the applicant to conduct rendering operations as specified in the application. A license shall be valid until revoked for cause as hereinafter provided."

SECTION 3.1.(d) G.S. 106-168.12 reads as rewritten:

"**§ 106-168.12. Commissioner authorized to adopt rules and regulations.**

The Commissioner of Agriculture is hereby authorized to make and establish reasonable rules and regulations, ~~not inconsistent~~consistent with the provisions of this Article, ~~after consulting the committee,~~ for the proper administration and enforcement thereof."

SECTION 3.1.(e) G.S. 106-168.13 reads as rewritten:

"**§ 106-168.13. Effect of failure to comply.**

Failure to comply with the provisions of this Article or rules and regulations ~~not inconsistent therewith~~adopted pursuant to this Article shall be cause of revocation of license, if such failure shall not be remedied within a reasonable time after notice to the licensee. Any person whose license is revoked may reapply for a license in the manner provided in this Article for an initial application, except that the Commissioner shall not be required to cause the rendering plant and equipment of the applicant to be inspected ~~by the committee~~ until the expiration of 30 days from the date of revocation."

SOLID WASTE AMENDMENTS

SECTION 3.3.(a) Section 4.9(a) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(a)** Section 14.20(a) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(b) Section 4.9(b) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(b)** Section ~~14.20(a)~~14.20(c) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(c) Section 4.9(c) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(c)** Section 14.20(d) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(d) Section 4.9(d) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(d)** Section 14.20(f) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(e) Section 14.20(e) of S.L. 2015-241 reads as rewritten:

"**SECTION 14.20.(e)** After July 1, 2016, the annual fee due pursuant to ~~G.S. 130A-295.8A(d1),~~G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, for existing sanitary landfills and transfer stations with a valid permit issued before the date this act becomes effective is equal to the applicable annual fee for the facility as set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1) as enacted by Section 14.20(c) of this act, less a permittee fee credit. A permittee fee credit exists when the life-of-site permit fee amount is greater than the time-limited permit fee amount. The amount of the permittee fee credit shall be calculated by (i) subtracting the time-limited permit fee amount from the life-of-site permit fee amount due for the same period of time and (ii) multiplying the difference by a fraction, the numerator of which is the number of years remaining in the facility's time-limited permit and the denominator of which is the total number of years covered by the facility's time-limited permit. The amount of the permittee fee credit shall be allocated in equal annual installments over the number of years that constitute the facility's remaining life-of-site, as determined by the Department, unless the Department accelerates, in its sole discretion, the use of the credit over a shorter period of time. For purposes of this subsection, the following definitions apply:

(1) Life-of-site permit fee amount. – The amount equal to the sum of all annual fees that would be due under the fee structure set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

(2) Time-limited permit fee amount. – The amount equal to the sum of the application fee or renewal fee, whichever is applicable, and all annual fees paid or to be paid pursuant to subsections (c) and (d) of ~~G.S. 130A-295.8A,~~

G.S. 130A-295.8(d1), as repealed by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

The Department shall adopt rules to implement this subsection."

SECTION 3.4.(a) Section 14.20(f) of S.L. 2015-241, as amended by Section 4.9(d) of S.L. 2015-286, reads as rewritten:

"**SECTION 14.20.(f)** This section becomes effective October 1, 2015. G.S. 130A-294(b1)(2), as amended by subsection (a) of this section, applies to franchise ~~agreements~~ agreements (i) executed on or after ~~October 1, 2015.~~ October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to a valid and operative franchise agreement consent to modify the agreement for the purpose of extending the agreement's duration to the life-of-site of the landfill for which the agreement was executed. The remainder of G.S. 130A-294, as amended by subsection (a) of this section, and G.S. 130A-295.8, as amended by subsection (c) of this section, apply to (i) existing sanitary landfills and transfer stations, with a valid permit issued before the date this act becomes effective, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016, (ii) new sanitary landfills and transfer stations, for applications submitted on or after July 1, 2016, and (iii) applications for sanitary landfills or transfer stations submitted before July 1, 2015, and pending on the date this act becomes law shall be evaluated by the Department based on the applicable laws that were in effect on July 1, 2015, and the Department shall not delay in processing such permit applications in consideration of changes made by this act, but such landfills and transfer stations shall be eligible for issuance of life-of-site permits pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016."

SECTION 3.4.(b) G.S. 130A-294(b1)(2) reads as rewritten:

"(2) A person who intends to apply for a new permit for a sanitary landfill shall obtain, prior to applying for a permit, a franchise for the operation of the sanitary landfill from each local government having jurisdiction over any part of the land on which the sanitary landfill and its appurtenances are located or to be located. A local government may adopt a franchise ordinance under G.S. 153A-136 or G.S. 160A-319. A franchise granted for a sanitary landfill ~~shall~~ shall (i) be granted for the life-of-site of the ~~landfill and shall~~ landfill, but for a period not to exceed 60 years, and (ii) include all of the following:

a. A statement of the population to be served, including a description of the geographic area.

b. A description of the volume and characteristics of the waste stream.

c. A projection of the useful life of the sanitary landfill.

d. Repealed by Session Laws 2013-409, s. 8, effective August 23, 2013.

e. The procedures to be followed for governmental oversight and regulation of the fees and rates to be charged by facilities subject to the franchise for waste generated in the jurisdiction of the franchising entity.

f. A facility plan for the sanitary landfill that shall include the boundaries of the proposed facility, proposed development of the facility site, the boundaries of all waste disposal units, final elevations and capacity of all waste disposal units, the amount of waste to be received per day in tons, the total waste disposal capacity of the sanitary landfill in tons, a description of environmental controls, and a description of any other

waste management activities to be conducted at the facility. In addition, the facility plan shall show the proposed location of soil borrow areas, leachate facilities, and all other facilities and infrastructure, including ingress and egress to the facility."

SECTION 3.4.(c) G.S. 160A-319(a) reads as rewritten:

"**§ 160A-319. Utility franchises.**

(a) A city shall have authority to grant upon reasonable terms franchises for a telephone system and any of the enterprises listed in G.S. 160A-311, except a cable television system. A franchise granted by a city authorizes the operation of the franchised activity within the city. No franchise shall be granted for a period of more than 60 years, ~~except~~ including a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1); provided, however, that a franchise for solid waste collection or disposal systems and ~~facilities~~ facilities, other than sanitary landfills, shall not be granted for a period of more than 30 years. Except as otherwise provided by law, when a city operates an enterprise, or upon granting a franchise, a city may by ordinance make it unlawful to operate an enterprise without a franchise."

SECTION 3.4.(d) G.S. 153A-136 reads as rewritten:

"**§ 153A-136. Regulation of solid wastes.**

(a) A county may by ordinance regulate the storage, collection, transportation, use, disposal, and other disposition of solid wastes. Such an ordinance may:

...

(3) Grant a franchise to one or more persons for the exclusive right to commercially collect or dispose of solid wastes within all or a defined portion of the county and prohibit any other person from commercially collecting or disposing of solid wastes in that area. The board of commissioners may set the terms of any ~~franchise, except that no franchise may be granted for a period exceeding 30 years, nor may any~~ franchise; provided, however, no franchise shall be granted for a period of more than 30 years, except for a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1), which may not exceed 60 years. No franchise by its terms may impair the authority of the board of commissioners to regulate fees as authorized by this section.

...."

SECTION 3.4.(e) Section 3.4 of this act is effective retroactively to July 1, 2015, and applies to franchise agreements (i) executed on or after October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to the agreement consent to modify the agreement for the purpose of extending the agreement's duration of the life-of-site of the landfill for which the agreement was executed.

AUTHORIZE THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS TO REVIEW AND COMMENT ON MILITARY-RELATED PERMIT CRITERIA

SECTION 3.6.(a) Article 21C of Chapter 143 of the General Statutes reads as rewritten:

"Article 21C.

"Permitting of Wind Energy Facilities.

"...

"**§ 143-215.118. Permit application scoping meeting and notice.**

(a) Scoping Meeting. – No less than 60 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion, the applicant shall request the scheduling of a scoping meeting between the applicant and the Department. The scoping meeting shall be held no less than 30 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion. ~~The applicant and the~~

~~Department shall review the permit for the proposed wind energy facility or proposed facility expansion at the scoping meeting.~~

...

"§ 143-215.119. Permit application requirements; fees; notice of receipt of completed permit; public hearing; public comment.

(a) Permit Requirements. – A person applying for a permit for a proposed wind energy facility or proposed wind energy facility expansion shall include all of the following in an application for the permit:

(1) A narrative description of the proposed wind energy facility or proposed wind energy facility expansion.

(2) A map showing the location of the proposed wind energy facility or proposed wind energy facility expansion that identifies the specific location of each turbine.

(3) A copy of a deed, purchase agreement, lease agreement, or other legal instrument demonstrating the right to construct, expand, or otherwise develop a wind energy facility on the property.

(4) Identification by name and address of property owners ~~adjacent to~~living within one-half mile of the proposed wind energy facility or proposed wind energy facility expansion. The applicant shall notify every property owner identified pursuant to this subdivision by registered or certified mail or by any means authorized by G.S. 1A-1, Rule 4, in a form approved by the Department. The notice shall include all of the following:

a. The location of the proposed wind energy facility or proposed wind energy facility expansion and the specific location of each turbine proposed to be located within one-half mile of the ~~boundary of the adjacent property owner.~~property.

b. A description of the proposed wind energy facility or proposed wind energy facility expansion.

...

"§ 143-215.120. Criteria for permit approval; time frame; permit conditions; other approvals required.

(a) Permit Approval. – The Department shall approve an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion unless the Department finds any one or more of the following:

(1) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would be inconsistent with or violate rules adopted by the ~~Department~~ Department, the Department of Military and Veterans Affairs, or any other provision of law.

(2) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the Department may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.

...

"**§ 143-215.123. Annual review of military presence.**

The Department of Military and Veterans Affairs shall consult with representatives of the major military installations to review information regarding military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations at least once per ~~year.~~year and shall provide such information to the Department. The Department shall provide relevant information on civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations to permit applicants as requested.

...

"**§ 143-215.125. Rule making.**

The Department of Military and Veterans Affairs and the Environmental Management Commission shall adopt any rules necessary pertaining to their respective jurisdictions ~~for the implementation of~~ to implement this Article. In adopting rules, the Environmental Management Commission shall consult with the Coastal Resources Commission to ensure that the development of statewide permitting requirements is consistent with and in consideration of the characteristics unique to the coastal area of the State to the maximum extent practicable.

"...."

SECTION 3.6.(b) Subsection (a) of this section becomes effective when this act becomes law and applies to applications for permits for a proposed wind energy facility or a proposed wind energy facility expansion submitted on or after that date.

SECTION 3.6.(c) Article 9G of Chapter 143 of the General Statutes reads as rewritten:

"Article 9G.
"Military Lands Protection.

"**§ 143-151.70. Short title.**

This Article shall be known as the Military Lands Protection Act of 2013.

"**§ 143-151.71. Definitions.**

Within the meaning of this Article:

(1) "Area surrounding major military installations" is the area that extends five miles beyond the boundary of a major military installation and may include incorporated and unincorporated areas of counties and municipalities.

(2) Repealed by Session Laws 2014-79, s. 2, effective July 22, 2014.

~~(3) "Commissioner" means the Commissioner of Insurance.~~

(4) "Construction" includes reconstruction, alteration, or expansion.

(5) "Major military installation" means Fort Bragg, Pope Army Airfield, Camp Lejeune Marine Corps Air Base, New River Marine Corps Air Station, Cherry Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point, the United States Coast Guard Air Station at Elizabeth City, Naval Support Activity Northwest, Air Route Surveillance Radar (ARSR-4) at Fort Fisher, and Seymour Johnson Air Force Base, in its own right and as the responsible entity for the Dare County Bombing Range, and any facility located within the State that is subject to the installations' oversight and control.

(6) "Person" means any individual, partnership, firm, association, joint venture, public or private corporation, trust, estate, commission, board, public or private institution, utility, cooperative, interstate body, the State of North Carolina and its agencies and political subdivisions, or other legal entity.

(6a) "Secretary" means the Secretary of the Department of Administration.

~~(6a)~~(6b) "State Construction Office" means the State Construction Office of the Department of Administration.

(7) "Tall buildings or structures" means any building, structure, or unit within a multiunit building with a vertical height of more than 200 feet measured from

the top of the foundation of the building, structure, or unit and the uppermost point of the building, structure, or unit. "Tall buildings or structures" do not include buildings and structures listed individually or as contributing resources within a district listed in the National Register of Historic Places.

"**§ 143-151.72. Legislative findings.**

North Carolina has a vested economic interest in preserving, maintaining, and sustaining land uses that are compatible with military activities at major military installations. Development located proximate to military installations has been identified as a critical issue impacting the long-term viability of the military in this State. Additional concerns associated with development include loss of access to air space and coastal and marine areas and radio frequency encroachment. The construction of tall buildings or structures in areas surrounding major military installations is of utmost concern to the State as those buildings and structures may interfere with or impede the military's ability to carry out activities that are vital to its function and future presence in North Carolina.

"**§ 143-151.73. Certain buildings and structures prohibited without endorsement.**

(a) No county or city may authorize the construction of and no person may construct a tall building or structure in any area surrounding a major military installation in this State, unless the county or city is in receipt of either a letter of endorsement issued to the person by the State Construction Office pursuant to ~~G.S. 143-151.75 or proof of the State Construction Office's failure to act within the time allowed pursuant to~~ G.S. 143-151.75.

(b) No county or city may authorize the provision of the following utility services to any building or structure constructed in violation of subsection (a) of this section: electricity, telephone, gas, water, sewer, or septic system.

"**§ 143-151.74. Exemptions from applicability.**

(a) Wind energy facilities and wind energy facility expansions, as those terms are defined in Article 21C of Chapter 143 of the General Statutes, that are subject to the applicable permit requirements of that Chapter shall be exempt from obtaining the endorsement required by this Article.

...

"**§ 143-151.75. Endorsement for proposed tall buildings or structures required.**

(a) No person shall undertake construction of a tall building or structure in any area surrounding a major military installation in this State without ~~either~~ first obtaining the endorsement from the State Construction ~~Office or proof of the State Construction Office's failure to act within the time allowed.~~Office.

(b) A person seeking endorsement for a proposed tall building or structure in any area surrounding a major military installation in this State shall provide written notice of the intent to seek endorsement to the base commander of the major military installation that is located within five miles of the proposed tall building or structure and shall provide all of the following to the State Construction Office:

(1) Identification of the major military installation and the base commander of the installation that is located within five miles of the proposed tall building or structure.

(2) A copy of the written notice sent to the base commander of the installation identified in subdivision (1) of this subsection that is located within five miles of the proposed tall building or structure.

(3) A written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012, Edition) for the proposed tall building or structure.

(c) After receipt of the information provided by the ~~applicant~~ person pursuant to subsection (b) of this section, the State Construction Office shall, in writing, request a written

statement concerning the proposed tall building or structure from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. The State Construction Office shall request that the following information be included in the written statement from the base commander:

(1) A determination whether the location of the proposed tall building or structure is within ~~a protected~~an area that surrounds the major military installation.

(2) A determination whether any activities of the installation may be adversely affected by the proposed tall building or structure. A detailed description of the potential adverse effects, including frequency disturbances and physical obstructions, shall accompany the determination required by this subdivision.

(d) The State Construction Office shall not endorse a tall building or structure if the State Construction Office finds any one or more of the following:

(1) The proposed tall building or structure would encroach upon or otherwise interfere with the mission, training, or operations of any major military installation in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the State Construction Office may consider whether the proposed tall building or structure would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on the written statement received from a base commander as provided in subsection (c) of this section and written comments received by members of affected communities. Provided, however, if the State Construction Office does not receive a written statement requested pursuant to subsection (c) of this section within 45 days of issuance of the request to the base commander, the State Construction Office shall deem the tall building or structure as ~~endorsed~~ denied by the base commander.

(2) The State Construction Office is not in receipt of the written "Determination of No Hazard to Air Navigation" issued to the person by the Federal Aviation Administration required pursuant to subdivision (3) of subsection (b) of this section.

(e) The State Construction Office shall make a final decision on the request for endorsement of a tall building or structure within 90 days from the date on which the State Construction Office requested the written statement from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. If the State Construction Office determines that a request for a tall building or structure fails to meet the requirements for endorsement under this section, the State Construction Office shall deny the request. The State Construction Office shall notify the person of the denial, and the notice shall include a written statement of the reasons for the denial. If the State Construction Office fails to act within any time period set forth in this section, the person may treat the failure to act as a decision to ~~endorse~~ deny endorsement of the tall building or structure.

~~(f) The State Construction Office may meet by telephone, video, or Internet conference, so long as consistent with applicable law regarding public meetings, to make a decision on a request for endorsement for a tall building or structure pursuant to subsection (e) of this section.~~

"§ 143-151.76. Application to existing tall buildings and structures.

G.S. 143-151.73 applies to tall buildings or structures that existed in an area surrounding major military installations ~~upon the effective date of this Article~~on October 1, 2013, as follows:

(1) No reconstruction, alteration, or expansion may aggravate or intensify a violation by an existing building or structure that did not comply with G.S. 143-151.73 ~~upon its effective date.~~on October 1, 2013.

(2) No reconstruction, alteration, or expansion may cause or create a violation by an existing building or structure that did comply with G.S. 143-151.73 ~~upon its effective date.~~on October 1, 2013.

"**§ 143-151.77. Enforcement and penalties.**

(a) In addition to injunctive ~~relief,~~relief, as provided by subsection (e) of this section, the ~~Commissioner~~ Secretary may assess and collect a civil penalty against any person who violates any of the provisions of this Article or rules adopted pursuant to this Article, as provided in this section. The maximum civil penalty for a violation is five thousand dollars ($5,000). A civil penalty may be assessed from the date of the violation. Each day of a continuing violation may constitute a separate violation.

(b) The ~~Commissioner~~ Secretary shall determine the amount of the civil penalty and shall notify the person who is assessed the civil penalty of the amount of the penalty and the reason for assessing the penalty. The notice of assessment shall be served by any means authorized under Rule 4 of G.S. 1A-1 and shall direct the violator to either pay the assessment or contest the assessment within 30 calendar days by filing a petition for a contested case under Article 3 of Chapter 150B of the General Statutes. If a violator does not pay a civil penalty assessed by the ~~Commissioner~~ Secretary within 30 calendar days after it is due, the ~~Commissioner~~ Secretary shall request that the Attorney General institute a civil action to recover the amount of the assessment. The civil action may be brought in the superior court of any county where the violation occurred. A civil action must be filed within one year of the date the assessment was due. An assessment that is not contested is due when the violator is served with a notice of assessment. An assessment that is contested is due at the conclusion of the administrative and judicial review of the assessment.

(c) In determining the amount of the penalty, the ~~Commissioner~~ Secretary shall consider the degree and extent of harm caused by the violation, the cost of rectifying the damage, the amount of money the violator saved by noncompliance, whether the violation was committed willfully, the prior record of the violator in complying or failing to comply with this Article, and the action of the person to remedy the violation.

(d) The clear proceeds of civil penalties collected by the ~~Commissioner~~ Secretary under this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

(e) Whenever the Secretary has reasonable cause to believe that any person has violated or is threatening to violate any of the provisions of this Article, a rule implementing this Article, or any of the terms of any endorsement issued pursuant to this Article, the State Construction Office may, either before or after the institution of any other action or proceeding authorized by this Article, request the Attorney General to institute a civil action in the name of the State upon the request of the State Construction Office for injunctive relief to restrain the violation or threatened violation and for such other and further relief in the premises as the court shall deem proper. The Attorney General may institute such action in the superior court of the county in which the violation occurred or may occur or, in the Attorney General's discretion, in the superior court of the county in which the person responsible for the violation or threatened violation resides or has the person's principal place of business. Upon a determination by the court that the alleged violation of the provisions of this Article or the regulations of the State Construction Office has occurred or is threatened, the court shall grant the relief necessary to prevent or abate the violation or threatened violation. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed for violation of this Article."

SECTION 3.6.(d) Subsection (c) of this section is effective when this act becomes law and applies to requests for endorsements to construct tall buildings or structures submitted on or after that date.

SECTION 3.7.(a) Article 21C of Chapter 143 of the General Statutes, as amended by Section 3.6(a) of this act, reads as rewritten:

"Article 21C.

"Permitting of Wind Energy Facilities.

"...

"§ 143-215.117. Permit preapplication site evaluation meeting; notice; preapplication package requirements.

(a) Permit Preapplication Site Evaluation Meeting. – No less than 180 days prior to filing an application for a permit to construct, operate, or expand a wind energy facility, a person shall request a preapplication site evaluation meeting to be held between the ~~applicant and the Department.~~applicant, the Department, and the Department of Military and Veterans Affairs. The preapplication site evaluation meeting shall be held no less than 120 days prior to filing an application for a permit to construct, operate, or expand a wind energy facility and may be used by the participants to:

(1) Conduct a preliminary evaluation of the site or sites for the proposed wind energy facility or wind energy facility expansion. The preliminary evaluation of the proposed wind energy facility or proposed wind energy facility expansion shall determine if the site or sites:

a. Pose serious risk to civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations.

b. Pose serious risk to natural resources and uses, including to species of concern or their habitats.

(2) Identify areas where proposed construction or expansion activities pose minimal risk of interference with civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations.

(3) Identify areas where proposed construction or expansion activities pose minimal risk to natural resources and uses, including avian, bat, and endangered and threatened species.

(b) Permit Preapplication Package. – No less than 45 days prior to the date of the permit preapplication site evaluation meeting scheduled in accordance with subsection (a) of this section, the applicant for a wind energy facility or wind energy facility expansion shall submit a preapplication package to the ~~Department.~~Department and the Department of Military and Veterans Affairs. To the extent that any documents contain trade secrets or confidential business information, those portions of the documents shall not be subject to disclosure under the North Carolina Public Records Act. The preapplication package shall include all of the following:

...

"§ 143-215.118. Permit application scoping meeting and notice.

(a) Scoping Meeting. – No less than 60 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion, the applicant shall request the scheduling of a scoping meeting between the ~~applicant and the Department.~~ applicant, the Department, and the Department of Military and Veterans Affairs. The scoping meeting shall be held no less than 30 days prior to filing an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion.

...

"§ 143-215.119. Permit application requirements; fees; notice of receipt of completed permit; public hearing; public comment.

(a) Permit Requirements. – A person applying for a permit for a proposed wind energy facility or proposed wind energy facility expansion shall include all of the following in an application for the ~~permit:~~permit to be submitted to the Department and the Department of Military and Veterans Affairs:

...

(f) Public Hearing and Comment. – The Department shall hold a public hearing in each county in which the wind energy facility or wind energy facility expansion is proposed to be

located within 75 days of receipt of a completed permit application. The Department shall provide notice including the time and location of the public hearing in a newspaper of general circulation in each applicable county. The notice of public hearing shall be published for at least two consecutive weeks beginning no less than 45 days prior to the scheduled date of the hearing. The notice shall provide that any comments on the proposed wind energy facility or proposed wind energy facility expansion should be submitted to the Department by a specified date, not less than 15 days from the date of the newspaper publication of the notice or 15 days after distribution of the mailed notice, whichever is later. No less than 30 days prior to the scheduled public hearing, the Department shall provide written notice of the hearing to:

(1) The North Carolina Utilities Commission.
(2) The Office of the Attorney General of North Carolina.
(3) The commanding military officer of any potentially affected major military installation or the commanding military officer's designee.
(4) The board of commissioners for each county and the governing body of each municipality with jurisdictions over areas in which a potentially affected major military installation is located.
(5) The Department of Military and Veterans Affairs.

"**§ 143-215.120. Criteria for permit approval; time frame; permit conditions; other approvals required.**

(a) Permit Approval. – The Department shall approve an application for a permit for a proposed wind energy facility or proposed wind energy facility expansion unless the Department finds any one or more of the following:

(1) Construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would be inconsistent with or violate rules adopted by the Department, the Department of Military and Veterans Affairs, or any other provision of law.
(2) ~~Construction~~ As evidenced by receipt of notice from the Department of Military and Veterans Affairs issued pursuant to G.S. 143-215.120A(b), construction or operation of the proposed wind energy facility or proposed wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. ~~In its evaluation, the Department may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.~~

...

(b) Permit Decision.–The Department shall make a final decision on a permit application within 90 days following receipt of a completed application, except that the Department shall not be required to make a final decision until the Department has ~~received~~ received both (i) a certification from the Department of Military and Veterans Affairs for the proposed wind energy facility or proposed wind energy facility expansion issued pursuant to G.S. 143-215.120A(a) or a notice from the Department of Military and Veterans Affairs of its decision not to issue a certification for the proposed wind energy facility or proposed wind energy facility expansion pursuant to G.S. 143-215.120A(b) and (ii) a written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012 edition). If the Department requests additional information following the receipt of a completed application, the Department shall

make a final decision on a permit application within 30 days of receipt of the requested information. If the Department determines that an application for a wind energy facility or a wind energy facility expansion fails to meet the requirements for a permit under this section, the Department shall deny the application, and the application shall be returned to the applicant accompanied by a written statement of the reasons for the denial and any modifications to the permit application that would make the application acceptable. If the Department fails to act within the time period set forth in this subsection, the applicant may treat the failure to act as a denial of the permit and may challenge the denial as provided under Chapter 150B of the General Statutes.

...

"**§ 143-215.120A. Certification required from the Department of Military and Veterans Affairs.**

(a) The Department of Military and Veterans Affairs shall issue a certification for a proposed wind energy facility or proposed wind energy facility expansion unless the Department of Military and Veterans Affairs finds construction or operation of the proposed wind energy facility or wind energy facility expansion would encroach upon or would otherwise have a significant adverse impact on the mission, training, or operations of any major military installation or branch of military in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the Department of Military and Veterans Affairs may consider whether the proposed wind energy facility or proposed wind energy facility expansion would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on information submitted by the applicant pursuant to subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any information received by the Department pursuant to subdivision (2) of subsection (d) of G.S. 143-215.119.

(b) If the Department of Military and Veterans Affairs determines that it cannot issue a certification for a proposed wind energy facility or proposed wind energy facility expansion based on the criteria set forth in subsection (a) of this section, the Department of Military and Veterans Affairs shall notify the applicant and the Department within 10 days of such decision, which shall include findings of fact that document the basis for the decision.

...."

SECTION 3.7.(b) Subsection (a) of this section becomes effective October 1, 2018, and applies to applications for permits for a proposed wind energy facility or a proposed wind energy facility expansion submitted on or after that date.

SECTION 3.7.(c) The Revisor of Statutes shall make the following recodifications in connection with the transfer of the Military Lands Protection Act of 2013:

(1) Article 9G of Chapter 143 of the General Statutes (Military Lands Protection) is recodified into Part 12 of Article 14 of Chapter 143B of the General Statutes with the sections to be numbered as G.S. 143B-1315A through G.S. 143B-1315H, respectively.

SECTION 3.7.(d) Part 12 of Article 14 of Chapter 143B of the General Statutes, as recodified by subsection (c) of this section and as amended by Section 3.6(c) of this act, reads as rewritten:

"~~Article 9G.~~Part 12. Military Lands Protection.

"**§ 143B-1315A. Short title.**

This ~~Article~~ Part shall be known as the Military Lands Protection Act of 2013.

"**§ 143B-1315B. Definitions.**

Within the meaning of this ~~Article:~~Part:

(1) "Area surrounding major military installations" is the area that extends five miles beyond the boundary of a major military installation and may include incorporated and unincorporated areas of counties and municipalities.

(2) Repealed by Session Laws 2014-79, s. 2, effective July 22, 2014.

(3) Repealed.
(4) "Construction" includes reconstruction, alteration, or expansion.
(4a) "Department" means the Department of Military and Veterans Affairs.
(5) "Major military installation" means Fort Bragg, Pope Army Airfield, Camp Lejeune Marine Corps Air Base, New River Marine Corps Air Station, Cherry Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point, the United States Coast Guard Air Station at Elizabeth City, Naval Support Activity Northwest, Air Route Surveillance Radar (ARSR-4) at Fort Fisher, and Seymour Johnson Air Force Base, in its own right and as the responsible entity for the Dare County Bombing Range, and any facility located within the State that is subject to the installations' oversight and control.
(6) "Person" means any individual, partnership, firm, association, joint venture, public or private corporation, trust, estate, commission, board, public or private institution, utility, cooperative, interstate body, the State of North Carolina and its agencies and political subdivisions, or other legal entity.
~~(6a) "State Construction Office" means the State Construction Office of the Department of Administration.~~
(6b) "Secretary" means the Secretary of the Department of ~~Administration.~~Military and Veterans Affairs.
(7) "Tall buildings or structures" means any building, structure, or unit within a multiunit building with a vertical height of more than 200 feet (200') measured from the top of the foundation of the building, structure, or unit and the uppermost point of the building, structure, or unit. "Tall buildings or structures" do not include buildings and structures listed individually or as contributing resources within a district listed in the National Register of Historic Places.

...

"§ 143B-1315D. Certain buildings and structures prohibited without endorsement.

(a) No county or city may authorize the construction of and no person may construct a tall building or structure in any area surrounding a major military installation in this State, unless the county or city is in receipt of either a letter of endorsement issued to the person by the ~~State Construction Office~~Department pursuant to ~~G.S. 143-151.75.~~G.S. 143B-1315F.

(b) No county or city may authorize the provision of the following utility services to any building or structure constructed in violation of subsection (a) of this section: electricity, telephone, gas, water, sewer, or septic system.

...

"§ 143-1315F. Endorsement for proposed tall buildings or structures required.

(a) No person shall undertake construction of a tall building or structure in any area surrounding a major military installation in this State without first obtaining the endorsement from the ~~State Construction Office.~~Department.

(b) A person seeking endorsement for a proposed tall building or structure in any area surrounding a major military installation in this State shall provide written notice of the intent to seek endorsement to the base commander of the major military installation that is located within five miles of the proposed tall building or structure and shall provide all of the following to the ~~State Construction Office:~~Department:

(1) Identification of the major military installation and the base commander of the installation that is located within five miles of the proposed tall building or structure.
(2) A copy of the written notice sent to the base commander of the installation identified in subdivision (1) of this subsection that is located within five miles of the proposed tall building or structure.

(3) A written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012, Edition) for the proposed tall building or structure.

(c) After receipt of the information provided by the person pursuant to subsection (b) of this section, the ~~State Construction Office~~Department shall, in writing, request a written statement concerning the proposed tall building or structure from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. The ~~State Construction Office~~Department shall request that the following information be included in the written statement from the base commander:

(1) A determination whether the location of the proposed tall building or structure is within an area that surrounds the major military installation.

(2) A determination whether any activities of the installation may be adversely affected by the proposed tall building or structure. A detailed description of the potential adverse effects, including frequency disturbances and physical obstructions, shall accompany the determination required by this subdivision.

(d) The ~~State Construction Office~~Department shall not endorse a tall building or structure if the ~~State Construction Office~~Department finds any one or more of the following:

(1) The proposed tall building or structure would encroach upon or otherwise interfere with the mission, training, or operations of any major military installation in North Carolina and result in a detriment to continued military presence in the State. In its evaluation, the ~~State Construction Office~~Department may consider whether the proposed tall building or structure would cause interference with air navigation routes, air traffic control areas, military training routes, or radar based on the written statement received from a base commander as provided in subsection (c) of this section and written comments received by members of affected communities. Provided, however, if the ~~State Construction Office~~Department does not receive a written statement requested pursuant to subsection (c) of this section within 45 days of issuance of the request to the base commander, the ~~State Construction Office~~Department shall deem the tall building or structure as denied by the base commander.

(2) The ~~State Construction Office~~Department is not in receipt of the written "Determination of No Hazard to Air Navigation" issued to the person by the Federal Aviation Administration required pursuant to subdivision (3) of subsection (b) of this section.

(e) The ~~State Construction Office~~Department shall make a final decision on the request for endorsement of a tall building or structure within 90 days from the date on which the ~~State Construction Office~~Department requested the written statement from the base commander of the major military installation identified in subdivision (1) of subsection (b) of this section. If the ~~State Construction Office~~Department determines that a request for a tall building or structure fails to meet the requirements for endorsement under this section, the ~~State Construction Office~~Department shall deny the request. The ~~State Construction Office~~Department shall notify the person of the denial, and the notice shall include a written statement of the reasons for the denial. If the ~~State Construction Office~~Department fails to act within any time period set forth in this section, the person may treat the failure to act as a decision to deny endorsement of the tall building or structure.

"**§ 143B-1315G. Application to existing tall buildings and structures.**

~~G.S. 143-151.73~~G.S. 143B-1315D applies to tall buildings or structures that existed in an area surrounding major military installations on October 1, 2013, as follows:

(1) No reconstruction, alteration, or expansion may aggravate or intensify a violation by an existing building or structure that did not comply with ~~G.S. 143-151.73~~ G.S. 143B-1315D on October 1, 2013.

(2) No reconstruction, alteration, or expansion may cause or create a violation by an existing building or structure that did comply with ~~G.S. 143-151.73~~G.S. 143B-1315D on October 1, 2013.

"§ 143B-1315H. Enforcement and penalties.

...

(e) Whenever the Secretary has reasonable cause to believe that any person has violated or is threatening to violate any of the provisions of this Article, a rule implementing this Article, or any of the terms of any endorsement issued pursuant to this Article, the ~~State Construction Office~~Department may, either before or after the institution of any other action or proceeding authorized by this Article, request the Attorney General to institute a civil action in the name of the State upon the request of the ~~State Construction Office~~Department for injunctive relief to restrain the violation or threatened violation and for such other and further relief in the premises as the court shall deem proper. The Attorney General may institute such action in the superior court of the county in which the violation occurred or may occur or, in the Attorney General's discretion, in the superior court of the county in which the person responsible for the violation or threatened violation resides or has the person's principal place of business. Upon a determination by the court that the alleged violation of the provisions of this Article or the regulations of the ~~State Construction Office~~Department has occurred or is threatened, the court shall grant the relief necessary to prevent or abate the violation or threatened violation. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed for violation of this Article."

SECTION 3.7.(e) Subsections (c) and (d) of this section become effective October 1, 2018, and apply to requests for endorsements to construct tall buildings or structures submitted on or after that date.

SECTION 3.8.(a) G.S. 153A-323 reads as rewritten:

"§ 153A-323. Procedure for adopting, amending, or repealing ordinances under this Article and Chapter 160A, Article 19.

(a) Before adopting, amending, or repealing any ordinance authorized by this Article or Chapter 160A, Article 19, the board of commissioners shall hold a public hearing on the ordinance or amendment. The board shall cause notice of the hearing to be published once a week for two successive calendar weeks. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

(b) If the adoption or modification of the ordinance would result in any of the changes listed in this subsection and those changes would be located five miles or less from the perimeter boundary of a military base, the board of commissioners shall provide written notice of the proposed changes by certified mail, or by any other written means reasonably designed to provide actual notice, to the Department of Military and Veterans Affairs and the commander of the military base or the commander's designee not less than 10 days nor more than 25 days before the date fixed for the public hearing. Prior to the date of the public hearing, the Department of Military and Veterans Affairs and the military may provide comments or analysis to the board regarding the compatibility of the proposed changes with military operations at the base. If the board does not receive a response within 30 days of the notice, the Department of Military and Veterans Affairs and the military ~~is~~ are deemed to waive the comment period. If the Department of Military and Veterans Affairs and the military ~~provides~~ provide comments or analysis regarding the compatibility of the proposed ordinance or amendment with military operations at the base, the board of commissioners shall take the comments and analysis into consideration before making a final determination on the ordinance. The proposed changes requiring notice are:

(1) Changes to the zoning map.
(2) Changes that affect the permitted uses of land.
(3) Changes relating to telecommunications ~~towers or windmills.~~towers and tall buildings and structures, as that term is defined in Article 9G of Chapter 143 of the General Statutes.
(3a) Changes relating to wind energy facilities or wind energy facility expansions as those terms are defined in Article 21C of Chapter 143 of the General Statutes.
(4) Changes to proposed new major subdivision preliminary plats.
(5) An increase in the size of an approved subdivision by more than fifty percent (50%) of the subdivision's total land area including developed and undeveloped land."

SECTION 3.8.(b) G.S. 160A-364 reads as rewritten:

"**§ 160A-364. Procedure for adopting, amending, or repealing ordinances under Article.**

(a) Before adopting, amending, or repealing any ordinance authorized by this Article, the city council shall hold a public hearing on it. A notice of the public hearing shall be given once a week for two successive calendar weeks in a newspaper having general circulation in the area. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

(b) If the adoption or modification of the ordinance would result in any of the changes listed in this subsection and those changes would be located five miles or less from the perimeter boundary of a military base, the governing body of the local government shall provide written notice of the proposed changes by certified mail, or by any other written means reasonably designed to provide actual notice, to the Department of Military and Veterans Affairs and the commander of the military base or the commander's designee not less than 10 days nor more than 25 days before the date fixed for the public hearing. Prior to the date of the public hearing, the Department of Military and Veterans Affairs and the military may provide comments or analysis to the board [governing body of the local government] regarding the compatibility of the proposed changes with military operations at the base. If the board [governing body of the local government] does not receive a response within 30 days of the notice, the Department of Military and Veterans Affairs and the military ~~is~~ are deemed to waive the comment period. If the Department of Military and Veterans Affairs and the military ~~provides~~ provide comments or analysis regarding the compatibility of the proposed ordinance or amendment with military operations at the base, the governing body of the local government shall take the comments and analysis into consideration before making a final determination on the ordinance. The proposed changes requiring notice are:

(1) Changes to the zoning map.
(2) Changes that affect the permitted uses of land.
(3) Changes relating to telecommunications ~~towers or windmills.~~towers and tall buildings and structures, as that term is defined in Article 9G of Chapter 143 of the General Statutes.
(3a) Changes relating to wind energy facilities or wind energy facility expansions as those terms are defined in Article 21C of Chapter 143 of the General Statutes.
(4) Changes to proposed new major subdivision preliminary plats.
(5) An increase in the size of an approved subdivision by more than fifty percent (50%) of the subdivision's total land area including developed and undeveloped land."

SECTION 3.8.(c) G.S. 143B-1121 is amended by adding a new subdivision to read:

"**§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.**

It shall be the duty of the Department of Military and Veterans Affairs to do all of the following:

...

(25) Maintain, and make available to the public, accurate maps of areas surrounding major military installations, military training routes, and military operating areas, as defined in G.S. 143B-1315B, that are subject to the provisions of Part 12 of this Article."

SECTION 3.8.(d) G.S. 143-135.29 is repealed.

SECTION 3.8.(e) G.S. 143B-1121 is amended by adding two new subdivisions to read:

"**§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.**

It shall be the duty of the Department of Military and Veterans Affairs to do all of the following:

...

(26) Issue certifications for a proposed wind energy facility or a proposed wind energy facility expansion as provided in G.S. 143-215.120A and otherwise assist in administration of the provisions of Article 21C of Chapter 143 of the General Statutes.

(27) Issue endorsements for the construction of proposed tall buildings or structures as provided in G.S. 143B-1315F and otherwise assist in the administration and implementation of the provisions of Part 12 of this Article."

SECTION 3.8.(f) Subsection (e) of this section becomes effective October 1, 2018, and applies to certifications and endorsements issued on or after that date. Subsections (a) through (d) of this section are effective when this act becomes law.

DEQ TO STUDY RIPARIAN BUFFERS FOR INTERMITTENT STREAMS

SECTION 3.9. The Department of Environmental Quality shall study whether the size of riparian buffers required for intermittent streams should be adjusted and whether the allowable activities within the buffers should be modified. The Department shall report the results of the study, including any recommendations, to the Environmental Review Commission no later than December 1, 2016.

TRANSFER OF CERTAIN CONSERVATION EASEMENTS

SECTION 3.10. G.S. 143-214.12 reads as rewritten:

"**§ 143-214.12. Division of Mitigation Services: Ecosystem Restoration Fund.**

(a) Ecosystem Restoration Fund. – The Ecosystem Restoration Fund is established as a nonreverting fund within the Department. The Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Ecosystem Restoration Fund shall provide a repository for monetary contributions and donations or dedications of interests in real property to promote projects for the restoration, enhancement, preservation, or creation of wetlands and riparian areas and for payments made in lieu of compensatory mitigation as described in subsection (b) of this section. No funds shall be expended from this Fund for any purpose other than those directly contributing to the acquisition, perpetual maintenance, enhancement, restoration, or creation of wetlands and riparian areas in accordance with the basinwide plan as described in G.S. 143-214.10. The cost of acquisition includes a payment in lieu of ad valorem taxes required under G.S. 146-22.3 when the Department is the State agency making the acquisition.

(a1) The Department may distribute funds from the Ecosystem Restoration Fund directly to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. ~~A recipient of funds under this subsection shall grant a conservation easement in the real property or interest in real property acquired with the funds to the Department in a form that is acceptable to the Department.~~ When the recipient of funds under

this subsection acquires a conservation easement or interest in real property appurtenant to a restoration project delivered to the Division of Mitigation Services, the recipient, upon approval from the Department, may directly transfer the conservation easement or real property interest to another governmental agency or a Department approved third party. The Department may convey real property or an interest in real property that has been acquired under the Division of Mitigation Services to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. A grantee of real property or an interest in real property under this subsection shall grant a conservation easement in the real property or interest in real property to the Department in a form that is acceptable to the Department.

(b) Authorized Methods of Payment. – A person subject to a permit or authorization issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 may contribute to the Division of Mitigation Services in order to comply with conditions to, or terms of, the permit or authorization if participation in the Division of Mitigation Services will meet the mitigation requirements of the United States Army Corps of Engineers. The Department shall, at the discretion of the applicant, accept payment into the Ecosystem Restoration Fund in lieu of other compensatory mitigation requirements of any authorizations issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 if the contributions will meet the mitigation requirements of the United States Army Corps of Engineers. Payment may be made in the form of monetary contributions according to a fee schedule established by the Environmental Management Commission or in the form of donations of real property provided that the property is approved by the Department as a suitable site consistent with the basinwide wetlands restoration plan.

(c) Accounting of Payments. – The Department shall provide an itemized statement that accounts for each payment into the Fund. The statement shall include the expenses and activities financed by the payment."

PART IV. ELIMINATE, CONSOLIDATE, AND AMEND ENVIRONMENTAL REPORTS

ELIMINATE ANNUAL REPORT ON MINING ACCOUNT PURSUANT TO THE MINING ACT OF 1971 BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.1. G.S. 74-54.1(c) is repealed.

ELIMINATE ANNUAL REPORT ON THE IMPLEMENTATION OF THE SUSTAINABLE ENERGY EFFICIENT BUILDINGS PROGRAM BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.2.(a) G.S. 143-135.39(f) and (g) are repealed.

SECTION 4.2.(b) G.S. 143-135.40(b) is repealed.

ELIMINATE QUARTERLY REPORT ON SYSTEMWIDE MUNICIPAL AND DOMESTIC WASTEWATER COLLECTION SYSTEM PERMIT PROGRAM BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.3. G.S. 143-215.9B reads as rewritten:

"**§ 143-215.9B. Systemwide municipal and domestic wastewater collection system permit program report.**

The Environmental Management Commission shall develop and implement a permit program for municipal and domestic wastewater collection systems on a systemwide basis. The collection system permit program shall provide for performance standards, minimum design and construction requirements, a capital improvement plan, operation and maintenance requirements, and minimum reporting requirements. In order to ensure an orderly and cost-effective phase-in of the collection system permit program, the Commission shall implement the permit program over a five-year period beginning 1 July 2000. The Commission shall issue permits for approximately

twenty percent (20%) of municipal and domestic wastewater collection systems that are in operation on 1 July 2000 during each of the five calendar years beginning 1 July 2000 and shall give priority to those collection systems serving the largest populations, those under a moratorium imposed by the Commission under G.S. 143-215.67, and those for which the Department of Environmental Quality has issued a notice of violation for the discharge of untreated wastewater. ~~The Commission shall report on its progress in developing and implementing the collection system permit program required by this section as a part of each quarterly report the Environmental Management Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE ANNUAL REPORTS ON REDUCING VEHICLE EMISSIONS FROM STATE EMPLOYEE AND PRIVATE SECTOR VEHICLES BY THE DEPARTMENT OF TRANSPORTATION

SECTION 4.4. G.S. 143-215.107C(d) and (e) are repealed.

ELIMINATE ANNUAL REPORT ON PURCHASE OF NEW MOTOR VEHICLES AND FUEL SAVINGS BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.5. G.S. 143-341(8)i.2b. reads as rewritten:

"2b. As used in this sub-sub-subdivision, "fuel economy" and "class of comparable automobiles" have the same meaning as in Part 600 of Title 40 of the Code of Federal Regulations (July 1, 2008 Edition). As used in this sub-sub-subdivision, "passenger motor vehicle" has the same meaning as "private passenger vehicle" as defined in G.S. 20-4.01. Notwithstanding the requirements of sub-sub-subdivision 2a. of this sub-subdivision, every request for proposals for new passenger motor vehicles to be purchased by the Department shall state a preference for vehicles that have a fuel economy for the new vehicle's model year that is in the top fifteen percent (15%) of its class of comparable automobiles. The award for every new passenger motor vehicle that is purchased by the Department shall be based on the Department's evaluation of the best value for the State, taking into account fuel economy ratings and life cycle cost that reasonably consider both projected fuel costs and acquisition costs. This sub-sub-subdivision does not apply to vehicles used in law enforcement, emergency medical response, and firefighting. ~~The Department shall report the number of new passenger motor vehicles that are purchased as required by this sub-sub-subdivision, the savings or costs for the purchase of vehicles to comply with this sub-sub-subdivision, and the quantity and cost of fuel saved for the previous fiscal year on or before October 1 of each year to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission.~~"

ELIMINATE BIENNIAL STATE OF THE ENVIRONMENT REPORT BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.6. G.S. 143B-279.5 is repealed.

ELIMINATE THE ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT ON DEVELOPING ENGINEERING STANDARDS GOVERNING MUNICIPAL AND DOMESTIC SYSTEMS TO ALLOW REGIONAL INTERCONNECTION

SECTION 4.8. Section 11.1 of S.L. 1999-329 reads as rewritten:

"Section 11.1. The Environmental Management Commission shall develop engineering standards governing municipal and domestic wastewater collection systems that will allow interconnection of these systems on a regional basis. ~~The Commission shall report on its progress in developing the engineering standards required by this section as a part of each quarterly report the Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE BIENNIAL REPORT ON IMPLEMENTATION OF THE NORTH CAROLINA BEACH AND INLET MANAGEMENT PLAN BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.9. Section 13.9(d) of S.L. 2000-67 reads as rewritten:

"Section 13.9.(d) Each plan shall be as complete as resources and available information allow. ~~The Department of Environment and Natural Resources shall revise the plan every two years and shall submit the revised plan to the General Assembly no later than March 1 of each odd-numbered year. The Department may issue a supplement to the plan in even-numbered years if significant new information becomes available.~~"

ELIMINATE ANNUAL REPORT ON INFORMAL REVIEW PROCESS FOR AGENCY REVIEW OF ENGINEERING WORK

SECTION 4.10. Sections 29(j) and 29(k) of S.L. 2014-120 are repealed.

CONSOLIDATE REPORTS ON THE COASTAL HABITAT PROTECTION PLAN

SECTION 4.11.(a) G.S. 143B-279.8(e) reads as rewritten:

"(e) The Coastal Resources Commission, the Environmental Management Commission, and the Marine Fisheries Commission shall report to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission on progress in developing and implementing the Coastal Habitat Protection Plans, including the extent to which the actions of the three commissions are consistent with the Plans, on or before ~~1 September~~September 1 of each ~~year.~~year in which any significant revisions to the Plans are made."

SECTION 4.11.(b) G.S. 143B-279.8(f) is repealed.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS ON COST AND IMPLEMENTATION OF ENVIRONMENTAL PERMITTING PROGRAMS

SECTION 4.12.(a) G.S. 143-215.3A(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on the cost of the State's environmental permitting programs contained within the Department on or before ~~1 November~~ January 1 of each odd-numbered year. The report shall include, but is not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly. The Department shall submit this report with the report required by G.S. 143B-279.17 as a single report."

SECTION 4.12.(b) G.S. 143B-279.17 reads as rewritten:

"**§ 143B-279.17. Tracking and report on permit processing times.**

The Department of Environmental Quality shall track the time required to process all permit applications in the One-Stop for Certain Environmental Permits Programs established by G.S. 143B-279.12 and the Express Permit and Certification Reviews established by

G.S. 143B-279.13 that are received by the Department. The processing time tracked shall include (i) the total processing time from when an initial permit application is received to issuance or denial of the permit and (ii) the processing time from when a complete permit application is received to issuance or denial of the permit. No later than ~~March~~ January 1 of each odd-numbered year, the Department shall report to the Fiscal Research Division of the General Assembly and the Environmental Review Commission on the permit processing times required to be tracked pursuant to this section. The Department shall submit this report with the report required by G.S. 143-215.3A(c) as a single report."

SECTION 4.12.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 1, 2017.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.13.(a) G.S. 143B-282(b) reads as rewritten:

"(b) The Environmental Management Commission shall submit ~~quarterly~~ written reports as to its operation, activities, programs, and progress to the Environmental Review ~~Commission.~~Commission by January 1 of each year. The Environmental Management Commission shall supplement the written reports required by this subsection with additional written and oral reports as may be requested by the Environmental Review Commission. ~~The Environmental Management Commission shall submit the written reports required by this subsection whether or not the General Assembly is in session at the time the report is due.~~"

SECTION 4.13.(b) G.S. 143-215.1(h) reads as rewritten:

"(h) Each applicant for a new permit or the modification of an existing permit issued under subsection (c) of this section shall include with the application: (i) the extent to which the new or modified facility is constructed in whole or in part with funds provided or administered by the State or a unit of local government, (ii) the impact of the facility on water quality, and (iii) whether there are cost-effective alternative technologies that will achieve greater protection of water quality. The Commission shall prepare ~~a quarterly~~ an annual summary and analysis of the information provided by applicants pursuant to this subsection. The Commission shall submit the summary and analysis required by this subsection to the Environmental Review Commission (ERC) as a part of each ~~quarterly~~ annual report that the Commission is required to make to the ERC under G.S. 143B-282(b)."

SECTION 4.13.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than January 1, 2017.

CONSOLIDATE WASTE MANAGEMENT REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.14.(a) G.S. 130A-309.06(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on or before ~~15 January~~January 15 of each year on the status of solid waste management efforts in the State. The report shall include:

(1) A comprehensive analysis, to be updated in each report, of solid waste generation and disposal in the State projected for the 20-year period beginning on ~~1 July~~ July 1 1991.

(2) The total amounts of solid waste recycled and disposed of and the methods of solid waste recycling and disposal used during the calendar year prior to the year in which the report is published.

(3) An evaluation of the development and implementation of local solid waste management programs and county and municipal recycling programs.

(4) An evaluation of the success of each county or group of counties in meeting the municipal solid waste reduction goal established in G.S. 130A-309.04.

(5) Recommendations concerning existing and potential programs for solid waste reduction and recycling that would be appropriate for units of local government and State agencies to implement to meet the requirements of this Part.

(6) An evaluation of the recycling industry, the markets for recycled materials, the recycling of polystyrene, and the success of State, local, and private industry efforts to enhance the markets for these materials.

(7) Recommendations to the Governor and the Environmental Review Commission to improve the management and recycling of solid waste in the State, including any proposed legislation to implement the recommendations.

(8) A description of the condition of the Solid Waste Management Trust Fund and the use of all funds allocated from the Solid Waste Management Trust Fund, as required by G.S. 130A-309.12(c).

(9) A description of the review and revision of bid procedures and the purchase and use of reusable, refillable, repairable, more durable, and less toxic supplies and products by both the Department of Administration and the Department of Transportation, as required by G.S. 130A-309.14(a1)(3).

(10) A description of the implementation of the North Carolina Scrap Tire Disposal Act that includes the amount of revenue used for grants and to clean up nuisance tire collection under the provisions of G.S 130A-309.64.

(11) A description of the management of white goods in the State, as required by G.S. 130A-309.85.

(12) A summary of the report by the Department of Transportation on the amounts and types of recycled materials that were specified or used in contracts that were entered into by the Department of Transportation during the previous fiscal year, as required by G.S. 136-28.8(g).

(13) Repealed by Session Laws 2010-142, s. 1, effective July 22, 2010.

(14) (Expiring October 1, 2023) A description of the activities related to the management of abandoned manufactured homes in the State in accordance with G.S. 130A-117, the beginning and ending balances in the Solid Waste Management Trust Fund for the reporting period and the amount of funds used, itemized by county, for grants made under Part 2F of Article 9 of Chapter 130A of the General Statutes.

(15) A report on the recycling of discarded computer equipment and televisions in the State pursuant to G.S. 130A-309-140(a).

(16) An evaluation of the Brownfields Property Reuse Act pursuant to G.S. 130A-310.40.

(17) A report on the Inactive Hazardous Waste Response Act of 1987 pursuant to G.S. 130A-310.10(a).

(18) A report on the Dry-Cleaning Solvent Cleanup Act of 1997 pursuant to G.S. 143-215.104U(a) until such time as the Act expires pursuant to Part 6 of Article 21A of Chapter 143 of the General Statutes.

(19) A report on the implementation and cost of the hazardous waste management program pursuant to G.S. 130A-294(i)."

SECTION 4.14.(b) G.S. 130A-309.140(a) reads as rewritten:

"(a) ~~No later than January 15 of each year, the Department shall submit a report on~~ The Department shall include in the status of solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on the recycling of discarded computer equipment and televisions in the State under this ~~Part to the Environmental Review Commission.~~Part. The report must include an evaluation of the recycling rates in the State

for discarded computer equipment and televisions, a discussion of compliance and enforcement related to the requirements of this Part, and any recommendations for any changes to the system of collection and recycling of discarded computer equipment, televisions, or other electronic devices."

SECTION 4.14.(c) G.S. 130A-310.40 reads as rewritten:

"**§ 130A-310.40. Legislative reports.**

The Department shall ~~prepare and submit to the Environmental Review Commission, concurrently with the report on the Inactive Hazardous Sites Response Act of 1987 required under G.S. 130A-310.10,~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) an evaluation of the effectiveness of this Part in facilitating the remediation and reuse of existing industrial and commercial properties. This evaluation shall include any recommendations for additional incentives or changes, if needed, to improve the effectiveness of this Part in addressing such properties. This evaluation shall also include a report on receipts by and expenditures from the Brownfields Property Reuse Act Implementation Account."

SECTION 4.14.(d) G.S. 130A-310.10(a) reads as rewritten:

"(a) The Secretary shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on inactive hazardous sites ~~to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division on or before October 1 of each year. The report shall include~~that includes at least the following:

(1) The Inactive Hazardous Waste Sites Priority List.

(2) A list of remedial action plans requiring State funding through the Inactive Hazardous Sites Cleanup Fund.

(3) A comprehensive budget to implement these remedial action plans and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the cost of said plans.

(4) A prioritized list of sites that are eligible for remedial action under CERCLA/SARA together with recommended remedial action plans and a comprehensive budget to implement such plans. The budget for implementing a remedial action plan under CERCLA/SARA shall include a statement as to any appropriation that may be necessary to pay the State's share of such plan.

(5) A list of sites and remedial action plans undergoing voluntary cleanup with Departmental approval.

(6) A list of sites and remedial action plans that may require State funding, a comprehensive budget if implementation of these possible remedial action plans is required, and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the possible costs of said plans.

(7) A list of sites that pose an imminent hazard.

(8) A comprehensive budget to develop and implement remedial action plans for sites that pose imminent hazards and that may require State funding, and the adequacy of the Inactive Hazardous Sites Cleanup Fund.

(8a) Repealed by Session Laws 2015-286, s. 4.7(f), effective October 22, 2015.

(9) Any other information requested by the General Assembly or the Environmental Review Commission."

SECTION 4.14.(e) G.S. 143-215.104U reads as rewritten:

"**§ 143-215.104U. Reporting requirements.**

(a) The Secretary shall ~~present an annual report to the Environmental Review Commission that shall include~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on at least the following:

(1) A list of all dry-cleaning solvent contamination reported to the Department.

(2) A list of all facilities and abandoned sites certified by the Commission and the status of contamination associated with each facility or abandoned site.

(3) An estimate of the cost of assessment and remediation required in connection with facilities or abandoned sites certified by the Commission and an estimate of assessment and remediation costs expected to be paid from the Fund.

(4) A statement of receipts and disbursements for the Fund.

(5) A statement of all claims against the Fund, including claims paid, claims denied, pending claims, anticipated claims, and any other obligations.

(6) The adequacy of the Fund to carry out the purposes of this Part together with any recommendations as to measures that may be necessary to assure the continued solvency of the Fund.

~~(b) The Secretary shall make the annual report required by this section on or before 1 October of each year.~~"

SECTION 4.14.(f) G.S. 130A-294(i) reads as rewritten:

"(i) The Department shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report ~~to the Fiscal Research Division of the General Assembly, the Senate Appropriations Subcommittee on Natural and Economic Resources, the House Appropriations Subcommittee on Natural and Economic Resources, and the Environmental Review Commission on or before January 1 of each year~~ on the implementation and cost of the hazardous waste management program. The report shall include an evaluation of how well the State and private parties are managing and cleaning up hazardous waste. The report shall also include recommendations to the Governor, State agencies, and the General Assembly on ways to: improve waste management; reduce the amount of waste generated; maximize resource recovery, reuse, and conservation; and minimize the amount of hazardous waste which must be disposed of. The report shall include beginning and ending balances in the Hazardous Waste Management Account for the reporting period, total fees collected pursuant to G.S. 130A-294.1, anticipated revenue from all sources, total expenditures by activities and categories for the hazardous waste management program, any recommended adjustments in annual and tonnage fees which may be necessary to assure the continued availability of funds sufficient to pay the State's share of the cost of the hazardous waste management program, and any other information requested by the General Assembly. In recommending adjustments in annual and tonnage fees, the Department may propose fees for hazardous waste generators, and for hazardous waste treatment facilities that treat waste generated on site, which are designed to encourage reductions in the volume or quantity and toxicity of hazardous waste. The report shall also include a description of activities undertaken to implement the resident inspectors program established under G.S. 130A-295.02. ~~In addition, the report shall include an annual update on the mercury switch removal program that shall include, at a minimum, all of the following:~~

~~(1) A detailed description of the mercury recovery performance ratio achieved by the mercury switch removal program.~~

~~(2) A detailed description of the mercury switch collection system developed and implemented by vehicle manufacturers in accordance with the NVMSRP.~~

~~(3) In the event that a mercury recovery performance ratio of at least 0.90 of the national mercury recovery performance ratio as reported by the NVMSRP is not achieved, a description of additional or alternative actions that may be implemented to improve the mercury switch removal program.~~

~~(4) The number of mercury switches collected and a description of how the mercury switches were managed.~~

~~(5) A statement that details the costs required to implement the mercury switch removal program, including a summary of receipts and disbursements from the Mercury Switch Removal Account.~~"

SECTION 4.14.(g) The first combined report required by subsections (a) through (f) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 15, 2017.

CONSOLIDATE SEDIMENTATION POLLUTION CONTROL ACT AND STORMWATER REPORTS

SECTION 4.15.(a) G.S. 113A-67 reads as rewritten:

"**§ 113A-67. Annual Report.**

The Department shall report to the Environmental Review Commission on the implementation of this Article on or before ~~1 October~~October 1 of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 143-214.7(e) as a single report."

SECTION 4.15.(b) G.S. 143-214.7(e) reads as rewritten:

"(e) On or before October 1 of each year, the ~~Commission~~ Department shall report to the Environmental Review Commission on the implementation of this section, including the status of any stormwater control programs administered by State agencies and units of local government. The status report shall include information on any integration of stormwater capture and reuse into stormwater control programs administered by State agencies and units of local government. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 113A-67 as a single report."

SECTION 4.15.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than October 1, 2016.

CONSOLIDATE VARIOUS WATER RESOURCES AND WATER QUALITY REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.16.(a) G.S. 143-355(n) is repealed.

SECTION 4.16.(b) G.S. 143-355(o)(9) is repealed.

SECTION 4.16.(c) G.S. 143-355 is amended by adding a new subsection to read:

"(p) Report. – The Department of Environmental Quality shall report to the Environmental Review Commission on the implementation of this section, including the development of the State water supply plan and the development of basinwide hydrologic models, no later than November 1 of each year. The Department shall submit the report required by this subsection with the report on basinwide water quality management plans required by G.S. 143-215.8B(d) as a single report."

SECTION 4.16.(d) G.S. 143-215.8B(d) reads as rewritten:

"(d) ~~The~~ As a part of the report required pursuant to G.S. 143-355(p), the Commission and the Department shall each report on or before ~~1 October~~November 1 of each year on an annual basis to the Environmental Review Commission on the progress in developing and implementing basinwide water quality management plans and on increasing public involvement and public education in connection with basinwide water quality management planning. The report to the Environmental Review Commission by the Department shall include a written statement as to all concentrations of heavy metals and other pollutants in the surface waters of the State that are identified in the course of preparing or revising the basinwide water quality management plans."

SECTION 4.16.(e) The first combined report required by subsections (c) and (d) of this section shall be submitted to the Environmental Review Commission no later than November 1, 2016.

CONSOLIDATE REPORTS BY THE DIVISION OF WATER INFRASTRUCTURE OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY AND THE STATE WATER INFRASTRUCTURE AUTHORITY

SECTION 4.17.(a) G.S. 159G-26(a) reads as rewritten:

"(a) Requirement. – The Department ~~must~~ shall publish a report each year on the accounts in the Water Infrastructure Fund that are administered by the Division of Water Infrastructure. The report ~~must~~ shall be published by ~~1~~ November 1 of each year and cover the preceding fiscal year. The Department ~~must~~ shall make the report available to the public and ~~must~~ shall give a copy of the report to the Environmental Review ~~Commission and the~~Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research ~~Division of the Legislative Services Commission.~~Division with the report required by G.S. 159G-72 as a single report."

SECTION 4.17.(b) G.S. 159G-72 reads as rewritten:

"**§ 159G-72. State Water Infrastructure Authority; reports.**

No later than November 1 of each year, the Authority shall submit a report of its activity and findings, including any recommendations or legislative proposals, to the ~~Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the Legislative Services Commission.~~ Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division with the report required by G.S. 159G-26(a) as a single report."

SECTION 4.17.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division no later than November 1, 2016.

CONSOLIDATE REPORTS BY SOIL AND WATER CONSERVATION COMMISSION AND THE DIVISION OF SOIL AND WATER CONSERVATION OF THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

SECTION 4.18.(a) G.S. 106-850(e) reads as rewritten:

"(e) The Soil and Water Conservation Commission shall report on or before ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. This report shall include a list of projects that received State funding pursuant to the program, the results of the evaluations conducted pursuant to subdivision (7) of subsection (b) of this section, findings regarding the effectiveness of each of these projects to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division with the reports required by G.S. 106-860(e) and G.S. 139-60(d) as a single report."

SECTION 4.18.(b) G.S. 106-860(e) reads as rewritten:

"(e) Report. – The Soil and Water Conservation Commission shall report no later than ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. The report shall include a summary of projects that received State funding pursuant to the Program, the results of the evaluation conducted pursuant to subdivision (5) of subsection (b) of this section, findings regarding the effectiveness of each project to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(c) G.S. 139-60(d) reads as rewritten:

"(d) Report. – No later than January 31 of each year, the Division of Soil and Water Conservation of the Department of Agriculture and Consumer Services shall prepare a comprehensive report on the implementation of subsections (a) through (c) of this section. The report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(d) The first combined report required by subsections (a) through (c) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 31, 2017.

DECREASE REPORTING FREQUENCY ON TERMINAL GROINS PILOT PROJECT BY THE COASTAL RESOURCES COMMISSION

SECTION 4.20. G.S. 113A-115.1(i) reads as rewritten:

"(i) No later than ~~September 1 of each year,~~January 1, 2017, and every five years thereafter, the Coastal Resources Commission shall report to the Environmental Review Commission on the implementation of this section. The report shall provide a detailed description of each proposed and permitted terminal groin and its accompanying beach fill project, including the information required to be submitted pursuant to subsection (e) of this section. For each permitted terminal groin and its accompanying beach fill project, the report shall also provide all of the following:

(1) The findings of the Commission required pursuant to subsection (f) of this section.

(2) The status of construction and maintenance of the terminal groin and its accompanying beach fill project, including the status of the implementation of the plan for construction and maintenance and the inlet management plan.

(3) A description and assessment of the benefits of the terminal groin and its accompanying beach fill project, if any.

(4) A description and assessment of the adverse impacts of the terminal groin and its accompanying beach fill project, if any, including a description and assessment of any mitigation measures implemented to address adverse impacts."

DECREASE REPORTING FREQUENCY ON PARKS SYSTEM PLAN BY THE DEPARTMENT OF NATURAL AND CULTURAL RESOURCES

SECTION 4.21. G.S. 143B-135.48(d) reads as rewritten:

"(d) No later than October ~~1 of each year,~~1, 2016, and every five years thereafter, the Department shall submit electronically the State Parks System Plan to the Environmental Review Commission, ~~the Senate and the House of Representatives appropriations committees with jurisdiction over natural and cultural resources,~~ the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division. Concurrently, the Department shall submit a summary of each change to the Plan that was made during the previous ~~fiscal year.~~five fiscal years."

REDIRECT INTERAGENCY REPORT ON SUPERFUND COST SHARE TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.22. Section 15.6 of S.L. 1999-237 reads as rewritten:

"Section 15.6.(a) The Department of ~~Environment and Natural Resources~~Environmental Quality may use available funds, with the approval of the Office of State Budget and Management, to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites, to pay the operating and maintenance costs associated with these Superfund cleanups, and for the cleanup of priority inactive hazardous substance or waste disposal

sites under Part 3 of Article 9 of Chapter 130A of the General Statutes. These funds may be in addition to those appropriated for this purpose.

"Section 15.6.(b) The Department of ~~Environment and Natural Resources~~Environmental Quality and the Office of State Budget and Management shall report to the ~~Environmental Review Commission and the Joint Legislative Commission on Governmental Operations~~Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds."

REDIRECT REPORT ON EXPENDITURES FROM BERNARD ALLEN EMERGENCY DRINKING WATER FUND TO ANER OVERSIGHT COMMITTEE

SECTION 4.23. G.S. 87-98(e) reads as rewritten:

"(e) The Department, in consultation with the Commission for Public Health and local health departments, shall report no later than October 1 of each year to the ~~Environmental Review Commission, the House of Representatives and Senate Appropriations Subcommittees on Natural~~ Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division of the General Assembly on the implementation of this section. The report shall include the purpose and amount of all expenditures from the Fund during the prior fiscal year, a discussion of the benefits and deficiencies realized as a result of the section, and may also include recommendations for any legislative action."

REDIRECT REPORT ON PARKS AND RECREATION TRUST FUND TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.24. G.S. 143B-135.56(f) reads as rewritten:

"(f) Reports. – The North Carolina Parks and Recreation Authority shall report no later than October 1 of each year to the Joint Legislative ~~Commission on Governmental Operations, the House and Senate Appropriations Subcommittees on Natural and Economic Resources,~~ Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division, and the Environmental Review Commission on allocations from the Trust Fund from the prior fiscal year. For funds allocated from the Trust Fund under subsection (c) of this section, this report shall include the operating expenses determined under subdivisions (1) and (2) of subsection (e) of this section."

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 5.1. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 5.2. Except as otherwise provided, this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S D

SENATE BILL 303
Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/22/15
Third Edition Engrossed 4/23/15
House Committee Substitute Favorable 6/8/16
PROPOSED HOUSE COMMITTEE SUBSTITUTE S303-CSSB-24 [v.2]
06/15/2016 04:30:41 PM

Short Title: Regulatory Reform Act of 2016. (Public)

Sponsors:

Referred to:

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

PART I. BUSINESS REGULATION

EMPLOYMENT STATUS OF FRANCHISES

SECTION 1.1. Article 2A of Chapter 95 of the General Statutes is amended by adding a new section to read:

"**§ 95-25.24A. Franchisee status.**

Neither a franchisee nor a franchisee's employee shall be deemed to be an employee of the franchisor for any purposes, including, but not limited to, this Article and Chapters 96 and 97 of the General Statutes. For purposes of this section, "franchisee" and "franchisor" have the same definitions as set out in 16 C.F.R. § 436.1."

PART II. STATE AND LOCAL GOVERNMENT REGULATION

PERSONALLY IDENTIFIABLE INFORMATION OF PUBLIC UTILITY CUSTOMERS

SECTION 2.1. Chapter 132 of the General Statutes is amended by adding a new section to read:

"**§ 132-1.14. Personally identifiable information of public utility customers.**

(a) Except as otherwise provided in this section, a public record, as defined by G.S. 132-1, does not include personally identifiable information obtained by the Public Staff of the Utilities Commission from customers requesting assistance from the Public Staff regarding rate or service disputes with a public utility, as defined by G.S. 62-3(23).

(b) The Public Staff may disclose personally identifiable information of a customer to the public utility involved in the matter for the purpose of investigating such disputes.

(c) Such personally identifiable information is a public record to the extent disclosed by the customer in a complaint filed with the Commission pursuant to G.S. 62-73.

(d) For purposes of this section, "personally identifiable information" means the customer's name, physical address, e-mail address, telephone number, and public utility account number."

WATER AND SEWER BILLING BY LESSORS

SECTION 2.2.(a) G.S. 42-42.1 reads as rewritten:

"**§ 42-42.1. Water and electricity conservation.**

(a) For the purpose of encouraging water and electricity conservation, pursuant to a written rental agreement, a landlord may charge for the cost of providing water or sewer service to tenants ~~who occupy the same contiguous premises~~ pursuant to G.S. 62-110(g) or electric service pursuant to G.S. 62-110(h).

(b) The landlord may not disconnect or terminate the tenant's electric service or water or sewer services due to the tenant's nonpayment of the amount due for electric service or water or sewer services."

SECTION 2.2.(b) G.S. 62-110(g) reads as rewritten:

"(g) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, for the purpose of encouraging water conservation, the Commission may, consistent with the public interest, adopt procedures that allow a lessor to charge for the costs of providing water or sewer service to persons who occupy the ~~same contiguous~~leased premises. The following provisions shall apply:

(1) All charges for water or sewer service shall be based on the user's metered consumption of water, which shall be determined by metered measurement of all water consumed. The rate charged by the lessor shall not exceed the unit consumption rate charged by the supplier of the service.

(1a) If the ~~contiguous~~ leased premises ~~were~~are contiguous dwelling units built prior to ~~1989~~ 1989, and the lessor determines that the measurement of the tenant's total water usage is impractical or not economical, the lessor may allocate the cost for water and sewer service to the tenant using equipment that measures the tenant's hot water usage. In that case, each tenant shall be billed a percentage of the landlord's water and sewer costs for water usage in the dwelling units based upon the hot water used in the tenant's dwelling unit. The percentage of total water usage allocated for each dwelling unit shall be equal to that dwelling unit's individually submetered hot water usage divided by all submetered hot water usage in all dwelling units. The following conditions apply to billing for water and sewer service under this subdivision:

a. A lessor shall not utilize a ratio utility billing system or other allocation billing system that does not rely on individually submetered hot water usage to determine the allocation of water and sewer costs.

b. The lessor shall not include in a tenant's bill the cost of water and sewer service used in common areas or water loss due to leaks in the lessor's water mains. A lessor shall not bill or attempt to collect for excess water usage resulting from a plumbing malfunction or other condition that is not known to the tenant or that has been reported to the lessor.

c. All equipment used to measure water usage shall comply with guidelines promulgated by the American Water Works Association.

d. The lessor shall maintain records for a minimum of 12 months that demonstrate how each tenant's allocated costs were calculated for water and sewer service. Upon advanced written notice to the lessor, a tenant may inspect the records during reasonable business hours.

e. Bills for water and sewer service sent by the lessor to the tenant shall contain all the following information:

1. The amount of water and sewer services allocated to the tenant during the billing period.

2. The method used to determine the amount of water and sewer services allocated to the tenant.

3. Beginning and ending dates for the billing period.
4. The past-due date, which shall not be less than 25 days after the bill is mailed.
5. A local or toll-free telephone number and address that the tenant can use to obtain more information about the bill.

(2) The lessor may charge a reasonable administrative fee for providing water or sewer service not to exceed the maximum administrative fee authorized by the Commission.

(3) The Commission shall ~~issue~~ adopt rules to ~~define contiguous premises and to~~ implement this subsection. ~~In issuing the rule to define contiguous premises, the Commission shall consider contiguous premises where manufactured homes, as defined in G.S. 143-145(7), or spaces for manufactured homes are rented.~~

(4) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service. The form shall include all of the following:

a. A description of the applicant and the property to be served.
b. A description of the proposed billing method and billing statements.
c. The schedule of rates charged to the applicant by the supplier.
d. The schedule of rates the applicant proposes to charge the applicant's customers.
e. The administrative fee proposed to be charged by the applicant.
f. The name of and contact information for the applicant and its agents.
g. The name of and contact information for the supplying water or sewer system.
h. Any additional information that the Commission may require.

(4a) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service at single-family homes that allows the applicant to serve multiple homes in the State subject to single Commission approval. The form shall include all of the following:

a. A description of the applicant and a listing of the address of all the properties to be served, which shall be updated annually with the Commission.
b. A description of the proposed billing method and billing statements.
c. The administrative fee proposed to be charged by the applicant.
d. The name and contact information for the applicant and its agents.
e. Any additional information the Commission may require.

(5) The Commission shall approve or disapprove an application within 30 days of the filing of a completed application with the Commission. If the Commission has not issued an order disapproving a completed application within 30 days, the application shall be deemed approved.

(6) A provider of water or sewer service under this subsection may increase the rate for service so long as the rate does not exceed the unit consumption rate charged by the supplier of the service. A provider of water or sewer service under this subsection may change the administrative fee so long as the administrative fee does not exceed the maximum administrative fee authorized by the Commission. In order to change the rate or administrative fee, the provider shall file a notice of revised schedule of rates and fees with the Commission. The Commission may prescribe the form by which the provider files a notice of a revised schedule of rates and fees under this subsection. The form shall include all of the following:

a. The current schedule of the unit consumption rates charged by the provider.
b. The schedule of rates charged by the supplier to the provider that the provider proposes to pass through to the provider's customers.
c. The schedule of the unit consumption rates proposed to be charged by the provider.
d. The current administrative fee charged by the provider, if applicable.
e. The administrative fee proposed to be charged by the provider.

(7) A notification of revised schedule of rates and fees shall be presumed valid and shall be allowed to become effective upon 14 days notice to the Commission, unless otherwise suspended or disapproved by order issued within 14 days after filing.

(8) Notwithstanding any other provision of this Chapter, the Commission shall determine the extent to which the services shall be regulated and, to the extent necessary to protect the public interest, regulate the terms, conditions, and rates that may be charged for the services. Nothing in this subsection shall be construed to alter the rights, obligations, or remedies of persons providing water or sewer services and their customers under any other provision of law.

(9) A provider of water or sewer service under this subsection shall not be required to file annual reports pursuant to G.S. 62-36 or to furnish a bond pursuant to G.S. 62-110.3."

CLARIFY RECYCLING PROGRAMS BY LOCAL SCHOOL BOARDS MUST COMPLY WITH G.S. 160A-327

SECTION 2.3. G.S. 115C-47(41) reads as rewritten:

"(41) To Encourage Recycling in Public Schools. – Local boards of education shall encourage recycling in public schools and may develop and implement recycling programs at public schools. Local boards of education shall comply with G.S. 160A-327."

REZONING/SIMULTANEOUS COMPREHENSIVE PLAN AMENDMENT

SECTION 2.4.(a) G.S. 153A-340 is amended by adding a new subsection to read:

"(o) The county shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a county has adopted a unified development ordinance, the county shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(b) G.S. 160A-381 is amended by adding a new subsection to read:

"(k) The city shall deem an affirmative vote to amend the zoning ordinance as a simultaneous amendment to the comprehensive plan. If a city has adopted a unified development ordinance, the city shall deem an affirmative vote to amend the zoning ordinance a simultaneous amendment to the unified development ordinance."

SECTION 2.4.(c) This section becomes effective October 1, 2016.

PARENT PARCEL/SUBDIVISION CLARIFICATION

SECTION 2.5.(a) G.S. 153A-335 reads as rewritten:

"**§ 153A-335. "Subdivision" defined.**

(a) For purposes of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions are created for the purpose of sale or building development (whether immediate or future) and includes all division of land involving the dedication of a new street or a change in existing streets;

however, the following is not included within this definition and is not subject to any regulations enacted pursuant to this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots if the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres if no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for widening or opening streets or for public transportation system corridors.

(4) The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and if the resultant lots are equal to or exceed the standards of the county as shown by its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A county may provide for expedited review of specified classes of subdivisions.

(c) The county may require only a plat for recordation for the division of a tract or parcel of land in single ownership if all of the following criteria are met:

(1) The tract or parcel to be divided is not exempted under subdivision (a)(2) of this section.

(2) No part of the tract or parcel to be divided has been divided under this subsection in the 10 years prior to division.

(3) The entire area of the tract or parcel to be divided is greater than five acres.

(4) After division, no more than three lots result from the division.

(5) After division, all resultant lots comply with all of the following:

a. Any lot dimension size requirements of the applicable land use regulations, if any.

b. The use of the lots is in conformity with the applicable zoning requirements, if any.

c. A permanent means of ingress and egress is recorded for each lot."

SECTION 2.5.(b) G.S. 160A-376 reads as rewritten:

"**§ 160A-376. Definition.**

(a) For the purpose of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions is created for the purpose of sale or building development (whether immediate or future) and shall include all divisions of land involving the dedication of a new street or a change in existing streets; but the following shall not be included within this definition nor be subject to the regulations authorized by this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots where the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the municipality as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres where no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for the widening or opening of streets or for public transportation system corridors.

(4) The division of a tract in single ownership whose entire area is no greater than two acres into not more than three lots, where no street right-of-way dedication

is involved and where the resultant lots are equal to or exceed the standards of the municipality, as shown in its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A city may provide for expedited review of specified classes of subdivisions.

(c) The city may require only a plat for recordation for the division of a tract or parcel of land in single ownership if all of the following criteria are met:

(1) The tract or parcel to be divided is not exempted under subdivision (a)(2) of this section.

(2) No part of the tract or parcel to be divided has been divided under this subsection in the 10 years prior to division.

(3) The entire area of the tract or parcel to be divided is greater than five acres.

(4) After division, no more than three lots result from the division.

(5) After division, all resultant lots comply with all of the following:

a. Any lot dimension size requirements of the applicable land use regulations, if any.

b. The use of the lots is in conformity with the applicable zoning requirements, if any.

c. A permanent means of ingress and egress is recorded for each lot."

SECTION 2.5.(c) This section becomes effective October 1, 2016.

STATUTE OF LIMITATIONS/LAND-USE VIOLATIONS

SECTION 2.6.(a) G.S. 1-52 is amended by adding a new subdivision to read:

"**§ 1-52. Three years.**

Within three years an action -

...

(21) Against the owner of an interest in real property by a unit of local government for a violation of a land-use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. The claim for relief accrues when the violation is either apparent from a public right-of-way or is in plain view from a place to which the public is invited. This section does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety."

SECTION 2.6.(b) This section becomes effective August 1, 2016, and applies to actions commenced on or after that date.

PROGRAM EVALUATION TO STUDY NONPROFIT CONTRACTING

SECTION 2.7.(a) The Joint Legislative Program Evaluation Oversight Committee may amend the 2016-2017 Program Evaluation Division work plan to direct the Division to study State law and internal agency policies and procedures for delivery of public services through State grants and contracts to nonprofit organizations. The study shall include, but not be limited to, how nonprofit organizations are compensated for actual, reasonable, documented indirect costs, and the extent to which any underpayment for indirect costs reduces the efficiency or effectiveness of the delivery of public services. The study shall propose improvements to State law and internal agency policies and procedures, if necessary, to remove unnecessary impediments to the efficient and effective delivery of public services, including, but not limited to, late execution of contracts, late payments, and late reimbursements. In conducting the study, the Division may require each State agency to provide data maintained by the agency to determine any of the following:

(1) The timeliness of delivery and execution of contracts.

(2) The timeliness of payment for services that have been delivered.

(3) The extent to which nonprofit contractors or grantees are reimbursed for their indirect costs.

(4) The contact information for all nonprofit grantees and contractors.

SECTION 2.7.(b) If the study is conducted, the Division shall submit a report on the results of the study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Commission on Governmental Operations no later than September 1, 2017.

SECTION 2.7.(c) This section becomes effective July 1, 2016.

CLARIFY REQUIREMENTS FOR INITIAL LICENSURE AS A PROFESSIONAL ENGINEER

SECTION 2.8.(a) G.S. 89C-13 reads as rewritten:

"§ 89C-13. General requirements for licensure.

(a) ~~Engineer Applicant. The following shall be considered as minimum evidence satisfactory to the Board that the applicant is qualified for licensure as a professional engineer:~~

~~(1) To be certified as an engineer intern, an applicant shall (i) pass the fundamentals of engineering examination and make application to the Board, (ii) be of good character and reputation, (iii) submit three character references to the Board, one of whom is a professional engineer, (iv) comply with the requirements of this Chapter, and (v) meet one of the following requirements:~~

~~a. Education. Be a graduate of an engineering curriculum or related science curriculum of four years or more, approved by the Board as being of satisfactory standing.~~

~~b. Education and experience. Be a graduate of an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing, or possess equivalent education and engineering experience satisfactory to the Board with a specific record of four or more years of progressive experience on engineering projects of a grade and character satisfactory to the Board.~~

~~(1a) To be licensed as a professional engineer, an applicant shall (i) be of good character and reputation, (ii) submit five character references to the Board, three of whom are professional engineers or individuals acceptable to the Board with personal knowledge of the applicant's engineering experience, (iii) comply with the requirements of this Chapter, and (iv) meet one of the following requirements:~~

~~a. Licensure by Comity or Endorsement. A person holding a certificate of licensure to engage in the practice of engineering, on the basis of comparable qualifications, issued to the person by a proper authority of a state, territory, or possession of the United States, the District of Columbia, or of any foreign country possessing credentials that, based on verifiable evidence, in the opinion of the Board, of a standard not lower than that in effect in this State at the time the certificate was issued, may upon application, be licensed without further examination, except as required to examine the applicant's knowledge of laws, rules, and requirements unique to North Carolina.~~

~~b. E.I. Certificate, Experience, and Examination. A holder of a certificate of engineer intern and with a specific record of an additional four years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering, shall be admitted to the principles and practice of engineering examination. Upon passing the examination,~~

~~the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~e. Graduation, Experience, and Examination. A graduate of an engineering curriculum of four years or more approved by the Board as being of satisfactory standing, shall be admitted to the fundamentals of engineering examination, and with a specific record of an additional four years or more of progressive experience on engineering projects of a grade and character that indicates to the Board that the applicant may be competent to practice engineering, the principles and practice of engineering examination. Upon passing the examinations, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~d. Graduation, Experience, and Examination. A graduate of an engineering or related science curriculum of four years or more, other than the ones approved by the Board as being of satisfactory standing or with an equivalent education and engineering experience satisfactory to the Board shall be admitted to the fundamentals of engineering examination and with a specific record of an additional eight years or more of progressive experience on engineering projects of a grade and character that indicates to the Board that the applicant may be competent to practice engineering, the principles and practice of engineering examination. Upon passing the examinations, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~e. Long-Established Practice. A person with a specific record of 20 years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering shall be admitted to the principles and practice of engineering examination. Upon passing the examination, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~f. Full-time faculty. Full-time engineering faculty members who teach in an approved engineering program offering a four-year or more degree approved by the Board, may request and be granted waiver of the fundamentals of engineering examination. The faculty applicant shall document that the degree meets the Board's requirement. The faculty applicant shall then be admitted to the principles and practice of engineering examination.~~

~~g. Doctoral degree. A person possessing an earned doctoral degree in engineering from an institution in which the same discipline undergraduate engineering program has been accredited by ABET (EAC) may request and be granted waiver of the fundamentals of engineering examination. The doctoral degree applicant shall document that the degree meets the Board's requirement. The doctoral degree applicant shall then be admitted to the principles and practice of engineering examination.~~

~~At its discretion the Board may require an applicant to submit exhibits, drawings, designs, or other tangible evidence of engineering work which the applicant personally accomplished or supervised.~~Engineer Intern. – To be certified as an engineer intern, an applicant shall (i) pass the

fundamentals of engineering examination and make application to the Board, (ii) be of good character and reputation, (iii) submit three character references to the Board, one of whom is a professional engineer, (iv) comply with the requirements of this Chapter, and (v) meet one of the following requirements:

(1) Education. – Be a graduate of an EAC/ABET accredited engineering curriculum or of a related science curriculum which has been approved by the Board as being of satisfactory standing.

(2) Education and experience. – Be a graduate of an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing in subdivision (1) of this subsection, and possess engineering experience satisfactory to the Board with a specific record of four or more years of progressive experience on engineering projects of a grade and character satisfactory to the Board.

(a1) Engineer Applicant. – To be licensed as a professional engineer, an applicant (i) shall be of good character and reputation, (ii) submit five character references to the Board, three of whom are professional engineers or individuals acceptable to the Board with personal knowledge of the applicant's engineering experience, (iii) comply with the requirements of this Chapter, and (iv) meet the requirements related to education, examination, and experience set forth in this subsection. An applicant seeking licensure as a professional engineer shall meet the following requirements:

(1) Education requirement. – Possess one or more of the following educational qualifications:

a. A bachelor's degree in engineering from an EAC/ABET accredited program or in a related science curriculum which has been approved by the Board as being of satisfactory standing.

b. A bachelor's degree in an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing in sub-subdivision a. of this subdivision.

c. A master's degree in engineering from an institution that offers EAC/ABET accredited programs.

d. An earned doctoral degree in engineering from an institution that offers EAC/ABET accredited programs and in which the degree requirements are approved by the Board.

(2) Examination requirements. – Take and pass the Fundamentals of Engineering (FE) examination. Take and pass the Principles and Practice of Engineering (PE) examination as provided by G.S. 89C-15, after having met the education requirement set forth in subdivision (1) of this subsection.

(3) Experience requirement. – Present evidence satisfactory to the Board of a specific record of progressive engineering experience that is of a grade and character that indicates to the Board that the applicant is competent to practice engineering. The Board may adopt rules to specify the years of experience required based on educational attainment, provided the experience requirement for an applicant who qualifies under sub-subdivision (1)a. of this subsection shall be no less than four years and for an applicant who qualifies under sub-subdivision (1)b. of this subsection, no less than eight years.

For purposes of this subsection the term "EAC/ABET" means the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology.

(a2) Licensure by Comity or Endorsement. – A person holding a certificate of licensure to engage in the practice of engineering, on the basis of comparable qualifications, issued to the person by a proper authority of a state, territory, or possession of the United States, the District of

Columbia, or of any foreign country possessing credentials that, based on verifiable evidence, in the opinion of the Board, of a standard not lower than that in effect in this State at the time the certificate was issued, may upon application, be licensed without further examination, except as required to examine the applicant's knowledge of laws, rules, and requirements unique to North Carolina.

(a3) Long-Established Practice. – A person with a specific record of 20 years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering shall be admitted to the Principles and Practice of Engineering examination. Upon passing the examination, the person shall be granted a certificate of licensure to practice professional engineering in this State, provided the person is otherwise qualified.

(a4) Exceptions. – The following persons may apply for and be granted waiver of the fundamentals of engineering examination and admission to the principles and practice of engineering examination:

(1) A full-time engineering faculty member who teaches in an approved engineering program offering a four-year or more degree approved by the Board. The faculty member applicant shall document that the degree meets the Board's requirements.

(2) A person possessing an earned doctoral degree in engineering from an institution in which the same discipline undergraduate engineering program has been accredited by EAC/ABET. The doctoral degree applicant shall document that the degree meets the Board's requirements.

(b) Land Surveyor Applicant. – The evaluation of a land surveyor applicant's qualifications shall involve a consideration of the applicant's education, technical, and land surveying experience, exhibits of land surveying projects with which the applicant has been associated, and recommendations by references. The land surveyor applicant's qualifications may be reviewed at an interview if the Board determines it necessary. Educational credit for institute courses, correspondence courses, or other courses shall be determined by the Board.

…."

SECTION 2.8.(b) This section becomes effective October 1, 2016.

RENAME AND AMEND THE BOARD OF REFRIGERATION EXAMINERS

SECTION 2.9.(a) Article 5 of Chapter 87 of the General Statutes reads as rewritten:

"Article 5.

"Commercial Refrigeration Contractors.

"**§ 87-52. State Board of Commercial Refrigeration Examiners; appointment; term of office.**

(a) For the purpose of carrying out the provisions of this Article, the State Board of Commercial Refrigeration Examiners is created, consisting of seven members appointed by the Governor to serve seven-year staggered terms. The Board shall consist ~~of one member who is a wholesaler or a manufacturer of refrigeration equipment; one member from an engineering school of The University of North Carolina, one member from the Division of Public Health of The University of North Carolina, two licensed refrigeration contractors, one member who has no ties with the construction industry to represent the interest of the public at large, and one member with an engineering background in refrigeration.~~of:

(1) One member who is a wholesaler or a manufacturer of refrigeration equipment.

(2) One member from an accredited engineering school located in this State.

(3) One member from the field of public health with an environmental science background from an accredited college or university located in this State.

(4) Two members who are licensed refrigeration contractors.

(5) One member who has no ties with the construction industry to represent the interest of the public at large.

(6) One member with an engineering background in refrigeration.

(b) The term of office of one member shall expire each year. Vacancies occurring during a term shall be filled by appointment of the Governor for the unexpired term. Whenever the term "Board" is used in this Article, it means the State Board of Commercial Refrigeration Examiners. No Board member shall serve more than one complete consecutive term.

"...

"§ 87-58. Definitions; contractors licensed by Board; examinations.

(a) ~~As applied~~The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of this Chapter. The following definitions apply in this ~~Article,~~Article:

(1) Commercial refrigeration contractor. – ~~"refrigeration trade or business" is defined to include all~~ All persons, ~~firms~~ firms, or corporations engaged in the installation, maintenance, servicing and repairing of refrigerating machinery, equipment, devices and components relating ~~thereto and within limits as set forth in the codes, laws and regulations governing refrigeration installation, maintenance, service and repairs within the State of North Carolina or any of its political subdivisions. The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of Chapter 87 of the General Statutes.~~thereto.

(2) Industrial refrigeration contractor. – All persons, firms, or corporations engaged in commercial refrigeration contracting with the use of ammonia as a refrigerant gas.

(3) Transport refrigeration contractor. – All persons, firms, or corporations engaged in the business of installation, maintenance, repairing, and servicing of transport refrigeration.

(a1) This Article shall not apply to any of the following:

(1) The installation of self-contained commercial refrigeration units equipped with an Original Equipment Manufacturer (OEM) molded plug that does not require the opening of service ~~valves or replacement of lamps, fuses, and door gaskets.~~valves.

(2) The installation and servicing of domestic household self-contained refrigeration appliances equipped with an OEM molded plug connected to suitable receptacles which have been permanently installed and do not require the opening of service valves.

(3) Employees of persons, firms, or corporations or persons, firms or corporations, not engaged in refrigeration contracting as herein defined, that install, maintain and service their own refrigerating machinery, equipment and devices.

(4) Any person, firm or corporation engaged in the business of selling, repairing and installing any comfort cooling devices or systems.

(5) The replacement of lamps, fuses, and door gaskets.

(b) ~~The term "refrigeration contractor" means a person, firm or corporation engaged in the business of refrigeration contracting.~~The Board shall establish and issue the following licenses:

(1) A Class I license shall be required for any person engaged in the business of commercial refrigeration contracting.

(2) A Class II license shall be required for any person engaged in the business of industrial refrigeration contracting.

(3) A Class III license shall be required for any person engaged in the business of repair, maintenance, and servicing of commercial equipment.

(4) A Class IV license shall be required for any person engaged in the business of transport refrigeration contracting.

~~(b1) The term "transport refrigeration contractor" means a person, firm, or corporation engaged in the business of installation, maintenance, servicing, and repairing of transport refrigeration.~~

(c) Any person, firm or corporation who for valuable consideration engages in the refrigeration business or trade as herein defined shall be deemed and held to be in the business of refrigeration contracting.

(d) In order to protect the public health, comfort and safety, the Board shall prescribe the standard of experience to be required of an applicant for license and shall give an examination designed to ascertain the technical and practical knowledge of the applicant concerning the analysis of plans and specifications, estimating cost, fundamentals of installation and design as they pertain to refrigeration; and as a result of the examination, the Board shall issue a certificate of license in refrigeration to applicants who pass the required examination and a license shall be obtained in accordance with the provisions of this Article, before any person, firm or corporation shall engage in, or offer to engage in the business of refrigeration contracting. The Board shall prescribe standards for ~~and issue licenses for refrigeration contracting and for transport refrigeration contracting. A transport refrigeration contractor license is a specialty license that authorizes the licensee to engage only in transport refrigeration contracting. A refrigeration contractor licensee is authorized to engage in transport refrigeration and all other aspects of refrigeration contracting.~~all license classifications.

Each application for examination shall be accompanied by a check, post-office money order or cash in the amount of the annual license fee required by this Article. Regular examinations shall be given in the Board's office by appointment.

...

(k) Upon application and payment of the fee for license renewal provided in G.S. 87-64, the Board shall issue a certificate of license to any licensee whose business activities require a Class I or Class II license if that licensee had an established place of business and was licensed pursuant to this Article prior to January 1, 2016.

"...

"§ 87-64. Examination and license fees; annual renewal.

(a) Each applicant for a license by examination shall pay to the Board of Commercial Refrigeration Examiners a nonrefundable examination fee in an amount to be established by the Board not to exceed the sum of ~~forty~~ one hundred dollars ~~($40.00). In the event the applicant successfully passes the examination, the examination fee shall be applied to the license fee required of licensees for the current year in which the examination was taken and passed.~~($100.00).

(b) The license of every person licensed under the provisions of this statute shall be annually renewed. Effective January 1, 2012, the Board may require, as a prerequisite to the annual renewal of a license, that licensees complete continuing education courses in subjects related to refrigeration contracting to ensure the safe and proper installation of commercial and transport refrigeration work and equipment. On or before November 1 of each year the Board shall cause to be mailed an application for renewal of license to every person who has received from the Board a license to engage in the refrigeration business, as heretofore defined. On or before January 1 of each year every licensed person who desires to continue in the refrigeration business shall forward to the Board a nonrefundable renewal fee in an amount to be established by the Board not to exceed ~~forty~~ eighty dollars ~~($40.00)~~($80.00) together with the application for renewal. Upon receipt of the application and renewal fee the Board shall issue a renewal certificate for the current year. Failure to renew the license annually shall automatically result in a forfeiture of the right to engage in the refrigeration business.

(c) Any licensee who allows the license to lapse may be reinstated by the Board upon payment of a nonrefundable late renewal fee in an amount to be established by the Board not to exceed ~~seventy-five~~one hundred sixty dollars ~~($75.00).~~($160.00) together with the application for

renewal. Any person who fails to renew a license for two consecutive years shall be required to take and pass the examination prescribed by the Board for new applicants before being licensed to engage further in the refrigeration business.
...."

SECTION 2.9.(b) This section becomes effective January 1, 2017, and applies to applications submitted and Board membership appointments on or after that date.

AMEND DEFINITION OF ANTIQUE AUTOMOBILE

SECTION 2.10. G.S. 105-330.9 reads as rewritten:

"**§ 105-330.9. Antique automobiles.**

(a) Definition. – For the purpose of this section, the term "antique automobile" means a motor vehicle that meets all of the following conditions:

(1) It is registered with the Division of Motor Vehicles and has an historic vehicle special license plate under G.S. 20-79.4.

(2) It is maintained primarily for use in exhibitions, club activities, parades, and other public interest functions.

(3) It is used only occasionally for other purposes.

(4) It is owned by an ~~individual.~~individual or owned directly or indirectly through one or more pass-through entities, by an individual.

(5) It is used by the owner for a purpose other than the production of income and is not used in connection with a business.

(b) Classification. – Antique automobiles are designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and must be assessed for taxation in accordance with this section. An antique automobile must be assessed at the lower of its true value or five hundred dollars ($500.00)."

COPIES OF CERTAIN PUBLIC RECORDS

SECTION 2.11.(a) G.S. 132-6.2 reads as rewritten:

"**§ 132-6.2. Provisions for copies of public records; fees.**

(a) Persons requesting copies of public records may elect to obtain them in any and all media in which the public agency is capable of providing them. No request for copies of public records in a particular medium shall be denied on the grounds that the custodian has made or prefers to make the public records available in another medium. The public agency may assess different fees for different media as prescribed by law.

(a1) Notwithstanding subsection (a) of this section, a public agency may satisfy the requirement to provide access to public records and computer databases under G.S. 132-9 by making those public records or computer databases available online in a format that allows a person to download the public record or computer database to obtain a copy. A public agency that provides access to public records or computer databases under this subsection is not required to provide copies through any other method or medium. If a public agency, as a service to the requester, voluntarily elects to provide copies by another method or medium, the public agency may negotiate a reasonable charge for the service with the requester. A public agency satisfying its requirement to provide access to public records and computer databases under G.S. 132-9 by making those public records or computer databases available online in a format that allows a person to obtain a copy by download shall also allow for inspection of any public records also held in a non-digital medium.

(b) Persons requesting copies of public records may request that the copies be certified or uncertified. The fees for certifying copies of public records shall be as provided by law. Except as otherwise provided by law, no public agency shall charge a fee for an uncertified copy of a public record that exceeds the actual cost to the public agency of making the copy. For purposes of this subsection, "actual cost" is limited to direct, chargeable costs related to the reproduction of a

public record as determined by generally accepted accounting principles and does not include costs that would have been incurred by the public agency if a request to reproduce a public record had not been made. Notwithstanding the provisions of this subsection, if the request is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or if producing the record in the medium requested results in a greater use of information technology resources than that established by the agency for reproduction of the volume of information requested, then the agency may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the actual cost incurred for such extensive use of information technology resources or the labor costs of the personnel providing the services, or for a greater use of information technology resources that is actually incurred by the agency or attributable to the agency. If anyone requesting public information from any public agency is charged a fee that the requester believes to be unfair or unreasonable, the requester may ask the State Chief Information Officer or his designee to mediate the dispute.

(c) Persons requesting copies of computer databases may be required to make or submit such requests in writing. Custodians of public records shall respond to all such requests as promptly as possible. If the request is granted, the copies shall be provided as soon as reasonably possible. If the request is denied, the denial shall be accompanied by an explanation of the basis for the denial. If asked to do so, the person denying the request shall, as promptly as possible, reduce the explanation for the denial to writing.

(d) Nothing in this section shall be construed to require a public agency to respond to requests for copies of public records outside of its usual business hours.

(e) Nothing in this section shall be construed to require a public agency to respond to a request for a copy of a public record by creating or compiling a record that does not exist. If a public agency, as a service to the requester, voluntarily elects to create or compile a record, it may negotiate a reasonable charge for the service with the requester. Nothing in this section shall be construed to require a public agency to put into electronic medium a record that is not kept in electronic medium.

(f) For purposes of this section, the following definitions shall apply:

(1) Computer database. – As defined in G.S. 132-6.1.

(2) Media or Medium. – A particular form or means of storing information."

SECTION 2.11.(b) The State Chief Information Officer, working with the State Controller, the Office of State Budget and Management, the Local Government Commission, The University of North Carolina, The North Carolina Community College System, The School of Government at the University of North Carolina Chapel Hill, the North Carolina League of Municipalities, the North Carolina School Boards Association, and the North Carolina County Commissioners Association, shall report, including any recommendations, to the 2017 Regular Session of the General Assembly on or before February 1, 2017, regarding the development and use of computer databases by State and local agencies and the need for public access to those public records.

SECTION 2.11.(c) This section becomes effective July 1, 2016.

SPECIFY LOCATION OF LIEUTENANT GOVERNOR'S OFFICE

SECTION 2.12. G.S. 143A-5 reads as rewritten:

"**§ 143A-5. Office of the Lieutenant Governor.**

The Lieutenant Governor shall maintain an office in ~~a State building~~the Hawkins-Hartness House located at 310 North Blount Street in the City of Raleigh which office shall be open during normal working hours throughout the year. The Lieutenant Governor shall serve as President of the Senate and perform such additional duties as the Governor or General Assembly may assign to him. This section shall become effective January 1, 1973."

CLARIFY THAT DOT STORMWATER REQUIREMENTS ARE APPLICABLE TO STATE ROAD CONSTRUCTION UNDERTAKEN BY PRIVATE PARTIES

SECTION 2.14. Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-28.6B. Applicable stormwater regulation.**

For the purposes of stormwater regulation, any construction undertaken by a private party pursuant to the provisions of G.S. 136-18(17), 136-18(27), 136-18(29), 136-18(29a), 136-28.6, or 136-28.6A shall be considered to have been undertaken by the Department, and the stormwater law and rules applicable to the Department shall apply."

DOT/PERMIT PROCESS REVISIONS & REIMBURSEMENT FOR MOVING CERTAIN UTILITIES

added

SECTION 2.16.(a) Uniform Process for Issuing Permits; Report. – For each type of permit issued by the Highway Divisions under Chapter 136 of the General Statutes, the Department of Transportation shall make uniform all processes and procedures followed by the Highway Divisions when issuing that type of permit. No later than February 1, 2017, the Department shall report to the following on the implementation of this subsection, including (i) what processes and procedures were adjusted, (ii) how were the identified processes and procedures adjusted, and (iii) a comparison of the average length of time for obtaining each type of permit before and after implementation of this section:

(1) If the General Assembly is in session at the time of the report, to the chairs of the House of Representatives Committee on Transportation Appropriations and the Senate Appropriations Committee on Department of Transportation.

(2) If the General Assembly is not in session at the time of the report, to the chairs of the Joint Legislative Transportation Oversight Committee.

SECTION 2.16.(b) Allow Electronic Submission of Permits. – Article 7 of Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-93.01. Electronic submission of permits authorized.**

Except as otherwise prohibited under federal law, an application submitted for a permit issued by the Department of Transportation or its agents under this Chapter may be submitted electronically in a manner approved by the Department. If submitted electronically, a paper copy of the application shall not be required."

SECTION 2.16.(c) G.S. 136-19.5(c) reads as rewritten:

"(c) Whenever the Department of Transportation requires the relocation of ~~utilities~~ utilities, including cable service as defined in G.S. 105-164.3, located in a right-of-way for which the utility owner contributed to the cost of acquisition, the Department of Transportation shall reimburse the utility owner for the cost of moving those utilities."

SECTION 2.16.(d) Notwithstanding G.S. 150B-21.1(a), the Department of Transportation may adopt temporary rules to implement the provisions of this section.

added

SECTION 2.16.(e) Subsection (b) of this section becomes effective December 31, 2016. The remainder of this section is effective when it becomes law.

AMENDMENTS TO GENERAL CONTRACTOR LICENSURE

SECTION 2.17.(a) G.S. 87-10 reads as rewritten:

"**§ 87-10. Application for license; examination; certificate; renewal.**

(a) Anyone seeking to be licensed as a general contractor in this State shall ~~file~~ submit an application ~~for an examination on a form provided by the Board, at least 30 days before any regular or special meeting of the Board.~~ Before being entitled to an examination, an applicant shall:

(1) Be at least 18 years of age.

(2) Possess good moral character as determined by the Board.

(3) Provide evidence of financial responsibility as determined by the Board.

(4) Submit the appropriate application fee.

(a1) The Board ~~may~~ shall require ~~the~~ an applicant to pay the Board or a provider contracted by the Board an examination fee not to exceed one hundred dollars ~~($100.00)~~($100.00). In addition, the Board shall require an applicant to ~~and pay to~~pay the Board a ~~license~~ fee not to exceed one hundred twenty-five dollars ($125.00) if the application is for an unlimited license, one hundred dollars ($100.00) if the application is for an intermediate license, or seventy-five dollars ($75.00) if the application is for a limited license. The fees accompanying any application or examination shall be nonrefundable. The holder of an unlimited license shall be entitled to act as general contractor without restriction as to value of any single project; the holder of an intermediate license shall be entitled to act as general contractor for any single project with a value of up to one million dollars ($1,000,000); the holder of a limited license shall be entitled to act as general contractor for any single project with a value of up to five hundred thousand dollars ~~($500,000);~~($500,000). ~~and the~~The license certificate shall be classified in accordance with this section. ~~Before being entitled to an examination an applicant must show to the satisfaction of the Board from the application and proofs furnished that the applicant is possessed of a good character and is otherwise qualified as to competency, ability, integrity, and financial responsibility, and that the applicant has not committed or done any act, which, if committed or done by any licensed contractor would be grounds under the provisions hereinafter set forth for the suspension or revocation of contractor's license, or that the applicant has not committed or done any act involving dishonesty, fraud, or deceit, or that the applicant has never been refused a license as a general contractor nor had such license revoked, either in this State or in another state, for reasons that should preclude the granting of the license applied for, and that the applicant has never been convicted of a felony involving moral turpitude, relating to building or contracting, or involving embezzlement or misappropriation of funds or property entrusted to the applicant: Provided, no applicant shall be refused the right to an examination, except in accordance with the provisions of Chapter 150B of the General Statutes.~~

(b) An applicant shall identify an individual who has successfully passed an examination approved by the Board who, for purposes of this section shall be known as the "qualifier" or the "qualifying party" of the applicant. If the qualifier or the qualifying party seeks to take an examination, the examination shall establish: ~~The Board shall conduct an examination, either oral or written, of all applicants for license to ascertain, for the classification of license for which the applicant has applied:~~ (i) the ability of the applicant to make a practical application of the applicant's knowledge of the profession of contracting; (ii) the qualifications of the applicant in reading plans and specifications, knowledge of relevant matters contained in the North Carolina State Building Code, knowledge of estimating costs, construction, ethics, and other similar matters pertaining to the contracting business; (iii) the knowledge of the applicant as to the responsibilities of a contractor to the public and of the requirements of the laws of the State of North Carolina relating to contractors, construction, and liens; and (iv) the applicant's knowledge of requirements of the Sedimentation Pollution Control Act of 1973, Article 4 of Chapter 113A of the General Statutes, and the rules adopted pursuant to that Article. If ~~the results of the examination of the applicant shall be satisfactory to the Board, then~~the qualifier or qualifying party passes the examination, upon review of the application and all relevant information, the Board shall issue ~~to the applicant a certificate to~~a license to the applicant to engage ~~as a~~in general ~~contractor~~ contracting in the State of North Carolina, ~~as provided in said certificate,~~ which may be limited ~~into five classifications~~ as follows:

(1) Building contractor, which shall include private, public, commercial, industrial and residential buildings of all types.

(1a) Residential contractor, which shall include any general contractor constructing only residences which are required to conform to the residential building code adopted by the Building Code Council pursuant to G.S. 143-138.

(2) Highway contractor.
(3) Public utilities contractors, which shall include those whose operations are the performance of construction work on the following subclassifications of facilities:
a. Water and sewer mains, water service lines, and house and building sewer lines as defined in the North Carolina State Building Code, and water storage tanks, lift stations, pumping stations, and appurtenances to water storage tanks, lift stations, and pumping stations.
b. Water and wastewater treatment facilities and appurtenances thereto.
c. Electrical power transmission facilities, and primary and secondary distribution facilities ahead of the point of delivery of electric service to the customer.
d. Public communication distribution facilities.
e. Natural gas and other petroleum products distribution facilities; provided the General Contractors Licensing Board may issue license to a public utilities contractor limited to any of the above subclassifications for which the general contractor qualifies.
(4) Specialty contractor, which shall include those whose operations as such are the performance of construction work requiring special skill and involving the use of specialized building trades or crafts, but which shall not include any operations now or hereafter under the jurisdiction, for the issuance of license, by any board or commission pursuant to the laws of the State of North Carolina.

(b1) Public utilities contractors constructing house and building sewer lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall, at the junction of the public sewer line and the house or building sewer line, install as an extension of the public sewer line a cleanout at or near the property line that terminates at or above the finished grade. Public utilities contractors constructing water service lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall terminate the water service lines at a valve, box, or meter at which the facilities from the building may be connected. Public utilities contractors constructing fire service mains for connection to fire sprinkler systems shall terminate those lines at a flange, cap, plug, or valve inside the building one foot above the finished floor. All fire service mains shall comply with the NFPA standards for fire service mains as incorporated into and made applicable by Volume V of the North Carolina Building Code.

(c) If an applicant is an individual, examination may be taken by his personal appearance for examination, or by the appearance for examination of one or more of his responsible managing ~~employees, and if~~employees. If an applicant is a ~~copartnership~~ copartnership, ~~or~~ a corporation, or any other combination or organization, ~~by the examination of~~the examination may be taken by one or more of the responsible managing officers or members of the personnel of the ~~applicant,~~applicant.

(c1) ~~and if the person so examined~~If the qualifier or qualifying party shall cease to be connected with the ~~applicant,~~licensee, then ~~in such event~~ the license shall remain in full force and effect for a period of 90 ~~days~~ days. ~~thereafter, and then be canceled, but the applicant~~After 90 days, the license shall be invalidated, however the licensee shall ~~then~~ be entitled to ~~a reexamination,~~return to active status ~~all~~ pursuant to all relevant statutes and ~~the~~ rules ~~to be~~ promulgated by the ~~Board:~~Board. ~~Provided, that the holder of such~~However, during the 90-day period described in this subsection, the ~~license~~ licensee shall not bid on or undertake any additional contracts from the time such ~~examined employee shall cease~~qualifier or qualifying party ceased to be connected with the ~~applicant~~ licensee until ~~said applicant's~~the license is reinstated as provided in this Article.

(d) ~~Anyone failing to pass this examination may be reexamined at any regular meeting of the Board upon payment of an examination fee. Anyone requesting to take the examination a third~~

~~or subsequent time shall submit a new application with the appropriate examination and license fees.~~

(d1) The Board may require a new application if a qualifier or qualifying party requests to take an examination a third or subsequent time.

(e) A ~~certificate of~~ license shall expire on the ~~thirty-first~~first day of ~~December~~ January following its issuance or renewal and shall become invalid 60 days from that date unless renewed, subject to the approval of the Board. ~~Renewals may be effected any time during the month of January without reexamination, by the payment of a fee to the secretary of the Board. The fee shall~~Renewal applications shall be submitted with a fee not to exceed one hundred twenty-five dollars ($125.00) for an unlimited license, one hundred dollars ($100.00) for an intermediate license, and seventy-five dollars ($75.00) for a limited license. ~~No later than November 30 of each year, the Board shall mail written notice of the amount of the renewal fees for the upcoming year to the last address of record for each general contractor licensed pursuant to this Article.~~ Renewal applications shall be accompanied by evidence of continued financial responsibility satisfactory to the Board. Renewal applications received by the Board on or after the first day of January shall be accompanied by a late payment of ten dollars ($10.00) for each month or part after January. If a licensee wishes to be relicensed subsequent to the archival of a license, the licensee shall~~After a lapse of four years no renewal shall be effected and the applicant shall~~ fulfill all requirements of a new applicant as set forth in this section. Archived license numbers shall not be reissued."

SECTION 2.17.(b) This section becomes effective January 1, 2017, and applies to applications for licensure submitted on or after that date.

PART III. AGRICULTURE, ENERGY, ENVIRONMENT, AND NATURAL RESOURCES REGULATION

DIRECT DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES TO INSPECT RENDERING PLANTS

SECTION 3.1.(a) G.S. 106-168.5 is repealed.

SECTION 3.1.(b) G.S. 106-168.6 reads as rewritten:

"**§ 106-168.6. ~~Inspection by committee;~~ Inspection; certificate of specific findings.**

~~The committee upon notification by~~ Upon receipt of an application for license, the Commissioner or the Commissioner's designee shall promptly inspect the plans, specifications, and selected site in the case of proposed rendering plants and shall inspect the buildings, grounds, and equipment of established rendering plants. If the ~~committee~~ Commissioner or the Commissioner's designee finds that the plans, specifications, and selected site in the case of proposed plants, or the buildings, grounds, and equipment– in the case of established plants, comply with the requirements of this Article and the rules and regulations promulgated ~~by the Commissioner not inconsistent therewith, it~~under the authority of this Article, the Commissioner shall certify ~~its~~ the findings in ~~writing and forward same to the Commissioner.~~writing. If there is a failure in any respect to meet such requirements, the ~~committee~~ Commissioner or the Commissioner's designee shall notify the applicant in writing of such deficiencies and ~~the committee shall~~ shall, within a reasonable time to be determined by the ~~Commissioner~~ Commissioner, make a second inspection. If the specified defects are remedied, the ~~committee~~ Commissioner or the Commissioner's designee shall ~~thereupon~~ certify ~~its~~ the findings in ~~writing to the Commissioner.~~writing. Not more than two inspections shall be required ~~of the committee~~ under any one application."

SECTION 3.1.(c) G.S. 106-168.7 reads as rewritten:

"**§ 106-168.7. Issuance of license.**

Upon ~~receipt of the certificate of compliance from the committee,~~certification in accordance with G.S. 106-168.6, the Commissioner shall issue a license to the applicant to conduct rendering

operations as specified in the application. A license shall be valid until revoked for cause as hereinafter provided."

SECTION 3.1.(d) G.S. 106-168.12 reads as rewritten:

"**§ 106-168.12. Commissioner authorized to adopt rules and regulations.**

The Commissioner of Agriculture is hereby authorized to make and establish reasonable rules and regulations, ~~not inconsistent~~consistent with the provisions of this Article, ~~after consulting the committee,~~ for the proper administration and enforcement thereof."

SECTION 3.1.(e) G.S. 106-168.13 reads as rewritten:

"**§ 106-168.13. Effect of failure to comply.**

Failure to comply with the provisions of this Article or rules and regulations ~~not inconsistent therewith~~adopted pursuant to this Article shall be cause of revocation of license, if such failure shall not be remedied within a reasonable time after notice to the licensee. Any person whose license is revoked may reapply for a license in the manner provided in this Article for an initial application, except that the Commissioner shall not be required to cause the rendering plant and equipment of the applicant to be inspected ~~by the committee~~ until the expiration of 30 days from the date of revocation."

SOLID WASTE AMENDMENTS

SECTION 3.3.(a) Section 4.9(a) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(a)** Section 14.20(a) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(b) Section 4.9(b) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(b)** Section ~~14.20(a)~~14.20(c) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(c) Section 4.9(c) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(c)** Section 14.20(d) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(d) Section 4.9(d) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(d)** Section 14.20(f) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(e) Section 14.20(e) of S.L. 2015-241 reads as rewritten:

"**SECTION 14.20.(e)** After July 1, 2016, the annual fee due pursuant to ~~G.S. 130A-295.8A(d1),~~G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, for existing sanitary landfills and transfer stations with a valid permit issued before the date this act becomes effective is equal to the applicable annual fee for the facility as set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1) as enacted by Section 14.20(c) of this act, less a permittee fee credit. A permittee fee credit exists when the life-of-site permit fee amount is greater than the time-limited permit fee amount. The amount of the permittee fee credit shall be calculated by (i) subtracting the time-limited permit fee amount from the life-of-site permit fee amount due for the same period of time and (ii) multiplying the difference by a fraction, the numerator of which is the number of years remaining in the facility's time-limited permit and the denominator of which is the total number of years covered by the facility's time-limited permit. The amount of the permittee fee credit shall be allocated in equal annual installments over the number of years that constitute the facility's remaining life-of-site, as determined by the Department, unless the Department accelerates, in its sole discretion, the use of the credit over a shorter period of time. For purposes of this subsection, the following definitions apply:

(1) Life-of-site permit fee amount. – The amount equal to the sum of all annual fees that would be due under the fee structure set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

(2) Time-limited permit fee amount. – The amount equal to the sum of the application fee or renewal fee, whichever is applicable, and all annual fees paid or to be paid pursuant to subsections (c) and (d) of ~~G.S. 130A-295.8A,~~ G.S. 130A-295.8(d1), as repealed by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

The Department shall adopt rules to implement this subsection."

SECTION 3.4.(a) Section 14.20(f) of S.L. 2015-241, as amended by Section 4.9(d) of S.L. 2015-286, reads as rewritten:

"**SECTION 14.20.(f)** This section becomes effective October 1, 2015. G.S. 130A-294(b1)(2), as amended by subsection (a) of this section, applies to franchise ~~agreements~~ agreements (i) executed on or after ~~October 1, 2015.~~ October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to a valid and operative franchise agreement consent to modify the agreement for the purpose of extending the agreement's duration to the life-of-site of the landfill for which the agreement was executed. The remainder of G.S. 130A-294, as amended by subsection (a) of this section, and G.S. 130A-295.8, as amended by subsection (c) of this section, apply to (i) existing sanitary landfills and transfer stations, with a valid permit issued before the date this act becomes effective, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016, (ii) new sanitary landfills and transfer stations, for applications submitted on or after July 1, 2016, and (iii) applications for sanitary landfills or transfer stations submitted before July 1, 2015, and pending on the date this act becomes law shall be evaluated by the Department based on the applicable laws that were in effect on July 1, 2015, and the Department shall not delay in processing such permit applications in consideration of changes made by this act, but such landfills and transfer stations shall be eligible for issuance of life-of-site permits pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016."

SECTION 3.4.(b) G.S. 130A-294(b1)(2) reads as rewritten:

"(2) A person who intends to apply for a new permit for a sanitary landfill shall obtain, prior to applying for a permit, a franchise for the operation of the sanitary landfill from each local government having jurisdiction over any part of the land on which the sanitary landfill and its appurtenances are located or to be located. A local government may adopt a franchise ordinance under G.S. 153A-136 or G.S. 160A-319. A franchise granted for a sanitary landfill ~~shall~~ shall (i) be granted for the life-of-site of the ~~landfill and shall~~ landfill, but for a period not to exceed 60 years, and (ii) include all of the following:

a. A statement of the population to be served, including a description of the geographic area.

b. A description of the volume and characteristics of the waste stream.

c. A projection of the useful life of the sanitary landfill.

d. Repealed by Session Laws 2013-409, s. 8, effective August 23, 2013.

e. The procedures to be followed for governmental oversight and regulation of the fees and rates to be charged by facilities subject to the franchise for waste generated in the jurisdiction of the franchising entity.

f. A facility plan for the sanitary landfill that shall include the boundaries of the proposed facility, proposed development of the facility site, the boundaries of all waste disposal units, final elevations and capacity of

all waste disposal units, the amount of waste to be received per day in tons, the total waste disposal capacity of the sanitary landfill in tons, a description of environmental controls, and a description of any other waste management activities to be conducted at the facility. In addition, the facility plan shall show the proposed location of soil borrow areas, leachate facilities, and all other facilities and infrastructure, including ingress and egress to the facility."

SECTION 3.4.(c) G.S. 160A-319(a) reads as rewritten:

"**§ 160A-319. Utility franchises.**

(a) A city shall have authority to grant upon reasonable terms franchises for a telephone system and any of the enterprises listed in G.S. 160A-311, except a cable television system. A franchise granted by a city authorizes the operation of the franchised activity within the city. No franchise shall be granted for a period of more than 60 years, ~~except~~ including a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1); provided, however, that a franchise for solid waste collection or disposal systems and ~~facilities~~ facilities, other than sanitary landfills, shall not be granted for a period of more than 30 years. Except as otherwise provided by law, when a city operates an enterprise, or upon granting a franchise, a city may by ordinance make it unlawful to operate an enterprise without a franchise."

SECTION 3.4.(d) G.S. 153A-136 reads as rewritten:

"**§ 153A-136. Regulation of solid wastes.**

(a) A county may by ordinance regulate the storage, collection, transportation, use, disposal, and other disposition of solid wastes. Such an ordinance may:

...

(3) Grant a franchise to one or more persons for the exclusive right to commercially collect or dispose of solid wastes within all or a defined portion of the county and prohibit any other person from commercially collecting or disposing of solid wastes in that area. The board of commissioners may set the terms of any ~~franchise, except that no franchise may be granted for a period exceeding 30 years, nor may any~~ franchise; provided, however, no franchise shall be granted for a period of more than 30 years, except for a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1), which may not exceed 60 years. No franchise by its terms may impair the authority of the board of commissioners to regulate fees as authorized by this section.

...."

SECTION 3.4.(e) Section 3.4 of this act is effective retroactively to July 1, 2015, and applies to franchise agreements (i) executed on or after October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to the agreement consent to modify the agreement for the purpose of extending the agreement's duration of the life-of-site of the landfill for which the agreement was executed.

REQUIRE STUDY OF THE ROLE OF THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS IN EVALUATION OF MILITARY-RELATED PERMIT CRITERIA FOR PERMITTING WIND ENERGY FACILITIES

SECTION 3.6. The Department of Environmental Quality and the Department of Military and Veterans Affairs shall jointly study the appropriate role of the Department of Military and Veterans Affairs with regard to evaluation of military-related criteria for permitting wind energy facilities under Article 21C of Chapter 143 of the General Statutes. The Departments shall issue a joint report, including any findings and recommendations for legislative action, to the Environmental Review Commission and the North Carolina Military Affairs Commission no later than December 1, 2016.

DEQ TO STUDY RIPARIAN BUFFERS

SECTION 3.9.(a) The Department of Environmental Quality shall study whether the size of riparian buffers required for intermittent streams should be adjusted and whether the allowable activities within the buffers should be modified.

SECTION 3.9.(b) The Department of Environmental Quality shall study under what circumstances units of local government should be allowed to exceed riparian buffer requirements mandated by the State and the federal government. The Department shall also consider measures to ensure that local governments do not exceed their statutory authority for establishing riparian buffer requirements. In conducting this study, the Department shall consult with property owners and other entities impacted by riparian buffer requirements as well as local governments.

SECTION 3.9.(c) The Department of Environmental Quality shall report the results of the studies required by this section, including any recommendations, to the Environmental Review Commission no later than December 1, 2016. For any recommendations made pursuant to the studies, the Department shall include specific draft language for any rule or statutory changes necessary to implement the recommendations.

TRANSFER OF CERTAIN CONSERVATION EASEMENTS

SECTION 3.10. G.S. 143-214.12 reads as rewritten:

"**§ 143-214.12. Division of Mitigation Services: Ecosystem Restoration Fund.**

(a) Ecosystem Restoration Fund. – The Ecosystem Restoration Fund is established as a nonreverting fund within the Department. The Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Ecosystem Restoration Fund shall provide a repository for monetary contributions and donations or dedications of interests in real property to promote projects for the restoration, enhancement, preservation, or creation of wetlands and riparian areas and for payments made in lieu of compensatory mitigation as described in subsection (b) of this section. No funds shall be expended from this Fund for any purpose other than those directly contributing to the acquisition, perpetual maintenance, enhancement, restoration, or creation of wetlands and riparian areas in accordance with the basinwide plan as described in G.S. 143-214.10. The cost of acquisition includes a payment in lieu of ad valorem taxes required under G.S. 146-22.3 when the Department is the State agency making the acquisition.

(a1) The Department may distribute funds from the Ecosystem Restoration Fund directly to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. ~~A recipient of funds under this subsection shall grant a conservation easement in the real property or interest in real property acquired with the funds to the Department in a form that is acceptable to the Department.~~ When the recipient of funds under this subsection acquires a conservation easement or interest in real property appurtenant to a restoration project delivered to the Division of Mitigation Services, the recipient, upon approval from the Department, may directly transfer the conservation easement or real property interest to another governmental agency or a Department approved third party. The Department may convey real property or an interest in real property that has been acquired under the Division of Mitigation Services to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. A grantee of real property or an interest in real property under this subsection shall grant a conservation easement in the real property or interest in real property to the Department in a form that is acceptable to the Department.

(b) Authorized Methods of Payment. – A person subject to a permit or authorization issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 may contribute to the Division of Mitigation Services in order to comply with conditions to, or terms of, the permit or

authorization if participation in the Division of Mitigation Services will meet the mitigation requirements of the United States Army Corps of Engineers. The Department shall, at the discretion of the applicant, accept payment into the Ecosystem Restoration Fund in lieu of other compensatory mitigation requirements of any authorizations issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 if the contributions will meet the mitigation requirements of the United States Army Corps of Engineers. Payment may be made in the form of monetary contributions according to a fee schedule established by the Environmental Management Commission or in the form of donations of real property provided that the property is approved by the Department as a suitable site consistent with the basinwide wetlands restoration plan.

(c) Accounting of Payments. – The Department shall provide an itemized statement that accounts for each payment into the Fund. The statement shall include the expenses and activities financed by the payment."

PART IV. ELIMINATE, CONSOLIDATE, AND AMEND ENVIRONMENTAL REPORTS

ELIMINATE ANNUAL REPORT ON MINING ACCOUNT PURSUANT TO THE MINING ACT OF 1971 BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.1. G.S. 74-54.1(c) is repealed.

ELIMINATE ANNUAL REPORT ON THE IMPLEMENTATION OF THE SUSTAINABLE ENERGY EFFICIENT BUILDINGS PROGRAM BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.2.(a) G.S. 143-135.39(f) and (g) are repealed.

SECTION 4.2.(b) G.S. 143-135.40(b) is repealed.

ELIMINATE QUARTERLY REPORT ON SYSTEMWIDE MUNICIPAL AND DOMESTIC WASTEWATER COLLECTION SYSTEM PERMIT PROGRAM BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.3. G.S. 143-215.9B reads as rewritten:

"**§ 143-215.9B. Systemwide municipal and domestic wastewater collection system permit program report.**

The Environmental Management Commission shall develop and implement a permit program for municipal and domestic wastewater collection systems on a systemwide basis. The collection system permit program shall provide for performance standards, minimum design and construction requirements, a capital improvement plan, operation and maintenance requirements, and minimum reporting requirements. In order to ensure an orderly and cost-effective phase-in of the collection system permit program, the Commission shall implement the permit program over a five-year period beginning 1 July 2000. The Commission shall issue permits for approximately twenty percent (20%) of municipal and domestic wastewater collection systems that are in operation on 1 July 2000 during each of the five calendar years beginning 1 July 2000 and shall give priority to those collection systems serving the largest populations, those under a moratorium imposed by the Commission under G.S. 143-215.67, and those for which the Department of Environmental Quality has issued a notice of violation for the discharge of untreated wastewater. ~~The Commission shall report on its progress in developing and implementing the collection system permit program required by this section as a part of each quarterly report the Environmental Management Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE ANNUAL REPORTS ON REDUCING VEHICLE EMISSIONS FROM STATE EMPLOYEE AND PRIVATE SECTOR VEHICLES BY THE DEPARTMENT OF TRANSPORTATION

SECTION 4.4. G.S. 143-215.107C(d) and (e) are repealed.

ELIMINATE ANNUAL REPORT ON PURCHASE OF NEW MOTOR VEHICLES AND FUEL SAVINGS BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.5. G.S. 143-341(8)i.2b. reads as rewritten:

"2b. As used in this sub-sub-subdivision, "fuel economy" and "class of comparable automobiles" have the same meaning as in Part 600 of Title 40 of the Code of Federal Regulations (July 1, 2008 Edition). As used in this sub-sub-subdivision, "passenger motor vehicle" has the same meaning as "private passenger vehicle" as defined in G.S. 20-4.01. Notwithstanding the requirements of sub-sub-subdivision 2a. of this sub-subdivision, every request for proposals for new passenger motor vehicles to be purchased by the Department shall state a preference for vehicles that have a fuel economy for the new vehicle's model year that is in the top fifteen percent (15%) of its class of comparable automobiles. The award for every new passenger motor vehicle that is purchased by the Department shall be based on the Department's evaluation of the best value for the State, taking into account fuel economy ratings and life cycle cost that reasonably consider both projected fuel costs and acquisition costs. This sub-sub-subdivision does not apply to vehicles used in law enforcement, emergency medical response, and firefighting. ~~The Department shall report the number of new passenger motor vehicles that are purchased as required by this sub-sub-subdivision, the savings or costs for the purchase of vehicles to comply with this sub-sub-subdivision, and the quantity and cost of fuel saved for the previous fiscal year on or before October 1 of each year to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission.~~"

ELIMINATE BIENNIAL STATE OF THE ENVIRONMENT REPORT BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.6. G.S. 143B-279.5 is repealed.

ELIMINATE THE ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT ON DEVELOPING ENGINEERING STANDARDS GOVERNING MUNICIPAL AND DOMESTIC SYSTEMS TO ALLOW REGIONAL INTERCONNECTION

SECTION 4.8. Section 11.1 of S.L. 1999-329 reads as rewritten:

"Section 11.1. The Environmental Management Commission shall develop engineering standards governing municipal and domestic wastewater collection systems that will allow interconnection of these systems on a regional basis. ~~The Commission shall report on its progress in developing the engineering standards required by this section as a part of each quarterly report the Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE BIENNIAL REPORT ON IMPLEMENTATION OF THE NORTH CAROLINA BEACH AND INLET MANAGEMENT PLAN BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.9. Section 13.9(d) of S.L. 2000-67 reads as rewritten:

"Section 13.9.(d) Each plan shall be as complete as resources and available information allow. ~~The Department of Environment and Natural Resources shall revise the plan every two years and shall submit the revised plan to the General Assembly no later than March 1 of each odd-numbered year. The Department may issue a supplement to the plan in even-numbered years if significant new information becomes available.~~"

CONSOLIDATE REPORTS ON THE COASTAL HABITAT PROTECTION PLAN

SECTION 4.11.(a) G.S. 143B-279.8(e) reads as rewritten:

"(e) The Coastal Resources Commission, the Environmental Management Commission, and the Marine Fisheries Commission shall report to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission on progress in developing and implementing the Coastal Habitat Protection Plans, including the extent to which the actions of the three commissions are consistent with the Plans, on or before ~~1 September~~September 1 of each ~~year.~~year in which any significant revisions to the Plans are made."

SECTION 4.11.(b) G.S. 143B-279.8(f) is repealed.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS ON COST AND IMPLEMENTATION OF ENVIRONMENTAL PERMITTING PROGRAMS

SECTION 4.12.(a) G.S. 143-215.3A(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on the cost of the State's environmental permitting programs contained within the Department on or before ~~1 November~~ January 1 of each odd-numbered year. The report shall include, but is not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly. The Department shall submit this report with the report required by G.S. 143B-279.17 as a single report."

SECTION 4.12.(b) G.S. 143B-279.17 reads as rewritten:

"**§ 143B-279.17. Tracking and report on permit processing times.**

The Department of Environmental Quality shall track the time required to process all permit applications in the One-Stop for Certain Environmental Permits Programs established by G.S. 143B-279.12 and the Express Permit and Certification Reviews established by G.S. 143B-279.13 that are received by the Department. The processing time tracked shall include (i) the total processing time from when an initial permit application is received to issuance or denial of the permit and (ii) the processing time from when a complete permit application is received to issuance or denial of the permit. No later than ~~March~~ January 1 of each odd-numbered year, the Department shall report to the Fiscal Research Division of the General Assembly and the Environmental Review Commission on the permit processing times required to be tracked pursuant to this section. The Department shall submit this report with the report required by G.S. 143-215.3A(c) as a single report."

SECTION 4.12.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 1, 2017.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.13.(a) G.S. 143B-282(b) reads as rewritten:

"(b) The Environmental Management Commission shall submit ~~quarterly~~ written reports as to its operation, activities, programs, and progress to the Environmental Review ~~Commission.~~Commission by January 1 of each year. The Environmental Management

Commission shall supplement the written reports required by this subsection with additional written and oral reports as may be requested by the Environmental Review Commission. ~~The Environmental Management Commission shall submit the written reports required by this subsection whether or not the General Assembly is in session at the time the report is due.~~"

SECTION 4.13.(b) G.S. 143-215.1(h) reads as rewritten:

"(h) Each applicant for a new permit or the modification of an existing permit issued under subsection (c) of this section shall include with the application: (i) the extent to which the new or modified facility is constructed in whole or in part with funds provided or administered by the State or a unit of local government, (ii) the impact of the facility on water quality, and (iii) whether there are cost-effective alternative technologies that will achieve greater protection of water quality. The Commission shall prepare ~~a quarterly~~ an annual summary and analysis of the information provided by applicants pursuant to this subsection. The Commission shall submit the summary and analysis required by this subsection to the Environmental Review Commission (ERC) as a part of each ~~quarterly~~ annual report that the Commission is required to make to the ERC under G.S. 143B-282(b)."

SECTION 4.13.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than January 1, 2017.

CONSOLIDATE WASTE MANAGEMENT REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.14.(a) G.S. 130A-309.06(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on or before ~~15 January~~January 15 of each year on the status of solid waste management efforts in the State. The report shall include:

(1) A comprehensive analysis, to be updated in each report, of solid waste generation and disposal in the State projected for the 20-year period beginning on ~~1 July~~ July 1 1991.

(2) The total amounts of solid waste recycled and disposed of and the methods of solid waste recycling and disposal used during the calendar year prior to the year in which the report is published.

(3) An evaluation of the development and implementation of local solid waste management programs and county and municipal recycling programs.

(4) An evaluation of the success of each county or group of counties in meeting the municipal solid waste reduction goal established in G.S. 130A-309.04.

(5) Recommendations concerning existing and potential programs for solid waste reduction and recycling that would be appropriate for units of local government and State agencies to implement to meet the requirements of this Part.

(6) An evaluation of the recycling industry, the markets for recycled materials, the recycling of polystyrene, and the success of State, local, and private industry efforts to enhance the markets for these materials.

(7) Recommendations to the Governor and the Environmental Review Commission to improve the management and recycling of solid waste in the State, including any proposed legislation to implement the recommendations.

(8) A description of the condition of the Solid Waste Management Trust Fund and the use of all funds allocated from the Solid Waste Management Trust Fund, as required by G.S. 130A-309.12(c).

(9) A description of the review and revision of bid procedures and the purchase and use of reusable, refillable, repairable, more durable, and less toxic supplies and products by both the Department of Administration and the Department of Transportation, as required by G.S. 130A-309.14(a1)(3).

(10) A description of the implementation of the North Carolina Scrap Tire Disposal Act that includes the amount of revenue used for grants and to clean up nuisance tire collection under the provisions of G.S 130A-309.64.

(11) A description of the management of white goods in the State, as required by G.S. 130A-309.85.

(12) A summary of the report by the Department of Transportation on the amounts and types of recycled materials that were specified or used in contracts that were entered into by the Department of Transportation during the previous fiscal year, as required by G.S. 136-28.8(g).

(13) Repealed by Session Laws 2010-142, s. 1, effective July 22, 2010.

(14) (Expiring October 1, 2023) A description of the activities related to the management of abandoned manufactured homes in the State in accordance with G.S. 130A-117, the beginning and ending balances in the Solid Waste Management Trust Fund for the reporting period and the amount of funds used, itemized by county, for grants made under Part 2F of Article 9 of Chapter 130A of the General Statutes.

(15) A report on the recycling of discarded computer equipment and televisions in the State pursuant to G.S. 130A-309-140(a).

(16) An evaluation of the Brownfields Property Reuse Act pursuant to G.S. 130A-310.40.

(17) A report on the Inactive Hazardous Waste Response Act of 1987 pursuant to G.S. 130A-310.10(a).

(18) A report on the Dry-Cleaning Solvent Cleanup Act of 1997 pursuant to G.S. 143-215.104U(a) until such time as the Act expires pursuant to Part 6 of Article 21A of Chapter 143 of the General Statutes.

(19) A report on the implementation and cost of the hazardous waste management program pursuant to G.S. 130A-294(i)."

SECTION 4.14.(b) G.S. 130A-309.140(a) reads as rewritten:

"(a) ~~No later than January 15 of each year, the Department shall submit a report on~~ The Department shall include in the status of solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on the recycling of discarded computer equipment and televisions in the State under this ~~Part to the Environmental Review Commission.~~Part. The report must include an evaluation of the recycling rates in the State for discarded computer equipment and televisions, a discussion of compliance and enforcement related to the requirements of this Part, and any recommendations for any changes to the system of collection and recycling of discarded computer equipment, televisions, or other electronic devices."

SECTION 4.14.(c) G.S. 130A-310.40 reads as rewritten:

"**§ 130A-310.40. Legislative reports.**

The Department shall ~~prepare and submit to the Environmental Review Commission, concurrently with the report on the Inactive Hazardous Sites Response Act of 1987 required under G.S. 130A-310.10,~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) an evaluation of the effectiveness of this Part in facilitating the remediation and reuse of existing industrial and commercial properties. This evaluation shall include any recommendations for additional incentives or changes, if needed, to improve the effectiveness of this Part in addressing such properties. This evaluation shall also include a report on receipts by and expenditures from the Brownfields Property Reuse Act Implementation Account."

SECTION 4.14.(d) G.S. 130A-310.10(a) reads as rewritten:

"(a) The Secretary shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on

inactive hazardous sites ~~to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division on or before October 1 of each year. The report shall include~~that includes at least the following:

(1) The Inactive Hazardous Waste Sites Priority List.

(2) A list of remedial action plans requiring State funding through the Inactive Hazardous Sites Cleanup Fund.

(3) A comprehensive budget to implement these remedial action plans and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the cost of said plans.

(4) A prioritized list of sites that are eligible for remedial action under CERCLA/SARA together with recommended remedial action plans and a comprehensive budget to implement such plans. The budget for implementing a remedial action plan under CERCLA/SARA shall include a statement as to any appropriation that may be necessary to pay the State's share of such plan.

(5) A list of sites and remedial action plans undergoing voluntary cleanup with Departmental approval.

(6) A list of sites and remedial action plans that may require State funding, a comprehensive budget if implementation of these possible remedial action plans is required, and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the possible costs of said plans.

(7) A list of sites that pose an imminent hazard.

(8) A comprehensive budget to develop and implement remedial action plans for sites that pose imminent hazards and that may require State funding, and the adequacy of the Inactive Hazardous Sites Cleanup Fund.

(8a) Repealed by Session Laws 2015-286, s. 4.7(f), effective October 22, 2015.

(9) Any other information requested by the General Assembly or the Environmental Review Commission."

SECTION 4.14.(e) G.S. 143-215.104U reads as rewritten:

"**§ 143-215.104U. Reporting requirements.**

(a) The Secretary shall ~~present an annual report to the Environmental Review Commission that shall include~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on at least the following:

(1) A list of all dry-cleaning solvent contamination reported to the Department.

(2) A list of all facilities and abandoned sites certified by the Commission and the status of contamination associated with each facility or abandoned site.

(3) An estimate of the cost of assessment and remediation required in connection with facilities or abandoned sites certified by the Commission and an estimate of assessment and remediation costs expected to be paid from the Fund.

(4) A statement of receipts and disbursements for the Fund.

(5) A statement of all claims against the Fund, including claims paid, claims denied, pending claims, anticipated claims, and any other obligations.

(6) The adequacy of the Fund to carry out the purposes of this Part together with any recommendations as to measures that may be necessary to assure the continued solvency of the Fund.

~~(b) The Secretary shall make the annual report required by this section on or before 1 October of each year.~~"

SECTION 4.14.(f) G.S. 130A-294(i) reads as rewritten:

"(i) The Department shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report ~~to the Fiscal Research Division of the General Assembly, the Senate Appropriations Subcommittee on Natural and Economic Resources, the House Appropriations Subcommittee on Natural and~~

~~Economic Resources, and the Environmental Review Commission on or before January 1 of each year~~ on the implementation and cost of the hazardous waste management program. The report shall include an evaluation of how well the State and private parties are managing and cleaning up hazardous waste. The report shall also include recommendations to the Governor, State agencies, and the General Assembly on ways to: improve waste management; reduce the amount of waste generated; maximize resource recovery, reuse, and conservation; and minimize the amount of hazardous waste which must be disposed of. The report shall include beginning and ending balances in the Hazardous Waste Management Account for the reporting period, total fees collected pursuant to G.S. 130A-294.1, anticipated revenue from all sources, total expenditures by activities and categories for the hazardous waste management program, any recommended adjustments in annual and tonnage fees which may be necessary to assure the continued availability of funds sufficient to pay the State's share of the cost of the hazardous waste management program, and any other information requested by the General Assembly. In recommending adjustments in annual and tonnage fees, the Department may propose fees for hazardous waste generators, and for hazardous waste treatment facilities that treat waste generated on site, which are designed to encourage reductions in the volume or quantity and toxicity of hazardous waste. The report shall also include a description of activities undertaken to implement the resident inspectors program established under G.S. 130A-295.02. ~~In addition, the report shall include an annual update on the mercury switch removal program that shall include, at a minimum, all of the following:~~

~~(1) A detailed description of the mercury recovery performance ratio achieved by the mercury switch removal program.~~

~~(2) A detailed description of the mercury switch collection system developed and implemented by vehicle manufacturers in accordance with the NVMSRP.~~

~~(3) In the event that a mercury recovery performance ratio of at least 0.90 of the national mercury recovery performance ratio as reported by the NVMSRP is not achieved, a description of additional or alternative actions that may be implemented to improve the mercury switch removal program.~~

~~(4) The number of mercury switches collected and a description of how the mercury switches were managed.~~

~~(5) A statement that details the costs required to implement the mercury switch removal program, including a summary of receipts and disbursements from the Mercury Switch Removal Account.~~"

SECTION 4.14.(g) The first combined report required by subsections (a) through (f) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 15, 2017.

CONSOLIDATE SEDIMENTATION POLLUTION CONTROL ACT AND STORMWATER REPORTS

SECTION 4.15.(a) G.S. 113A-67 reads as rewritten:

"**§ 113A-67. Annual Report.**

The Department shall report to the Environmental Review Commission on the implementation of this Article on or before ~~1 October~~October 1 of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 143-214.7(e) as a single report."

SECTION 4.15.(b) G.S. 143-214.7(e) reads as rewritten:

"(e) On or before October 1 of each year, the ~~Commission~~ Department shall report to the Environmental Review Commission on the implementation of this section, including the status of

any stormwater control programs administered by State agencies and units of local government. The status report shall include information on any integration of stormwater capture and reuse into stormwater control programs administered by State agencies and units of local government. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 113A-67 as a single report."

SECTION 4.15.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than October 1, 2016.

CONSOLIDATE VARIOUS WATER RESOURCES AND WATER QUALITY REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.16.(a) G.S. 143-355(n) is repealed.

SECTION 4.16.(b) G.S. 143-355(o)(9) is repealed.

SECTION 4.16.(c) G.S. 143-355 is amended by adding a new subsection to read:

"(p) Report. – The Department of Environmental Quality shall report to the Environmental Review Commission on the implementation of this section, including the development of the State water supply plan and the development of basinwide hydrologic models, no later than November 1 of each year. The Department shall submit the report required by this subsection with the report on basinwide water quality management plans required by G.S. 143-215.8B(d) as a single report."

SECTION 4.16.(d) G.S. 143-215.8B(d) reads as rewritten:

"(d) ~~The~~ As a part of the report required pursuant to G.S. 143-355(p), the Commission and the Department shall each report on or before ~~1 October~~November 1 of each year on an annual basis to the Environmental Review Commission on the progress in developing and implementing basinwide water quality management plans and on increasing public involvement and public education in connection with basinwide water quality management planning. The report to the Environmental Review Commission by the Department shall include a written statement as to all concentrations of heavy metals and other pollutants in the surface waters of the State that are identified in the course of preparing or revising the basinwide water quality management plans."

SECTION 4.16.(e) The first combined report required by subsections (c) and (d) of this section shall be submitted to the Environmental Review Commission no later than November 1, 2016.

CONSOLIDATE REPORTS BY THE DIVISION OF WATER INFRASTRUCTURE OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY AND THE STATE WATER INFRASTRUCTURE AUTHORITY

SECTION 4.17.(a) G.S. 159G-26(a) reads as rewritten:

"(a) Requirement. – The Department ~~must~~ shall publish a report each year on the accounts in the Water Infrastructure Fund that are administered by the Division of Water Infrastructure. The report ~~must~~ shall be published by ~~1~~ November 1 of each year and cover the preceding fiscal year. The Department ~~must~~ shall make the report available to the public and ~~must~~ shall give a copy of the report to the Environmental Review ~~Commission and the~~Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research ~~Division of the Legislative Services Commission.~~Division with the report required by G.S. 159G-72 as a single report."

SECTION 4.17.(b) G.S. 159G-72 reads as rewritten:

"**§ 159G-72. State Water Infrastructure Authority; reports.**

No later than November 1 of each year, the Authority shall submit a report of its activity and findings, including any recommendations or legislative proposals, to the ~~Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the Legislative Services Commission.~~ Environmental Review Commission, the Joint Legislative

Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division with the report required by G.S. 159G-26(a) as a single report."

SECTION 4.17.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division no later than November 1, 2016.

CONSOLIDATE REPORTS BY SOIL AND WATER CONSERVATION COMMISSION AND THE DIVISION OF SOIL AND WATER CONSERVATION OF THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

SECTION 4.18.(a) G.S. 106-850(e) reads as rewritten:

"(e) The Soil and Water Conservation Commission shall report on or before ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. This report shall include a list of projects that received State funding pursuant to the program, the results of the evaluations conducted pursuant to subdivision (7) of subsection (b) of this section, findings regarding the effectiveness of each of these projects to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division with the reports required by G.S. 106-860(e) and G.S. 139-60(d) as a single report."

SECTION 4.18.(b) G.S. 106-860(e) reads as rewritten:

"(e) Report. – The Soil and Water Conservation Commission shall report no later than ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. The report shall include a summary of projects that received State funding pursuant to the Program, the results of the evaluation conducted pursuant to subdivision (5) of subsection (b) of this section, findings regarding the effectiveness of each project to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(c) G.S. 139-60(d) reads as rewritten:

"(d) Report. – No later than January 31 of each year, the Division of Soil and Water Conservation of the Department of Agriculture and Consumer Services shall prepare a comprehensive report on the implementation of subsections (a) through (c) of this section. The report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(d) The first combined report required by subsections (a) through (c) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 31, 2017.

DECREASE REPORTING FREQUENCY ON TERMINAL GROINS PILOT PROJECT BY THE COASTAL RESOURCES COMMISSION

SECTION 4.20. G.S. 113A-115.1(i) reads as rewritten:

"(i) No later than ~~September 1 of each year,~~January 1, 2017, and every five years thereafter, the Coastal Resources Commission shall report to the Environmental Review Commission on the implementation of this section. The report shall provide a detailed description of each proposed and permitted terminal groin and its accompanying beach fill project, including the information required to be submitted pursuant to subsection (e) of this section. For each permitted terminal groin and its accompanying beach fill project, the report shall also provide all of the following:

(1) The findings of the Commission required pursuant to subsection (f) of this section.
(2) The status of construction and maintenance of the terminal groin and its accompanying beach fill project, including the status of the implementation of the plan for construction and maintenance and the inlet management plan.
(3) A description and assessment of the benefits of the terminal groin and its accompanying beach fill project, if any.
(4) A description and assessment of the adverse impacts of the terminal groin and its accompanying beach fill project, if any, including a description and assessment of any mitigation measures implemented to address adverse impacts."

DECREASE REPORTING FREQUENCY ON PARKS SYSTEM PLAN BY THE DEPARTMENT OF NATURAL AND CULTURAL RESOURCES

SECTION 4.21. G.S. 143B-135.48(d) reads as rewritten:

"(d) No later than October ~~1 of each year,~~1, 2016, and every five years thereafter, the Department shall submit electronically the State Parks System Plan to the Environmental Review Commission, ~~the Senate and the House of Representatives appropriations committees with jurisdiction over natural and cultural resources,~~ the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division. Concurrently, the Department shall submit a summary of each change to the Plan that was made during the previous ~~fiscal year.~~five fiscal years."

REDIRECT INTERAGENCY REPORT ON SUPERFUND COST SHARE TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.22. Section 15.6 of S.L. 1999-237 reads as rewritten:

"Section 15.6.(a) The Department of ~~Environment and Natural Resources~~Environmental Quality may use available funds, with the approval of the Office of State Budget and Management, to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites, to pay the operating and maintenance costs associated with these Superfund cleanups, and for the cleanup of priority inactive hazardous substance or waste disposal sites under Part 3 of Article 9 of Chapter 130A of the General Statutes. These funds may be in addition to those appropriated for this purpose.

"Section 15.6.(b) The Department of ~~Environment and Natural Resources~~Environmental Quality and the Office of State Budget and Management shall report to the ~~Environmental Review Commission and the Joint Legislative Commission on Governmental Operations~~Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds."

REDIRECT REPORT ON EXPENDITURES FROM BERNARD ALLEN EMERGENCY DRINKING WATER FUND TO ANER OVERSIGHT COMMITTEE

SECTION 4.23. G.S. 87-98(e) reads as rewritten:

"(e) The Department, in consultation with the Commission for Public Health and local health departments, shall report no later than October 1 of each year to the ~~Environmental Review Commission, the House of Representatives and Senate Appropriations Subcommittees on Natural~~ Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division of the General Assembly on the implementation of this section. The report shall include the purpose and amount of all expenditures from the Fund during the prior fiscal year, a discussion of the benefits and deficiencies realized as a result of the section, and may also include recommendations for any legislative action."

REDIRECT REPORT ON PARKS AND RECREATION TRUST FUND TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.24. G.S. 143B-135.56(f) reads as rewritten:

"(f) Reports. – The North Carolina Parks and Recreation Authority shall report no later than October 1 of each year to the Joint Legislative ~~Commission on Governmental Operations, the House and Senate Appropriations Subcommittees on Natural and Economic Resources,~~ Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division, and the Environmental Review Commission on allocations from the Trust Fund from the prior fiscal year. For funds allocated from the Trust Fund under subsection (c) of this section, this report shall include the operating expenses determined under subdivisions (1) and (2) of subsection (e) of this section."

PART IV-A. UMSTEAD EXEMPTION

SECTION 4A.(a) G.S. 66-58(b) reads as rewritten:

"(b) The provisions of subsection (a) of this section shall not apply to:

...

(14) Nothing herein contained shall be construed to prohibit the engagement in any of the activities described in subsection (a) hereof ~~by a firm, corporation or person who or which is a lessee~~ for the following:

a. A lease of space ~~only of~~ from the State of North Carolina or any of its departments or agencies; provided the leases shall be awarded by the Department of Administration to the highest bidder, as provided by law in the case of State contracts and which lease shall be for a term of not less than one year and not more than five years.

b. A lease of parking spaces, whether surface parking or in a State-owned parking structure, in accordance with the procedures set forth for leases in Chapter 146 of the General Statutes for any period of time the Department of Administration determines the spaces to be in excess of need in accordance the Department's authority under Chapter 143 of the General Statutes.

c. A ground lease of State-owned land in accordance with the procedures set forth for leases in Chapter 146 of the General Statutes.

...."

SECTION 4A.(b) This Part becomes effective July 1, 2016.

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 5.1. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 5.2. Except as otherwise provided, this act is effective when it becomes law.

Attachment 5

Amendment 1

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

S303-ARI-85 [v.2]

Amends Title [NO]
Fourth Edition

Date _____,2016

Representative Hager

moves to amend the bill on page 19, lines 16 and 17,
by inserting between those lines:

"BAN SOLAR PANELS CONTAINING CADMIUM TELLURIDE FROM DISPOSAL IN LANDFILLS

SECTION 3.2.(a) G.S. 130A-309.10 reads as rewritten:

"§ 130A-309.10. Prohibited acts relating to packaging; coded labeling of plastic containers required; disposal of certain solid wastes in landfills or by incineration prohibited.

...

(f) No person shall knowingly dispose of the following solid wastes in landfills:

(1) Repealed by Session Laws 1991, c. 375, s. 1.

(2) Used oil.

(3) Yard trash, except in landfills approved for the disposal of yard trash under rules adopted by the Commission. Yard trash that is source separated from solid waste may be accepted at a solid waste disposal area where the area provides and maintains separate yard trash composting facilities.

(4) White goods.

(5) Antifreeze (ethylene glycol).

(6) Aluminum cans.

(7) Whole scrap tires, as provided in G.S. 130A-309.58(b). The prohibition on disposal of whole scrap tires in landfills applies to all whole pneumatic rubber coverings, but does not apply to whole solid rubber coverings.

(8) Lead-acid batteries, as provided in G.S. 130A-309.70.

(9) Repealed by Session Laws 2011-394, s. 4, effective July 1, 2011.

(10) Motor vehicle oil filters.

(11) Recyclable rigid plastic containers that are required to be labeled as provided in subsection (e) of this section, that have a neck smaller than the body of the container, and that accept a screw top, snap cap, or other closure. The prohibition on disposal of recyclable rigid plastic containers in landfills does not apply to rigid plastic containers that are intended for use in the sale or distribution of motor oil or pesticides.

(12) Wooden pallets, except that wooden pallets may be disposed of in a landfill that is permitted to only accept construction and demolition debris.
(13) Oyster shells.
(14) Discarded computer equipment, as defined in G.S. 130A-309.131.
(15) Discarded televisions, as defined in G.S. 130A-309.131.
(16) Discarded solar panels containing cadmium telluride.

(f1) No person shall knowingly dispose of the following solid wastes by incineration in an incinerator for which a permit is required under this Article:
(1) Antifreeze (ethylene glycol) used solely in motor vehicles.
(2) Aluminum cans.
(3) Repealed by Session Laws 1995 (Regular Session, 1996), c. 594, s. 17.
(4) White goods.
(5) Lead-acid batteries, as provided in G.S. 130A-309.70.
(6) Repealed by Session Laws 2011-394, s. 4, effective July 1, 2011.
(7) Discarded computer equipment, as defined in G.S. 130A-309.131.
(8) Discarded televisions, as defined in G.S. 130A-309.131.
(9) Discarded solar panels containing cadmium telluride.
..."

SECTION 3.2.(b) This section is effective when the act becomes law, and applies to solar panels disposed of on or after that date.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S303-ARI-85 [v.3]

Amends Title [NO]
Fourth Edition

Date _____ ,2016

Representative Hager

moves to amend the bill on page 19, lines 16 and 17,
by inserting between those lines:

"BAN SOLAR PANELS CONTAINING CADMIUM TELLURIDE FROM DISPOSAL IN LANDFILLS

SECTION 3.2.(a) G.S. 130A-309.10 reads as rewritten:

"**§ 130A-309.10. Prohibited acts relating to packaging; coded labeling of plastic containers required; disposal of certain solid wastes in landfills or by incineration prohibited.**

...

(f) No person shall knowingly dispose of the following solid wastes in landfills:

(1) Repealed by Session Laws 1991, c. 375, s. 1.

(2) Used oil.

(3) Yard trash, except in landfills approved for the disposal of yard trash under rules adopted by the Commission. Yard trash that is source separated from solid waste may be accepted at a solid waste disposal area where the area provides and maintains separate yard trash composting facilities.

(4) White goods.

(5) Antifreeze (ethylene glycol).

(6) Aluminum cans.

(7) Whole scrap tires, as provided in G.S. 130A-309.58(b). The prohibition on disposal of whole scrap tires in landfills applies to all whole pneumatic rubber coverings, but does not apply to whole solid rubber coverings.

(8) Lead-acid batteries, as provided in G.S. 130A-309.70.

(9) Repealed by Session Laws 2011-394, s. 4, effective July 1, 2011.

(10) Motor vehicle oil filters.

(11) Recyclable rigid plastic containers that are required to be labeled as provided in subsection (e) of this section, that have a neck smaller than the body of the container, and that accept a screw top, snap cap, or other closure. The prohibition on disposal of recyclable rigid plastic containers in landfills does not apply to rigid plastic containers that are intended for use in the sale or distribution of motor oil or pesticides.

(12) Wooden pallets, except that wooden pallets may be disposed of in a landfill that is permitted to only accept construction and demolition debris.
(13) Oyster shells.
(14) Discarded computer equipment, as defined in G.S. 130A-309.131.
(15) Discarded televisions, as defined in G.S. 130A-309.131.
(16) Discarded solar panels containing cadmium telluride.

(f1) No person shall knowingly dispose of the following solid wastes by incineration in an incinerator for which a permit is required under this Article:
(1) Antifreeze (ethylene glycol) used solely in motor vehicles.
(2) Aluminum cans.
(3) Repealed by Session Laws 1995 (Regular Session, 1996), c. 594, s. 17.
(4) White goods.
(5) Lead-acid batteries, as provided in G.S. 130A-309.70.
(6) Repealed by Session Laws 2011-394, s. 4, effective July 1, 2011.
(7) Discarded computer equipment, as defined in G.S. 130A-309.131.
(8) Discarded televisions, as defined in G.S. 130A-309.131.
(9) Discarded solar panels containing cadmium telluride.
..."

SECTION 3.2.(b) This section is effective when the act becomes law, and applies to solar panels disposed of on or after that date. This section expires July 1, 2017.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO. _____
(to be filled in by Principal Clerk)

S303-AST-192 [v.3]

Amends Title [NO]
Fourth Edition

Date _____,2016

Representative Stam

moves to amend the bill on page 4, lines 32-41, by rewriting those lines to read:

"**SECTION 2.4.(a)** G.S. 153A-341 reads as rewritten:

"**§ 153A-341. Purposes in view.**

(a) Zoning regulations shall be made in accordance with a comprehensive plan.

(b) Prior to adopting or rejecting any zoning amendment, the governing board shall adopt a statement describing whether its action is consistent with an adopted comprehensive plan and any other officially adopted plan, including any unified development ordinance, and explaining why the board considers the action taken to be reasonable and in the public interest. That statement is not subject to judicial review.

(c) ~~The~~ planning board shall advise and comment on whether the proposed amendment is consistent with any comprehensive plan that has been adopted and any other officially adopted ~~plan~~ plan, including any unified development ordinance, that is applicable. The planning board shall provide a written recommendation to the board of county commissioners that addresses plan consistency and other matters as deemed appropriate by the planning board, but a comment by the planning board that a proposed amendment is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, shall not preclude consideration or approval of the proposed amendment by the governing board.

(d) Zoning regulations shall be designed to promote the public health, safety, and general welfare. To that end, the regulations may address, among other things, the following public purposes: to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to lessen congestion in the streets; to secure safety from fire, panic, and dangers; and to facilitate the efficient and adequate provision of transportation, water, sewerage, schools, parks, and other public requirements. The regulations shall be made with reasonable consideration as to, among other things, the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the county. In addition, the regulations shall be made with reasonable consideration to expansion and development of any cities within the county, so as to provide for their orderly growth and development."

(e) If the governing board adopts a zoning amendment that is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, the governing board shall deem the affirmative vote adopting that zoning amendment as a simultaneous amendment to the comprehensive plan and any other officially adopted plan,

including any unified development ordinance, for the property identified in the zoning amendment only."

SECTION 2.4. G.S. 160A-383 reads as rewritten:

"**§ 160A-383. Purposes in view.**

(a) Zoning regulations shall be made in accordance with a comprehensive plan.

(b) When adopting or rejecting any zoning amendment, the governing board shall also approve a statement describing whether its action is consistent with an adopted comprehensive plan and any other officially adopted plan that is applicable, including any unified development ordinance, and briefly explaining why the board considers the action taken to be reasonable and in the public interest. That statement is not subject to judicial review.

(c) Prior to consideration by the governing board under subsection (b) of this section, ~~The~~the planning board shall advise and comment on whether the proposed amendment is consistent with any comprehensive plan that has been adopted and any other officially adopted plan that is ~~applicable.~~ applicable, including any unified development ordinance. The planning board shall provide a written recommendation to the governing board that addresses plan consistency and other matters as deemed appropriate by the planning board, but a comment by the planning board that a proposed amendment is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, shall not preclude consideration or approval of the proposed amendment by the governing board.

(d) Zoning regulations shall be designed to promote the public health, safety, and general welfare. To that end, the regulations may address, among other things, the following public purposes: to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to lessen congestion in the streets; to secure safety from fire, panic, and dangers; and to facilitate the efficient and adequate provision of transportation, water, sewerage, schools, parks, and other public requirements. The regulations shall be made with reasonable consideration, among other things, as to the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout such city.

(e) If the governing board adopts a zoning amendment that is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, the governing board shall deem the affirmative vote adopting that zoning amendment as a simultaneous amendment to the comprehensive plan and any other officially adopted plan, including any unified development ordinance, for the property identified in the zoning amendment only."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

Amendment 4

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO. _____
(to be filled in by Principal Clerk)

S303-AST-193 [v.8]

Amends Title [NO]
S303-CSSB-24v2

Date _____,2016

Representative Stam

moves to amend the bill on page 6, line 28 through page 6, line 36, by rewriting those lines to read:

"(21) Against the owner of an interest in real property by a unit of local government for a violation of a land-use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. This subdivision does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety. The claim for relief accrues upon the occurrence of the earlier of any of the following:

a. The facts constituting the violation are known to the governing body, an agent, or an employee of the unit of local government.

b. The violation can be determined from the public record of the unit of local government."

SECTION 2.6.(b) G.S. 1-50(a) is amended by adding a new subdivision to read:

"(8) Against the owner of an interest in real property by a unit of local government for a violation of a land-use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. This subdivision does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety, but does prescribe an outside limitation of six years from the earlier of the occurrence of any of the following:

a. The violation is apparent from a public right-of-way.

b. The violation is in plain view from a place to which the public is invited."

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S303-AST-193 [v.8]

SECTION 2.6.(c) This act becomes effective August 1, 2016, and applies to actions commenced on or after that date.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S D

SENATE BILL 303
Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/22/15
Third Edition Engrossed 4/23/15
House Committee Substitute Favorable 6/8/16
PROPOSED HOUSE COMMITTEE SUBSTITUTE S303-PCS45529-ST-119

Short Title: Regulatory Reform Act of 2016. (Public)

Sponsors:

Referred to:

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

PART I. BUSINESS REGULATION

EMPLOYMENT STATUS OF FRANCHISES

SECTION 1.1. Article 2A of Chapter 95 of the General Statutes is amended by adding a new section to read:

"**§ 95-25.24A. Franchisee status.**

Neither a franchisee nor a franchisee's employee shall be deemed to be an employee of the franchisor for any purposes, including, but not limited to, this Article and Chapters 96 and 97 of the General Statutes. For purposes of this section, "franchisee" and "franchisor" have the same definitions as set out in 16 C.F.R. § 436.1."

PART II. STATE AND LOCAL GOVERNMENT REGULATION

PERSONALLY IDENTIFIABLE INFORMATION OF PUBLIC UTILITY CUSTOMERS

SECTION 2.1. Chapter 132 of the General Statutes is amended by adding a new section to read:

"**§ 132-1.14. Personally identifiable information of public utility customers.**

(a) Except as otherwise provided in this section, a public record, as defined by G.S. 132-1, does not include personally identifiable information obtained by the Public Staff of the Utilities Commission from customers requesting assistance from the Public Staff regarding rate or service disputes with a public utility, as defined by G.S. 62-3(23).

(b) The Public Staff may disclose personally identifiable information of a customer to the public utility involved in the matter for the purpose of investigating such disputes.

(c) Such personally identifiable information is a public record to the extent disclosed by the customer in a complaint filed with the Commission pursuant to G.S. 62-73.

(d) For purposes of this section, "personally identifiable information" means the customer's name, physical address, e-mail address, telephone number, and public utility account number."

WATER AND SEWER BILLING BY LESSORS

SECTION 2.2.(a) G.S. 42-42.1 reads as rewritten:

"**§ 42-42.1. Water and electricity conservation.**

(a) For the purpose of encouraging water and electricity conservation, pursuant to a written rental agreement, a landlord may charge for the cost of providing water or sewer service to tenants ~~who occupy the same contiguous premises~~ pursuant to G.S. 62-110(g) or electric service pursuant to G.S. 62-110(h).

(b) The landlord may not disconnect or terminate the tenant's electric service or water or sewer services due to the tenant's nonpayment of the amount due for electric service or water or sewer services."

SECTION 2.2.(b) G.S. 62-110(g) reads as rewritten:

"(g) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, for the purpose of encouraging water conservation, the Commission may, consistent with the public interest, adopt procedures that allow a lessor to charge for the costs of providing water or sewer service to persons who occupy the ~~same contiguous~~leased premises. The following provisions shall apply:

(1) All charges for water or sewer service shall be based on the user's metered consumption of water, which shall be determined by metered measurement of all water consumed. The rate charged by the lessor shall not exceed the unit consumption rate charged by the supplier of the service.

(1a) If the ~~contiguous~~ leased premises ~~were~~are contiguous dwelling units built prior to ~~1989~~ 1989, and the lessor determines that the measurement of the tenant's total water usage is impractical or not economical, the lessor may allocate the cost for water and sewer service to the tenant using equipment that measures the tenant's hot water usage. In that case, each tenant shall be billed a percentage of the landlord's water and sewer costs for water usage in the dwelling units based upon the hot water used in the tenant's dwelling unit. The percentage of total water usage allocated for each dwelling unit shall be equal to that dwelling unit's individually submetered hot water usage divided by all submetered hot water usage in all dwelling units. The following conditions apply to billing for water and sewer service under this subdivision:

a. A lessor shall not utilize a ratio utility billing system or other allocation billing system that does not rely on individually submetered hot water usage to determine the allocation of water and sewer costs.

b. The lessor shall not include in a tenant's bill the cost of water and sewer service used in common areas or water loss due to leaks in the lessor's water mains. A lessor shall not bill or attempt to collect for excess water usage resulting from a plumbing malfunction or other condition that is not known to the tenant or that has been reported to the lessor.

c. All equipment used to measure water usage shall comply with guidelines promulgated by the American Water Works Association.

d. The lessor shall maintain records for a minimum of 12 months that demonstrate how each tenant's allocated costs were calculated for water and sewer service. Upon advanced written notice to the lessor, a tenant may inspect the records during reasonable business hours.

e. Bills for water and sewer service sent by the lessor to the tenant shall contain all the following information:

1. The amount of water and sewer services allocated to the tenant during the billing period.

2. The method used to determine the amount of water and sewer services allocated to the tenant.

3. Beginning and ending dates for the billing period.
4. The past-due date, which shall not be less than 25 days after the bill is mailed.
5. A local or toll-free telephone number and address that the tenant can use to obtain more information about the bill.

(2) The lessor may charge a reasonable administrative fee for providing water or sewer service not to exceed the maximum administrative fee authorized by the Commission.

(3) The Commission shall ~~issue~~ adopt rules to ~~define contiguous premises and to~~ implement this subsection. ~~In issuing the rule to define contiguous premises, the Commission shall consider contiguous premises where manufactured homes, as defined in G.S. 143-145(7), or spaces for manufactured homes are rented.~~

(4) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service. The form shall include all of the following:

a. A description of the applicant and the property to be served.
b. A description of the proposed billing method and billing statements.
c. The schedule of rates charged to the applicant by the supplier.
d. The schedule of rates the applicant proposes to charge the applicant's customers.
e. The administrative fee proposed to be charged by the applicant.
f. The name of and contact information for the applicant and its agents.
g. The name of and contact information for the supplying water or sewer system.
h. Any additional information that the Commission may require.

(4a) The Commission shall develop an application that lessors must submit for authority to charge for water or sewer service at single-family homes that allows the applicant to serve multiple homes in the State subject to single Commission approval. The form shall include all of the following:

a. A description of the applicant and a listing of the address of all the properties to be served, which shall be updated annually with the Commission.
b. A description of the proposed billing method and billing statements.
c. The administrative fee proposed to be charged by the applicant.
d. The name and contact information for the applicant and its agents.
e. Any additional information the Commission may require.

(5) The Commission shall approve or disapprove an application within 30 days of the filing of a completed application with the Commission. If the Commission has not issued an order disapproving a completed application within 30 days, the application shall be deemed approved.

(6) A provider of water or sewer service under this subsection may increase the rate for service so long as the rate does not exceed the unit consumption rate charged by the supplier of the service. A provider of water or sewer service under this subsection may change the administrative fee so long as the administrative fee does not exceed the maximum administrative fee authorized by the Commission. In order to change the rate or administrative fee, the provider shall file a notice of revised schedule of rates and fees with the Commission. The Commission may prescribe the form by which the provider files a notice of a revised schedule of rates and fees under this subsection. The form shall include all of the following:

a. The current schedule of the unit consumption rates charged by the provider.
b. The schedule of rates charged by the supplier to the provider that the provider proposes to pass through to the provider's customers.
c. The schedule of the unit consumption rates proposed to be charged by the provider.
d. The current administrative fee charged by the provider, if applicable.
e. The administrative fee proposed to be charged by the provider.

(7) A notification of revised schedule of rates and fees shall be presumed valid and shall be allowed to become effective upon 14 days notice to the Commission, unless otherwise suspended or disapproved by order issued within 14 days after filing.

(8) Notwithstanding any other provision of this Chapter, the Commission shall determine the extent to which the services shall be regulated and, to the extent necessary to protect the public interest, regulate the terms, conditions, and rates that may be charged for the services. Nothing in this subsection shall be construed to alter the rights, obligations, or remedies of persons providing water or sewer services and their customers under any other provision of law.

(9) A provider of water or sewer service under this subsection shall not be required to file annual reports pursuant to G.S. 62-36 or to furnish a bond pursuant to G.S. 62-110.3."

CLARIFY RECYCLING PROGRAMS BY LOCAL SCHOOL BOARDS MUST COMPLY WITH G.S. 160A-327

SECTION 2.3. G.S. 115C-47(41) reads as rewritten:

"(41) To Encourage Recycling in Public Schools. – Local boards of education shall encourage recycling in public schools and may develop and implement recycling programs at public schools. Local boards of education shall comply with G.S. 160A-327."

REZONING/SIMULTANEOUS COMPREHENSIVE PLAN AMENDMENT

SECTION 2.4.(a) G.S. 153A-341 reads as rewritten:

"**§ 153A-341. Purposes in view.**

(a) Zoning regulations shall be made in accordance with a comprehensive plan.

(b) Prior to adopting or rejecting any zoning amendment, the governing board shall adopt a statement describing whether its action is consistent with an adopted comprehensive plan and any other officially adopted plan, including any unified development ordinance, and explaining why the board considers the action taken to be reasonable and in the public interest. That statement is not subject to judicial review.

(c) ~~The~~ planning board shall advise and comment on whether the proposed amendment is consistent with any comprehensive plan that has been adopted and any other officially adopted ~~plan~~ plan, including any unified development ordinance, that is applicable. The planning board shall provide a written recommendation to the board of county commissioners that addresses plan consistency and other matters as deemed appropriate by the planning board, but a comment by the planning board that a proposed amendment is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, shall not preclude consideration or approval of the proposed amendment by the governing board.

(d) Zoning regulations shall be designed to promote the public health, safety, and general welfare. To that end, the regulations may address, among other things, the following public purposes: to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to lessen congestion in the streets; to secure safety from fire, panic,

and dangers; and to facilitate the efficient and adequate provision of transportation, water, sewerage, schools, parks, and other public requirements. The regulations shall be made with reasonable consideration as to, among other things, the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the county. In addition, the regulations shall be made with reasonable consideration to expansion and development of any cities within the county, so as to provide for their orderly growth and development.

(e) If the governing board adopts a zoning amendment that is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, the governing board shall deem the affirmative vote adopting that zoning amendment as a simultaneous amendment to the comprehensive plan and any other officially adopted plan, including any unified development ordinance, for the property identified in the zoning amendment only."

SECTION 2.4.(b) G.S. 160A-383 reads as rewritten:

"**§ 160A-383. Purposes in view.**

(a) Zoning regulations shall be made in accordance with a comprehensive plan.

(b) When adopting or rejecting any zoning amendment, the governing board shall also approve a statement describing whether its action is consistent with an adopted comprehensive plan and any other officially adopted plan that is applicable, including any unified development ordinance, and briefly explaining why the board considers the action taken to be reasonable and in the public interest. That statement is not subject to judicial review.

(c) ~~The~~ Prior to consideration by the governing board under subsection (b) of this section, the planning board shall advise and comment on whether the proposed amendment is consistent with any comprehensive plan that has been adopted and any other officially adopted plan that is ~~applicable.~~ applicable, including any unified development ordinance. The planning board shall provide a written recommendation to the governing board that addresses plan consistency and other matters as deemed appropriate by the planning board, but a comment by the planning board that a proposed amendment is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, shall not preclude consideration or approval of the proposed amendment by the governing board.

(d) Zoning regulations shall be designed to promote the public health, safety, and general welfare. To that end, the regulations may address, among other things, the following public purposes: to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to lessen congestion in the streets; to secure safety from fire, panic, and dangers; and to facilitate the efficient and adequate provision of transportation, water, sewerage, schools, parks, and other public requirements. The regulations shall be made with reasonable consideration, among other things, as to the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout such city.

(e) If the governing board adopts a zoning amendment that is inconsistent with the comprehensive plan or any other officially adopted plan, including any unified development ordinance, the governing board shall deem the affirmative vote adopting that zoning amendment as a simultaneous amendment to the comprehensive plan and any other officially adopted plan, including any unified development ordinance, for the property identified in the zoning amendment only."

SECTION 2.4.(c) This section becomes effective October 1, 2016.

PARENT PARCEL/SUBDIVISION CLARIFICATION

SECTION 2.5.(a) G.S. 153A-335 reads as rewritten:

"**§ 153A-335. "Subdivision" defined.**

(a) For purposes of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions are created for the purpose of sale or building development (whether immediate or future) and includes all division of land involving the dedication of a new street or a change in existing streets; however, the following is not included within this definition and is not subject to any regulations enacted pursuant to this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots if the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres if no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for widening or opening streets or for public transportation system corridors.

(4) The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and if the resultant lots are equal to or exceed the standards of the county as shown by its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A county may provide for expedited review of specified classes of subdivisions.

(c) The county may require only a plat for recordation for the division of a tract or parcel of land in single ownership if all of the following criteria are met:

(1) The tract or parcel to be divided is not exempted under subdivision (a)(2) of this section.

(2) No part of the tract or parcel to be divided has been divided under this subsection in the 10 years prior to division.

(3) The entire area of the tract or parcel to be divided is greater than five acres.

(4) After division, no more than three lots result from the division.

(5) After division, all resultant lots comply with all of the following:

a. Any lot dimension size requirements of the applicable land use regulations, if any.

b. The use of the lots is in conformity with the applicable zoning requirements, if any.

c. A permanent means of ingress and egress is recorded for each lot."

SECTION 2.5.(b) G.S. 160A-376 reads as rewritten:

"**§ 160A-376. Definition.**

(a) For the purpose of this Part, "subdivision" means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions when any one or more of those divisions is created for the purpose of sale or building development (whether immediate or future) and shall include all divisions of land involving the dedication of a new street or a change in existing streets; but the following shall not be included within this definition nor be subject to the regulations authorized by this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots where the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the municipality as shown in its subdivision regulations.

(2) The division of land into parcels greater than 10 acres where no street right-of-way dedication is involved.

(3) The public acquisition by purchase of strips of land for the widening or opening of streets or for public transportation system corridors.

(4) The division of a tract in single ownership whose entire area is no greater than two acres into not more than three lots, where no street right-of-way dedication is involved and where the resultant lots are equal to or exceed the standards of the municipality, as shown in its subdivision regulations.

(5) The division of a tract into parcels in accordance with the terms of a probated will or in accordance with intestate succession under Chapter 29 of the General Statutes.

(b) A city may provide for expedited review of specified classes of subdivisions.

(c) The city may require only a plat for recordation for the division of a tract or parcel of land in single ownership if all of the following criteria are met:

(1) The tract or parcel to be divided is not exempted under subdivision (a)(2) of this section.

(2) No part of the tract or parcel to be divided has been divided under this subsection in the 10 years prior to division.

(3) The entire area of the tract or parcel to be divided is greater than five acres.

(4) After division, no more than three lots result from the division.

(5) After division, all resultant lots comply with all of the following:

a. Any lot dimension size requirements of the applicable land use regulations, if any.

b. The use of the lots is in conformity with the applicable zoning requirements, if any.

c. A permanent means of ingress and egress is recorded for each lot."

SECTION 2.5.(c) This section becomes effective October 1, 2016.

STATUTE OF LIMITATIONS/LAND-USE VIOLATIONS

SECTION 2.6.(a) G.S. 1-52 is amended by adding a new subdivision to read:

"**§ 1-52. Three years.**

Within three years an action –

...

(21) Against the owner of an interest in real property by a unit of local government for a violation of a land-use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. This subdivision does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety. The claim for relief accrues upon the occurrence of the earlier of any of the following:

a. The facts constituting the violation are known to the governing body, an agent, or an employee of the unit of local government.

b. The violation can be determined from the public record of the unit of local government."

SECTION 2.6.(b) G.S. 1-50(a) is amended by adding a new subdivision to read:

"(8) Against the owner of an interest in real property by a unit of local government for a violation of a land-use statute, ordinance, or permit or any other official action concerning land use carrying the effect of law. This subdivision does not limit the remedy of injunction for conditions that are actually injurious or dangerous to the public health or safety but does prescribe an outside limitation of six years from the earlier of the occurrence of any of the following:

a. The violation is apparent from a public right-of-way.

b. The violation is in plain view from a place to which the public is invited."

SECTION 2.6.(c) This act becomes effective August 1, 2016, and applies to actions commenced on or after that date.

PROGRAM EVALUATION TO STUDY NONPROFIT CONTRACTING

SECTION 2.7.(a) The Joint Legislative Program Evaluation Oversight Committee may amend the 2016-2017 Program Evaluation Division work plan to direct the Division to study State law and internal agency policies and procedures for delivery of public services through State grants and contracts to nonprofit organizations. The study shall include, but not be limited to, how nonprofit organizations are compensated for actual, reasonable, documented indirect costs, and the extent to which any underpayment for indirect costs reduces the efficiency or effectiveness of the delivery of public services. The study shall propose improvements to State law and internal agency policies and procedures, if necessary, to remove unnecessary impediments to the efficient and effective delivery of public services, including, but not limited to, late execution of contracts, late payments, and late reimbursements. In conducting the study, the Division may require each State agency to provide data maintained by the agency to determine any of the following:

(1) The timeliness of delivery and execution of contracts.
(2) The timeliness of payment for services that have been delivered.
(3) The extent to which nonprofit contractors or grantees are reimbursed for their indirect costs.
(4) The contact information for all nonprofit grantees and contractors.

SECTION 2.7.(b) If the study is conducted, the Division shall submit a report on the results of the study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Commission on Governmental Operations no later than September 1, 2017.

SECTION 2.7.(c) This section becomes effective July 1, 2016.

CLARIFY REQUIREMENTS FOR INITIAL LICENSURE AS A PROFESSIONAL ENGINEER

SECTION 2.8.(a) G.S. 89C-13 reads as rewritten:

"**§ 89C-13. General requirements for licensure.**

(a) ~~Engineer Applicant. The following shall be considered as minimum evidence satisfactory to the Board that the applicant is qualified for licensure as a professional engineer:~~

~~(1) To be certified as an engineer intern, an applicant shall (i) pass the fundamentals of engineering examination and make application to the Board, (ii) be of good character and reputation, (iii) submit three character references to the Board, one of whom is a professional engineer, (iv) comply with the requirements of this Chapter, and (v) meet one of the following requirements:~~

~~a. Education. Be a graduate of an engineering curriculum or related science curriculum of four years or more, approved by the Board as being of satisfactory standing.~~

~~b. Education and experience. Be a graduate of an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing, or possess equivalent education and engineering experience satisfactory to the Board with a specific record of four or more years of progressive experience on engineering projects of a grade and character satisfactory to the Board.~~

~~(1a) To be licensed as a professional engineer, an applicant shall (i) be of good character and reputation, (ii) submit five character references to the Board, three of whom are professional engineers or individuals acceptable to the Board with personal knowledge of the applicant's engineering experience, (iii) comply~~

~~with the requirements of this Chapter, and (iv) meet one of the following requirements:~~

~~a. Licensure by Comity or Endorsement. A person holding a certificate of licensure to engage in the practice of engineering, on the basis of comparable qualifications, issued to the person by a proper authority of a state, territory, or possession of the United States, the District of Columbia, or of any foreign country possessing credentials that, based on verifiable evidence, in the opinion of the Board, of a standard not lower than that in effect in this State at the time the certificate was issued, may upon application, be licensed without further examination, except as required to examine the applicant's knowledge of laws, rules, and requirements unique to North Carolina.~~

~~b. E.I. Certificate, Experience, and Examination. A holder of a certificate of engineer intern and with a specific record of an additional four years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering, shall be admitted to the principles and practice of engineering examination. Upon passing the examination, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~c. Graduation, Experience, and Examination. A graduate of an engineering curriculum of four years or more approved by the Board as being of satisfactory standing, shall be admitted to the fundamentals of engineering examination, and with a specific record of an additional four years or more of progressive experience on engineering projects of a grade and character that indicates to the Board that the applicant may be competent to practice engineering, the principles and practice of engineering examination. Upon passing the examinations, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~d. Graduation, Experience, and Examination. A graduate of an engineering or related science curriculum of four years or more, other than the ones approved by the Board as being of satisfactory standing or with an equivalent education and engineering experience satisfactory to the Board shall be admitted to the fundamentals of engineering examination and with a specific record of an additional eight years or more of progressive experience on engineering projects of a grade and character that indicates to the Board that the applicant may be competent to practice engineering, the principles and practice of engineering examination. Upon passing the examinations, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~e. Long-Established Practice. A person with a specific record of 20 years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering shall be admitted to the principles and practice of engineering examination. Upon passing the examination, the applicant shall be granted a certificate of licensure to practice professional engineering in this State, provided the applicant is otherwise qualified.~~

~~f. Full-time faculty. – Full-time engineering faculty members who teach in an approved engineering program offering a four-year or more degree approved by the Board, may request and be granted waiver of the fundamentals of engineering examination. The faculty applicant shall document that the degree meets the Board's requirement. The faculty applicant shall then be admitted to the principles and practice of engineering examination.~~

~~g. Doctoral degree. – A person possessing an earned doctoral degree in engineering from an institution in which the same discipline undergraduate engineering program has been accredited by ABET (EAC) may request and be granted waiver of the fundamentals of engineering examination. The doctoral degree applicant shall document that the degree meets the Board's requirement. The doctoral degree applicant shall then be admitted to the principles and practice of engineering examination.~~

~~At its discretion the Board may require an applicant to submit exhibits, drawings, designs, or other tangible evidence of engineering work which the applicant personally accomplished or supervised.~~Engineer Intern. – To be certified as an engineer intern, an applicant shall (i) pass the fundamentals of engineering examination and make application to the Board, (ii) be of good character and reputation, (iii) submit three character references to the Board, one of whom is a professional engineer, (iv) comply with the requirements of this Chapter, and (v) meet one of the following requirements:

(1) Education. – Be a graduate of an EAC/ABET accredited engineering curriculum or of a related science curriculum which has been approved by the Board as being of satisfactory standing.

(2) Education and experience. – Be a graduate of an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing in subdivision (1) of this subsection, and possess engineering experience satisfactory to the Board with a specific record of four or more years of progressive experience on engineering projects of a grade and character satisfactory to the Board.

(a1) Engineer Applicant. – To be licensed as a professional engineer, an applicant (i) shall be of good character and reputation, (ii) submit five character references to the Board, three of whom are professional engineers or individuals acceptable to the Board with personal knowledge of the applicant's engineering experience, (iii) comply with the requirements of this Chapter, and (iv) meet the requirements related to education, examination, and experience set forth in this subsection. An applicant seeking licensure as a professional engineer shall meet the following requirements:

(1) Education requirement. – Possess one or more of the following educational qualifications:

a. A bachelor's degree in engineering from an EAC/ABET accredited program or in a related science curriculum which has been approved by the Board as being of satisfactory standing.

b. A bachelor's degree in an engineering curriculum or related science curriculum of four years or more, other than curriculums approved by the Board as being of satisfactory standing in sub-subdivision a. of this subdivision.

c. A master's degree in engineering from an institution that offers EAC/ABET accredited programs.

d. An earned doctoral degree in engineering from an institution that offers EAC/ABET accredited programs and in which the degree requirements are approved by the Board.

(2) Examination requirements. – Take and pass the Fundamentals of Engineering (FE) examination. Take and pass the Principles and Practice of Engineering (PE) examination as provided by G.S. 89C-15, after having met the education requirement set forth in subdivision (1) of this subsection.

(3) Experience requirement. – Present evidence satisfactory to the Board of a specific record of progressive engineering experience that is of a grade and character that indicates to the Board that the applicant is competent to practice engineering. The Board may adopt rules to specify the years of experience required based on educational attainment, provided the experience requirement for an applicant who qualifies under sub-subdivision (1)a. of this subsection shall be no less than four years and for an applicant who qualifies under sub-subdivision (1)b. of this subsection, no less than eight years.

For purposes of this subsection, the term "EAC/ABET" means the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology.

(a2) Licensure by Comity or Endorsement. – A person holding a certificate of licensure to engage in the practice of engineering, on the basis of comparable qualifications, issued to the person by a proper authority of a state, territory, or possession of the United States, the District of Columbia, or of any foreign country possessing credentials that, based on verifiable evidence, in the opinion of the Board, of a standard not lower than that in effect in this State at the time the certificate was issued, may upon application, be licensed without further examination, except as required to examine the applicant's knowledge of laws, rules, and requirements unique to North Carolina.

(a3) Long-Established Practice. – A person with a specific record of 20 years or more of progressive experience on engineering projects of a grade and character which indicates to the Board that the applicant may be competent to practice engineering shall be admitted to the Principles and Practice of Engineering examination. Upon passing the examination, the person shall be granted a certificate of licensure to practice professional engineering in this State, provided the person is otherwise qualified.

(a4) Exceptions. – The following persons may apply for and be granted waiver of the fundamentals of engineering examination and admission to the principles and practice of engineering examination:

(1) A full-time engineering faculty member who teaches in an approved engineering program offering a four-year or more degree approved by the Board. The faculty member applicant shall document that the degree meets the Board's requirements.

(2) A person possessing an earned doctoral degree in engineering from an institution in which the same discipline undergraduate engineering program has been accredited by EAC/ABET. The doctoral degree applicant shall document that the degree meets the Board's requirements.

(b) Land Surveyor Applicant. – The evaluation of a land surveyor applicant's qualifications shall involve a consideration of the applicant's education, technical, and land surveying experience, exhibits of land surveying projects with which the applicant has been associated, and recommendations by references. The land surveyor applicant's qualifications may be reviewed at an interview if the Board determines it necessary. Educational credit for institute courses, correspondence courses, or other courses shall be determined by the Board.

...."

SECTION 2.8.(b) This section becomes effective October 1, 2016.

RENAME AND AMEND THE BOARD OF REFRIGERATION EXAMINERS

SECTION 2.9.(a) Article 5 of Chapter 87 of the General Statutes reads as rewritten:

"Article 5.

"Commercial Refrigeration Contractors.

"**§ 87-52. State Board of Commercial Refrigeration Examiners; appointment; term of office.**

(a) For the purpose of carrying out the provisions of this Article, the State Board of Commercial Refrigeration Examiners is created, consisting of seven members appointed by the Governor to serve seven-year staggered terms. The Board shall consist ~~of one member who is a wholesaler or a manufacturer of refrigeration equipment; one member from an engineering school of The University of North Carolina, one member from the Division of Public Health of The University of North Carolina, two licensed refrigeration contractors, one member who has no ties with the construction industry to represent the interest of the public at large, and one member with an engineering background in refrigeration.~~of:

(1) One member who is a wholesaler or a manufacturer of refrigeration equipment.

(2) One member from an accredited engineering school located in this State.

(3) One member from the field of public health with an environmental science background from an accredited college or university located in this State.

(4) Two members who are licensed refrigeration contractors.

(5) One member who has no ties with the construction industry to represent the interest of the public at large.

(6) One member with an engineering background in refrigeration.

(b) The term of office of one member shall expire each year. Vacancies occurring during a term shall be filled by appointment of the Governor for the unexpired term. Whenever the term "Board" is used in this Article, it means the State Board of Commercial Refrigeration Examiners. No Board member shall serve more than one complete consecutive term.

"...

"**§ 87-58. Definitions; contractors licensed by Board; examinations.**

(a) ~~As applied~~The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of this Chapter. The following definitions apply in this ~~Article,~~Article:

(1) Commercial refrigeration contractor. – ~~"refrigeration trade or business" is defined to include all~~ All persons, ~~firms~~ firms, or corporations engaged in the installation, maintenance, servicing and repairing of refrigerating machinery, equipment, devices and components relating ~~thereto and within limits as set forth in the codes, laws and regulations governing refrigeration installation, maintenance, service and repairs within the State of North Carolina or any of its political subdivisions. The provisions of this Article shall not repeal any wording, phrase, or paragraph as set forth in Article 2 of Chapter 87 of the General Statutes.~~thereto.

(2) Industrial refrigeration contractor. – All persons, firms, or corporations engaged in commercial refrigeration contracting with the use of ammonia as a refrigerant gas.

(3) Transport refrigeration contractor. – All persons, firms, or corporations engaged in the business of installation, maintenance, repairing, and servicing of transport refrigeration.

(a1) This Article shall not apply to any of the following:

(1) The installation of self-contained commercial refrigeration units equipped with an Original Equipment Manufacturer (OEM) molded plug that does not require the opening of service ~~valves or replacement of lamps, fuses, and door gaskets.~~valves.

(2) The installation and servicing of domestic household self-contained refrigeration appliances equipped with an OEM molded plug connected to suitable receptacles which have been permanently installed and do not require the opening of service valves.

(3) Employees of persons, firms, or corporations or persons, firms or corporations, not engaged in refrigeration contracting as herein defined, that install, maintain and service their own refrigerating machinery, equipment and devices.

(4) Any person, firm or corporation engaged in the business of selling, repairing and installing any comfort cooling devices or systems.

(5) The replacement of lamps, fuses, and door gaskets.

(b) ~~The term "refrigeration contractor" means a person, firm or corporation engaged in the business of refrigeration contracting.~~The Board shall establish and issue the following licenses:

(1) A Class I license shall be required for any person engaged in the business of commercial refrigeration contracting.

(2) A Class II license shall be required for any person engaged in the business of industrial refrigeration contracting.

(3) A Class III license shall be required for any person engaged in the business of repair, maintenance, and servicing of commercial equipment.

(4) A Class IV license shall be required for any person engaged in the business of transport refrigeration contracting.

~~(b1) The term "transport refrigeration contractor" means a person, firm, or corporation engaged in the business of installation, maintenance, servicing, and repairing of transport refrigeration.~~

(c) Any person, firm or corporation who for valuable consideration engages in the refrigeration business or trade as herein defined shall be deemed and held to be in the business of refrigeration contracting.

(d) In order to protect the public health, comfort and safety, the Board shall prescribe the standard of experience to be required of an applicant for license and shall give an examination designed to ascertain the technical and practical knowledge of the applicant concerning the analysis of plans and specifications, estimating cost, fundamentals of installation and design as they pertain to refrigeration; and as a result of the examination, the Board shall issue a certificate of license in refrigeration to applicants who pass the required examination and a license shall be obtained in accordance with the provisions of this Article, before any person, firm or corporation shall engage in, or offer to engage in the business of refrigeration contracting. The Board shall prescribe standards for ~~and issue licenses for refrigeration contracting and for transport refrigeration contracting. A transport refrigeration contractor license is a specialty license that authorizes the licensee to engage only in transport refrigeration contracting. A refrigeration contractor licensee is authorized to engage in transport refrigeration and all other aspects of refrigeration contracting.~~all license classifications.

Each application for examination shall be accompanied by a check, post-office money order or cash in the amount of the annual license fee required by this Article. Regular examinations shall be given in the Board's office by appointment.

...

(k) Upon application and payment of the fee for license renewal provided in G.S. 87-64, the Board shall issue a certificate of license to any licensee whose business activities require a Class I or Class II license if that licensee had an established place of business and was licensed pursuant to this Article prior to January 1, 2016.

"...

"§ 87-64. Examination and license fees; annual renewal.

(a) Each applicant for a license by examination shall pay to the Board of Commercial Refrigeration Examiners a nonrefundable examination fee in an amount to be established by the

Board not to exceed the sum of ~~forty~~ one hundred dollars ~~($40.00). In the event the applicant successfully passes the examination, the examination fee shall be applied to the license fee required of licensees for the current year in which the examination was taken and passed.~~($100.00).

(b) The license of every person licensed under the provisions of this statute shall be annually renewed. Effective January 1, 2012, the Board may require, as a prerequisite to the annual renewal of a license, that licensees complete continuing education courses in subjects related to refrigeration contracting to ensure the safe and proper installation of commercial and transport refrigeration work and equipment. On or before November 1 of each year the Board shall cause to be mailed an application for renewal of license to every person who has received from the Board a license to engage in the refrigeration business, as heretofore defined. On or before January 1 of each year every licensed person who desires to continue in the refrigeration business shall forward to the Board a nonrefundable renewal fee in an amount to be established by the Board not to exceed ~~forty~~ eighty dollars ~~($40.00)~~($80.00) together with the application for renewal. Upon receipt of the application and renewal fee the Board shall issue a renewal certificate for the current year. Failure to renew the license annually shall automatically result in a forfeiture of the right to engage in the refrigeration business.

(c) Any licensee who allows the license to lapse may be reinstated by the Board upon payment of a nonrefundable late renewal fee in an amount to be established by the Board not to exceed ~~seventy-five~~one hundred sixty dollars ~~($75.00).~~($160.00) together with the application for renewal. Any person who fails to renew a license for two consecutive years shall be required to take and pass the examination prescribed by the Board for new applicants before being licensed to engage further in the refrigeration business.

...."

SECTION 2.9.(b) This section becomes effective January 1, 2017, and applies to applications submitted and Board membership appointments on or after that date.

AMEND DEFINITION OF ANTIQUE AUTOMOBILE

SECTION 2.10. G.S. 105-330.9 reads as rewritten:

"**§ 105-330.9. Antique automobiles.**

(a) Definition. – For the purpose of this section, the term "antique automobile" means a motor vehicle that meets all of the following conditions:

(1) It is registered with the Division of Motor Vehicles and has an historic vehicle special license plate under G.S. 20-79.4.

(2) It is maintained primarily for use in exhibitions, club activities, parades, and other public interest functions.

(3) It is used only occasionally for other purposes.

(4) It is owned by an ~~individual.~~individual or owned directly or indirectly through one or more pass-through entities, by an individual.

(5) It is used by the owner for a purpose other than the production of income and is not used in connection with a business.

(b) Classification. – Antique automobiles are designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and must be assessed for taxation in accordance with this section. An antique automobile must be assessed at the lower of its true value or five hundred dollars ($500.00)."

COPIES OF CERTAIN PUBLIC RECORDS

SECTION 2.11.(a) G.S. 132-6.2 reads as rewritten:

"**§ 132-6.2. Provisions for copies of public records; fees.**

(a) Persons requesting copies of public records may elect to obtain them in any and all media in which the public agency is capable of providing them. No request for copies of public

records in a particular medium shall be denied on the grounds that the custodian has made or prefers to make the public records available in another medium. The public agency may assess different fees for different media as prescribed by law.

(a1) Notwithstanding subsection (a) of this section, a public agency may satisfy the requirement to provide access to public records and computer databases under G.S. 132-9 by making those public records or computer databases available online in a format that allows a person to download the public record or computer database to obtain a copy. A public agency that provides access to public records or computer databases under this subsection is not required to provide copies through any other method or medium. If a public agency, as a service to the requester, voluntarily elects to provide copies by another method or medium, the public agency may negotiate a reasonable charge for the service with the requester. A public agency satisfying its requirement to provide access to public records and computer databases under G.S. 132-9 by making those public records or computer databases available online in a format that allows a person to obtain a copy by download shall also allow for inspection of any public records also held in a nondigital medium.

(b) Persons requesting copies of public records may request that the copies be certified or uncertified. The fees for certifying copies of public records shall be as provided by law. Except as otherwise provided by law, no public agency shall charge a fee for an uncertified copy of a public record that exceeds the actual cost to the public agency of making the copy. For purposes of this subsection, "actual cost" is limited to direct, chargeable costs related to the reproduction of a public record as determined by generally accepted accounting principles and does not include costs that would have been incurred by the public agency if a request to reproduce a public record had not been made. Notwithstanding the provisions of this subsection, if the request is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or if producing the record in the medium requested results in a greater use of information technology resources than that established by the agency for reproduction of the volume of information requested, then the agency may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the actual cost incurred for such extensive use of information technology resources or the labor costs of the personnel providing the services, or for a greater use of information technology resources that is actually incurred by the agency or attributable to the agency. If anyone requesting public information from any public agency is charged a fee that the requester believes to be unfair or unreasonable, the requester may ask the State Chief Information Officer or his designee to mediate the dispute.

(c) Persons requesting copies of computer databases may be required to make or submit such requests in writing. Custodians of public records shall respond to all such requests as promptly as possible. If the request is granted, the copies shall be provided as soon as reasonably possible. If the request is denied, the denial shall be accompanied by an explanation of the basis for the denial. If asked to do so, the person denying the request shall, as promptly as possible, reduce the explanation for the denial to writing.

(d) Nothing in this section shall be construed to require a public agency to respond to requests for copies of public records outside of its usual business hours.

(e) Nothing in this section shall be construed to require a public agency to respond to a request for a copy of a public record by creating or compiling a record that does not exist. If a public agency, as a service to the requester, voluntarily elects to create or compile a record, it may negotiate a reasonable charge for the service with the requester. Nothing in this section shall be construed to require a public agency to put into electronic medium a record that is not kept in electronic medium.

(f) For purposes of this section, the following definitions shall apply:

(1) Computer database. – As defined in G.S. 132-6.1.

(2) Media or Medium. – A particular form or means of storing information."

SECTION 2.11.(b) The State Chief Information Officer, working with the State Controller, the Office of State Budget and Management, the Local Government Commission, The University of North Carolina, The North Carolina Community College System, The School of Government at the University of North Carolina Chapel Hill, the North Carolina League of Municipalities, the North Carolina School Boards Association, and the North Carolina County Commissioners Association, shall report, including any recommendations, to the 2017 Regular Session of the General Assembly on or before February 1, 2017, regarding the development and use of computer databases by State and local agencies and the need for public access to those public records.

SECTION 2.11.(c) This section becomes effective July 1, 2016.

SPECIFY LOCATION OF LIEUTENANT GOVERNOR'S OFFICE

SECTION 2.12. G.S. 143A-5 reads as rewritten:

"**§ 143A-5. Office of the Lieutenant Governor.**

The Lieutenant Governor shall maintain an office in ~~a State building~~the Hawkins-Hartness House located at 310 North Blount Street in the City of Raleigh which office shall be open during normal working hours throughout the year. The Lieutenant Governor shall serve as President of the Senate and perform such additional duties as the Governor or General Assembly may assign to him. This section shall become effective January 1, 1973."

CLARIFY THAT DOT STORMWATER REQUIREMENTS ARE APPLICABLE TO STATE ROAD CONSTRUCTION UNDERTAKEN BY PRIVATE PARTIES

SECTION 2.14. Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-28.6B. Applicable stormwater regulation.**

For the purposes of stormwater regulation, any construction undertaken by a private party pursuant to the provisions of G.S. 136-18(17), 136-18(27), 136-18(29), 136-18(29a), 136-28.6, or 136-28.6A shall be considered to have been undertaken by the Department, and the stormwater law and rules applicable to the Department shall apply."

DOT/PERMIT PROCESS REVISIONS & REIMBURSEMENT FOR MOVING CERTAIN UTILITIES

SECTION 2.16.(a) Uniform Process for Issuing Permits; Report. – For each type of permit issued by the Highway Divisions under Chapter 136 of the General Statutes, the Department of Transportation shall make uniform all processes and procedures followed by the Highway Divisions when issuing that type of permit. No later than February 1, 2017, the Department shall report to the following on the implementation of this subsection, including (i) what processes and procedures were adjusted, (ii) how were the identified processes and procedures adjusted, and (iii) a comparison of the average length of time for obtaining each type of permit before and after implementation of this section:

(1) If the General Assembly is in session at the time of the report, to the chairs of the House of Representatives Committee on Transportation Appropriations and the Senate Appropriations Committee on Department of Transportation.

(2) If the General Assembly is not in session at the time of the report, to the chairs of the Joint Legislative Transportation Oversight Committee.

SECTION 2.16.(b) Allow Electronic Submission of Permits. – Article 7 of Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-93.01. *Electronic* submission of permits authorized.**

Except as otherwise prohibited under federal law, an application submitted for a permit issued by the Department of Transportation or its agents under this Chapter may be submitted

electronically in a manner approved by the Department. If submitted electronically, a paper copy of the application shall not be required."

SECTION 2.16.(c) G.S. 136-19.5(c) reads as rewritten:

"(c) Whenever the Department of Transportation requires the relocation of ~~utilities~~ utilities, including cable service as defined in G.S. 105-164.3, located in a right-of-way for which the utility owner contributed to the cost of acquisition, the Department of Transportation shall reimburse the utility owner for the cost of moving those utilities."

SECTION 2.16.(d) Notwithstanding G.S. 150B-21.1(a), the Department of Transportation may adopt temporary rules to implement the provisions of this section.

SECTION 2.16.(e) Subsection (b) of this section becomes effective December 31, 2016. The remainder of this section is effective when it becomes law.

AMENDMENTS TO GENERAL CONTRACTOR LICENSURE

SECTION 2.17.(a) G.S. 87-10 reads as rewritten:

"**§ 87-10. Application for license; examination; certificate; renewal.**

(a) Anyone seeking to be licensed as a general contractor in this State shall ~~file~~ submit an application ~~for an examination on a form provided by the Board, at least 30 days before any regular or special meeting of the Board.~~Before being entitled to an examination, an applicant shall:

(1) Be at least 18 years of age.

(2) Possess good moral character as determined by the Board.

(3) Provide evidence of financial responsibility as determined by the Board.

(4) Submit the appropriate application fee.

(a1) The Board ~~may~~ shall require ~~the~~ an applicant to pay the Board or a provider contracted by the Board an examination fee not to exceed one hundred dollars ~~($100.00) and pay to~~ ($100.00). In addition, the Board shall require an applicant to pay the Board a ~~license~~ fee not to exceed one hundred twenty-five dollars ($125.00) if the application is for an unlimited license, one hundred dollars ($100.00) if the application is for an intermediate license, or seventy-five dollars ($75.00) if the application is for a limited license. The fees accompanying any application or examination shall be nonrefundable. The holder of an unlimited license shall be entitled to act as general contractor without restriction as to value of any single project; the holder of an intermediate license shall be entitled to act as general contractor for any single project with a value of up to one million dollars ($1,000,000); the holder of a limited license shall be entitled to act as general contractor for any single project with a value of up to five hundred thousand dollars ~~($500,000); and the~~ ($500,000). The license certificate shall be classified in accordance with this section. ~~Before being entitled to an examination an applicant must show to the satisfaction of the Board from the application and proofs furnished that the applicant is possessed of a good character and is otherwise qualified as to competency, ability, integrity, and financial responsibility, and that the applicant has not committed or done any act, which, if committed or done by any licensed contractor would be grounds under the provisions hereinafter set forth for the suspension or revocation of contractor's license, or that the applicant has not committed or done any act involving dishonesty, fraud, or deceit, or that the applicant has never been refused a license as a general contractor nor had such license revoked, either in this State or in another state, for reasons that should preclude the granting of the license applied for, and that the applicant has never been convicted of a felony involving moral turpitude, relating to building or contracting, or involving embezzlement or misappropriation of funds or property entrusted to the applicant: Provided, no applicant shall be refused the right to an examination, except in accordance with the provisions of Chapter 150B of the General Statutes.~~

(b) ~~The Board shall conduct an examination, either oral or written, of all applicants for license to ascertain, for the classification of license for which the applicant has applied:~~ An applicant shall identify an individual who has successfully passed an examination approved by the Board who, for purposes of this section, shall be known as the "qualifier" or the "qualifying party"

of the applicant. If the qualifier or the qualifying party seeks to take an examination, the examination shall establish (i) the ability of the applicant to make a practical application of the applicant's knowledge of the profession of contracting; (ii) the qualifications of the applicant in reading plans and specifications, knowledge of relevant matters contained in the North Carolina State Building Code, knowledge of estimating costs, construction, ethics, and other similar matters pertaining to the contracting business; (iii) the knowledge of the applicant as to the responsibilities of a contractor to the public and of the requirements of the laws of the State of North Carolina relating to contractors, construction, and liens; and (iv) the applicant's knowledge of requirements of the Sedimentation Pollution Control Act of 1973, Article 4 of Chapter 113A of the General Statutes, and the rules adopted pursuant to that Article. If ~~the results of the examination of the applicant shall be satisfactory to the Board, then~~ the qualifier or qualifying party passes the examination, upon review of the application and all relevant information, the Board shall issue ~~to the applicant a certificate to~~ a license to the applicant to engage ~~as a~~ in general ~~contractor~~ contracting in the State of North Carolina, ~~as provided in said certificate,~~ which may be limited ~~into five classifications~~ as follows:

(1) Building contractor, which shall include private, public, commercial, industrial and residential buildings of all types.

(1a) Residential contractor, which shall include any general contractor constructing only residences which are required to conform to the residential building code adopted by the Building Code Council pursuant to G.S. 143-138.

(2) Highway contractor.

(3) Public utilities contractors, which shall include those whose operations are the performance of construction work on the following subclassifications of facilities:

a. Water and sewer mains, water service lines, and house and building sewer lines as defined in the North Carolina State Building Code, and water storage tanks, lift stations, pumping stations, and appurtenances to water storage tanks, lift stations, and pumping stations.

b. Water and wastewater treatment facilities and appurtenances thereto.

c. Electrical power transmission facilities, and primary and secondary distribution facilities ahead of the point of delivery of electric service to the customer.

d. Public communication distribution facilities.

e. Natural gas and other petroleum products distribution facilities; provided the General Contractors Licensing Board may issue license to a public utilities contractor limited to any of the above subclassifications for which the general contractor qualifies.

(4) Specialty contractor, which shall include those whose operations as such are the performance of construction work requiring special skill and involving the use of specialized building trades or crafts, but which shall not include any operations now or hereafter under the jurisdiction, for the issuance of license, by any board or commission pursuant to the laws of the State of North Carolina.

(b1) Public utilities contractors constructing house and building sewer lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall, at the junction of the public sewer line and the house or building sewer line, install as an extension of the public sewer line a cleanout at or near the property line that terminates at or above the finished grade. Public utilities contractors constructing water service lines as provided in sub-subdivision a. of subdivision (3) of subsection (b) of this section shall terminate the water service lines at a valve, box, or meter at which the facilities from the building may be connected. Public utilities contractors constructing fire service mains for connection to fire sprinkler systems shall terminate those lines at a flange, cap, plug, or valve inside the building one foot above the finished floor. All

fire service mains shall comply with the NFPA standards for fire service mains as incorporated into and made applicable by Volume V of the North Carolina Building Code.

(c) If an applicant is an individual, examination may be taken by his personal appearance for examination, or by the appearance for examination of one or more of his responsible managing ~~employees, and if~~ employees. If an applicant is a ~~copartnership or~~ copartnership, a corporation, or any other combination or organization, ~~by the examination of~~ the examination may be taken by one or more of the responsible managing officers or members of the personnel of the ~~applicant, and if the person so examined~~ applicant.

(c1) If the qualifier or qualifying party shall cease to be connected with the ~~applicant,~~ licensee, then ~~in such event~~ the license shall remain in full force and effect for a period of 90 ~~days thereafter, and then be canceled, but the applicant~~ days. After 90 days, the license shall be invalidated, however the licensee shall ~~then~~ be entitled to ~~a reexamination, all~~ return to active status pursuant to ~~the~~ all relevant statutes and rules ~~to be~~ promulgated by the ~~Board: Provided, that the holder of such license~~ Board. However, during the 90-day period described in this subsection, the licensee shall not bid on or undertake any additional contracts from the time such ~~examined employee shall cease~~ qualifier or qualifying party ceased to be connected with the ~~applicant~~ licensee until ~~said applicant's~~ the license is reinstated as provided in this Article.

(d) ~~Anyone failing to pass this examination may be reexamined at any regular meeting of the Board upon payment of an examination fee. Anyone requesting to take the examination a third or subsequent time shall submit a new application with the appropriate examination and license fees.~~

(d1) The Board may require a new application if a qualifier or qualifying party requests to take an examination a third or subsequent time.

(e) A ~~certificate of~~ license shall expire on the ~~thirty-first~~ first day of ~~December~~ January following its issuance or renewal and shall become invalid 60 days from that date unless renewed, subject to the approval of the Board. ~~Renewals may be effected any time during the month of January without reexamination, by the payment of a fee to the secretary of the Board. The fee shall~~ Renewal applications shall be submitted with a fee not to exceed one hundred twenty-five dollars ($125.00) for an unlimited license, one hundred dollars ($100.00) for an intermediate license, and seventy-five dollars ($75.00) for a limited license. ~~No later than November 30 of each year, the Board shall mail written notice of the amount of the renewal fees for the upcoming year to the last address of record for each general contractor licensed pursuant to this Article.~~ Renewal applications shall be accompanied by evidence of continued financial responsibility satisfactory to the Board. Renewal applications received by the Board on or after the first day of January shall be accompanied by a late payment of ten dollars ($10.00) for each month or part after January. ~~After a lapse of four years no renewal shall be effected and the applicant shall~~ If a licensee wishes to be relicensed subsequent to the archival of a license, the licensee shall fulfill all requirements of a new applicant as set forth in this section. Archived license numbers shall not be reissued."

SECTION 2.17.(b) This section becomes effective January 1, 2017, and applies to applications for licensure submitted on or after that date.

PART III. AGRICULTURE, ENERGY, ENVIRONMENT, AND NATURAL RESOURCES REGULATION

DIRECT DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES TO INSPECT RENDERING PLANTS

SECTION 3.1.(a) G.S. 106-168.5 is repealed.

SECTION 3.1.(b) G.S. 106-168.6 reads as rewritten:

"**§ 106-168.6. ~~Inspection by committee;~~ Inspection; certificate of specific findings.**

~~The committee upon notification by~~ Upon receipt of an application for license, the Commissioner or the Commissioner's designee shall promptly inspect the plans, specifications,

and selected site in the case of proposed rendering plants and shall inspect the buildings, grounds, and equipment of established rendering plants. If the ~~committee~~ Commissioner or the Commissioner's designee finds that the plans, specifications, and selected site in the case of proposed plants, or the buildings, grounds, and equipment– in the case of established plants, comply with the requirements of this Article and the rules and regulations promulgated ~~by the Commissioner not inconsistent therewith, it~~under the authority of this Article, the Commissioner shall certify ~~its~~ the findings in ~~writing and forward same to the Commissioner.~~writing. If there is a failure in any respect to meet such requirements, the ~~committee~~ Commissioner or the Commissioner's designee shall notify the applicant in writing of such deficiencies and ~~the committee shall~~ shall, within a reasonable time to be determined by the ~~Commissioner~~ Commissioner, make a second inspection. If the specified defects are remedied, the ~~committee~~ Commissioner or the Commissioner's designee shall ~~thereupon~~ certify ~~its~~ the findings in ~~writing to the Commissioner.~~writing. Not more than two inspections shall be required ~~of the committee~~ under any one application."

SECTION 3.1.(c) G.S. 106-168.7 reads as rewritten:

"**§ 106-168.7. Issuance of license.**

Upon ~~receipt of the certificate of compliance from the committee,~~certification in accordance with G.S. 106-168.6, the Commissioner shall issue a license to the applicant to conduct rendering operations as specified in the application. A license shall be valid until revoked for cause as hereinafter provided."

SECTION 3.1.(d) G.S. 106-168.12 reads as rewritten:

"**§ 106-168.12. Commissioner authorized to adopt rules and regulations.**

The Commissioner of Agriculture is hereby authorized to make and establish reasonable rules and regulations, ~~not inconsistent~~consistent with the provisions of this Article, ~~after consulting the committee,~~ for the proper administration and enforcement thereof."

SECTION 3.1.(e) G.S. 106-168.13 reads as rewritten:

"**§ 106-168.13. Effect of failure to comply.**

Failure to comply with the provisions of this Article or rules and regulations ~~not inconsistent therewith~~adopted pursuant to this Article shall be cause of revocation of license, if such failure shall not be remedied within a reasonable time after notice to the licensee. Any person whose license is revoked may reapply for a license in the manner provided in this Article for an initial application, except that the Commissioner shall not be required to cause the rendering plant and equipment of the applicant to be inspected ~~by the committee~~ until the expiration of 30 days from the date of revocation."

SOLID WASTE AMENDMENTS

SECTION 3.3.(a) Section 4.9(a) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(a)** Section 14.20(a) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(b) Section 4.9(b) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(b)** Section ~~14.20(a)~~14.20(c) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(c) Section 4.9(c) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(c)** Section 14.20(d) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(d) Section 4.9(d) of S.L. 2015-286 reads as rewritten:

"**SECTION 4.9.(d)** Section 14.20(f) of S.L. 2015-241 ~~reads as rewritten:~~is rewritten to read:

...."

SECTION 3.3.(e) Section 14.20(e) of S.L. 2015-241 reads as rewritten:

"**SECTION 14.20.(e)** After July 1, 2016, the annual fee due pursuant to ~~G.S. 130A-295.8A(d1),~~G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, for existing sanitary landfills and transfer stations with a valid permit issued before the date this act becomes effective is equal to the applicable annual fee for the facility as set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1) as enacted by Section 14.20(c) of this act, less a permittee fee credit. A permittee fee credit exists when the life-of-site permit fee amount is greater than the time-limited permit fee amount. The amount of the permittee fee credit shall be calculated by (i) subtracting the time-limited permit fee amount from the life-of-site permit fee amount due for the same period of time and (ii) multiplying the difference by a fraction, the numerator of which is the number of years remaining in the facility's time-limited permit and the denominator of which is the total number of years covered by the facility's time-limited permit. The amount of the permittee fee credit shall be allocated in equal annual installments over the number of years that constitute the facility's remaining life-of-site, as determined by the Department, unless the Department accelerates, in its sole discretion, the use of the credit over a shorter period of time. For purposes of this subsection, the following definitions apply:

(1) Life-of-site permit fee amount. – The amount equal to the sum of all annual fees that would be due under the fee structure set forth in ~~G.S. 130A-295.8A(d1),~~ G.S. 130A-295.8(d1), as enacted by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

(2) Time-limited permit fee amount. – The amount equal to the sum of the application fee or renewal fee, whichever is applicable, and all annual fees paid or to be paid pursuant to subsections (c) and (d) of ~~G.S. 130A-295.8A,~~ G.S. 130A-295.8(d1), as repealed by Section 14.20(c) of this act, during the cycle of the facility's permit in effect on July 1, 2016.

The Department shall adopt rules to implement this subsection."

SECTION 3.4.(a) Section 14.20(f) of S.L. 2015-241, as amended by Section 4.9(d) of S.L. 2015-286, reads as rewritten:

"**SECTION 14.20.(f)** This section becomes effective October 1, 2015. G.S. 130A-294(b1)(2), as amended by subsection (a) of this section, applies to franchise ~~agreements~~ agreements (i) executed on or after ~~October 1, 2015.~~ October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to a valid and operative franchise agreement consent to modify the agreement for the purpose of extending the agreement's duration to the life-of-site of the landfill for which the agreement was executed. The remainder of G.S. 130A-294, as amended by subsection (a) of this section, and G.S. 130A-295.8, as amended by subsection (c) of this section, apply to (i) existing sanitary landfills and transfer stations, with a valid permit issued before the date this act becomes effective, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016, (ii) new sanitary landfills and transfer stations, for applications submitted on or after July 1, 2016, and (iii) applications for sanitary landfills or transfer stations submitted before July 1, 2015, and pending on the date this act becomes law shall be evaluated by the Department based on the applicable laws that were in effect on July 1, 2015, and the Department shall not delay in processing such permit applications in consideration of changes made by this act, but such landfills and transfer stations shall be eligible for issuance of life-of-site permits pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, on July 1, 2016, at which point a permittee may choose to apply for a life-of-site permit pursuant to G.S. 130A-294(a2), as amended by Section 14.20(b) of this act, or may choose to apply for a life-of-site permit for the facility when the facility's permit is next subject to renewal after July 1, 2016."

SECTION 3.4.(b) G.S. 130A-294(b1)(2) reads as rewritten:

"(2) A person who intends to apply for a new permit for a sanitary landfill shall obtain, prior to applying for a permit, a franchise for the operation of the sanitary landfill from each local government having jurisdiction over any part of the land on which the sanitary landfill and its appurtenances are located or to be located. A local government may adopt a franchise ordinance under G.S. 153A-136 or G.S. 160A-319. A franchise granted for a sanitary landfill ~~shall~~ shall (i) be granted for the life-of-site of the ~~landfill and shall~~ landfill, but for a period not to exceed 60 years, and (ii) include all of the following:

a. A statement of the population to be served, including a description of the geographic area.

b. A description of the volume and characteristics of the waste stream.

c. A projection of the useful life of the sanitary landfill.

d. Repealed by Session Laws 2013-409, s. 8, effective August 23, 2013.

e. The procedures to be followed for governmental oversight and regulation of the fees and rates to be charged by facilities subject to the franchise for waste generated in the jurisdiction of the franchising entity.

f. A facility plan for the sanitary landfill that shall include the boundaries of the proposed facility, proposed development of the facility site, the boundaries of all waste disposal units, final elevations and capacity of all waste disposal units, the amount of waste to be received per day in tons, the total waste disposal capacity of the sanitary landfill in tons, a description of environmental controls, and a description of any other waste management activities to be conducted at the facility. In addition, the facility plan shall show the proposed location of soil borrow areas, leachate facilities, and all other facilities and infrastructure, including ingress and egress to the facility."

SECTION 3.4.(c) G.S. 160A-319(a) reads as rewritten:

"**§ 160A-319. Utility franchises.**

(a) A city shall have authority to grant upon reasonable terms franchises for a telephone system and any of the enterprises listed in G.S. 160A-311, except a cable television system. A franchise granted by a city authorizes the operation of the franchised activity within the city. No franchise shall be granted for a period of more than 60 years, ~~except~~ including a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to G.S. 130A-294(b1); provided, however, that a franchise for solid waste collection or disposal systems and ~~facilities~~ facilities, other than sanitary landfills, shall not be granted for a period of more than 30 years. Except as otherwise provided by law, when a city operates an enterprise, or upon granting a franchise, a city may by ordinance make it unlawful to operate an enterprise without a franchise."

SECTION 3.4.(d) G.S. 153A-136 reads as rewritten:

"**§ 153A-136. Regulation of solid wastes.**

(a) A county may by ordinance regulate the storage, collection, transportation, use, disposal, and other disposition of solid wastes. Such an ordinance may:

...

(3) Grant a franchise to one or more persons for the exclusive right to commercially collect or dispose of solid wastes within all or a defined portion of the county and prohibit any other person from commercially collecting or disposing of solid wastes in that area. The board of commissioners may set the terms of any ~~franchise, except that no franchise may be granted for a period exceeding 30 years, nor may any~~ franchise; provided, however, no franchise shall be granted for a period of more than 30 years, except for a franchise granted to a sanitary landfill for the life-of-site of the landfill pursuant to

G.S. 130A-294(b1), which may not exceed 60 years. No franchise by its terms may impair the authority of the board of commissioners to regulate fees as authorized by this section.

...."

SECTION 3.4.(e) Section 3.4 of this act is effective retroactively to July 1, 2015, and applies to franchise agreements (i) executed on or after October 1, 2015, and (ii) executed on or before October 1, 2015, only if all parties to the agreement consent to modify the agreement for the purpose of extending the agreement's duration of the life-of-site of the landfill for which the agreement was executed.

REQUIRE STUDY OF THE ROLE OF THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS IN EVALUATION OF MILITARY-RELATED PERMIT CRITERIA FOR PERMITTING WIND ENERGY FACILITIES

SECTION 3.6. The Department of Environmental Quality and the Department of Military and Veterans Affairs shall jointly study the appropriate role of the Department of Military and Veterans Affairs with regard to evaluation of military-related criteria for permitting wind energy facilities under Article 21C of Chapter 143 of the General Statutes. The Departments shall issue a joint report, including any findings and recommendations for legislative action, to the Environmental Review Commission and the North Carolina Military Affairs Commission no later than December 1, 2016.

DEQ TO STUDY RIPARIAN BUFFERS

SECTION 3.9.(a) The Department of Environmental Quality shall study whether the size of riparian buffers required for intermittent streams should be adjusted and whether the allowable activities within the buffers should be modified.

SECTION 3.9.(b) The Department of Environmental Quality shall study under what circumstances units of local government should be allowed to exceed riparian buffer requirements mandated by the State and the federal government. The Department shall also consider measures to ensure that local governments do not exceed their statutory authority for establishing riparian buffer requirements. In conducting this study, the Department shall consult with property owners and other entities impacted by riparian buffer requirements as well as local governments.

SECTION 3.9.(c) The Department of Environmental Quality shall report the results of the studies required by this section, including any recommendations, to the Environmental Review Commission no later than December 1, 2016. For any recommendations made pursuant to the studies, the Department shall include specific draft language for any rule or statutory changes necessary to implement the recommendations.

TRANSFER OF CERTAIN CONSERVATION EASEMENTS

SECTION 3.10. G.S. 143-214.12 reads as rewritten:

"**§ 143-214.12. Division of Mitigation Services: Ecosystem Restoration Fund.**

(a) Ecosystem Restoration Fund. – The Ecosystem Restoration Fund is established as a nonreverting fund within the Department. The Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Ecosystem Restoration Fund shall provide a repository for monetary contributions and donations or dedications of interests in real property to promote projects for the restoration, enhancement, preservation, or creation of wetlands and riparian areas and for payments made in lieu of compensatory mitigation as described in subsection (b) of this section. No funds shall be expended from this Fund for any purpose other than those directly contributing to the acquisition, perpetual maintenance, enhancement, restoration, or creation of wetlands and riparian areas in accordance with the basinwide plan as described in G.S. 143-214.10. The cost of acquisition

includes a payment in lieu of ad valorem taxes required under G.S. 146-22.3 when the Department is the State agency making the acquisition.

(a1) The Department may distribute funds from the Ecosystem Restoration Fund directly to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. ~~A recipient of funds under this subsection shall grant a conservation easement in the real property or interest in real property acquired with the funds to the Department in a form that is acceptable to the Department.~~ When the recipient of funds under this subsection acquires a conservation easement or interest in real property appurtenant to a restoration project delivered to the Division of Mitigation Services, the recipient, upon approval from the Department, may directly transfer the conservation easement or real property interest to another governmental agency or a Department approved third party. The Department may convey real property or an interest in real property that has been acquired under the Division of Mitigation Services to a federal or State agency, a local government, or a private, nonprofit conservation organization to acquire, manage, and maintain real property or an interest in real property for the purposes set out in subsection (a) of this section. A grantee of real property or an interest in real property under this subsection shall grant a conservation easement in the real property or interest in real property to the Department in a form that is acceptable to the Department.

(b) Authorized Methods of Payment. – A person subject to a permit or authorization issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 may contribute to the Division of Mitigation Services in order to comply with conditions to, or terms of, the permit or authorization if participation in the Division of Mitigation Services will meet the mitigation requirements of the United States Army Corps of Engineers. The Department shall, at the discretion of the applicant, accept payment into the Ecosystem Restoration Fund in lieu of other compensatory mitigation requirements of any authorizations issued by the United States Army Corps of Engineers under 33 U.S.C. § 1344 if the contributions will meet the mitigation requirements of the United States Army Corps of Engineers. Payment may be made in the form of monetary contributions according to a fee schedule established by the Environmental Management Commission or in the form of donations of real property provided that the property is approved by the Department as a suitable site consistent with the basinwide wetlands restoration plan.

(c) Accounting of Payments. – The Department shall provide an itemized statement that accounts for each payment into the Fund. The statement shall include the expenses and activities financed by the payment."

PART IV. ELIMINATE, CONSOLIDATE, AND AMEND ENVIRONMENTAL REPORTS

ELIMINATE ANNUAL REPORT ON MINING ACCOUNT PURSUANT TO THE MINING ACT OF 1971 BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.1. G.S. 74-54.1(c) is repealed.

ELIMINATE ANNUAL REPORT ON THE IMPLEMENTATION OF THE SUSTAINABLE ENERGY EFFICIENT BUILDINGS PROGRAM BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.2.(a) G.S. 143-135.39(f) and (g) are repealed.

SECTION 4.2.(b) G.S. 143-135.40(b) is repealed.

ELIMINATE QUARTERLY REPORT ON SYSTEMWIDE MUNICIPAL AND DOMESTIC WASTEWATER COLLECTION SYSTEM PERMIT PROGRAM BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.3. G.S. 143-215.9B reads as rewritten:

"**§ 143-215.9B. Systemwide municipal and domestic wastewater collection system permit program report.**

The Environmental Management Commission shall develop and implement a permit program for municipal and domestic wastewater collection systems on a systemwide basis. The collection system permit program shall provide for performance standards, minimum design and construction requirements, a capital improvement plan, operation and maintenance requirements, and minimum reporting requirements. In order to ensure an orderly and cost-effective phase-in of the collection system permit program, the Commission shall implement the permit program over a five-year period beginning 1 July 2000. The Commission shall issue permits for approximately twenty percent (20%) of municipal and domestic wastewater collection systems that are in operation on 1 July 2000 during each of the five calendar years beginning 1 July 2000 and shall give priority to those collection systems serving the largest populations, those under a moratorium imposed by the Commission under G.S. 143-215.67, and those for which the Department of Environmental Quality has issued a notice of violation for the discharge of untreated wastewater. ~~The Commission shall report on its progress in developing and implementing the collection system permit program required by this section as a part of each quarterly report the Environmental Management Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE ANNUAL REPORTS ON REDUCING VEHICLE EMISSIONS FROM STATE EMPLOYEE AND PRIVATE SECTOR VEHICLES BY THE DEPARTMENT OF TRANSPORTATION

SECTION 4.4. G.S. 143-215.107C(d) and (e) are repealed.

ELIMINATE ANNUAL REPORT ON PURCHASE OF NEW MOTOR VEHICLES AND FUEL SAVINGS BY THE DEPARTMENT OF ADMINISTRATION

SECTION 4.5. G.S. 143-341(8)i.2b. reads as rewritten:

"2b. As used in this sub-sub-subdivision, "fuel economy" and "class of comparable automobiles" have the same meaning as in Part 600 of Title 40 of the Code of Federal Regulations (July 1, 2008 Edition). As used in this sub-sub-subdivision, "passenger motor vehicle" has the same meaning as "private passenger vehicle" as defined in G.S. 20-4.01. Notwithstanding the requirements of sub-sub-subdivision 2a. of this sub-subdivision, every request for proposals for new passenger motor vehicles to be purchased by the Department shall state a preference for vehicles that have a fuel economy for the new vehicle's model year that is in the top fifteen percent (15%) of its class of comparable automobiles. The award for every new passenger motor vehicle that is purchased by the Department shall be based on the Department's evaluation of the best value for the State, taking into account fuel economy ratings and life cycle cost that reasonably consider both projected fuel costs and acquisition costs. This sub-sub-subdivision does not apply to vehicles used in law enforcement, emergency medical response, and firefighting. ~~The Department shall report the number of new passenger motor vehicles that are purchased as required by this sub-sub-subdivision, the savings or costs for the purchase of vehicles to comply with this sub-sub-subdivision, and the quantity and cost of fuel saved for the previous fiscal year on or before October 1 of each year to the Joint Legislative~~

~~Commission on Governmental Operations and the Environmental Review Commission.~~"

ELIMINATE BIENNIAL STATE OF THE ENVIRONMENT REPORT BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.6. G.S. 143B-279.5 is repealed.

ELIMINATE THE ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT ON DEVELOPING ENGINEERING STANDARDS GOVERNING MUNICIPAL AND DOMESTIC SYSTEMS TO ALLOW REGIONAL INTERCONNECTION

SECTION 4.8. Section 11.1 of S.L. 1999-329 reads as rewritten:

"Section 11.1. The Environmental Management Commission shall develop engineering standards governing municipal and domestic wastewater collection systems that will allow interconnection of these systems on a regional basis. ~~The Commission shall report on its progress in developing the engineering standards required by this section as a part of each quarterly report the Commission makes to the Environmental Review Commission pursuant to G.S. 143B-282(b).~~"

ELIMINATE BIENNIAL REPORT ON IMPLEMENTATION OF THE NORTH CAROLINA BEACH AND INLET MANAGEMENT PLAN BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.9. Section 13.9(d) of S.L. 2000-67 reads as rewritten:

"Section 13.9.(d) Each plan shall be as complete as resources and available information allow. ~~The Department of Environment and Natural Resources shall revise the plan every two years and shall submit the revised plan to the General Assembly no later than March 1 of each odd-numbered year. The Department may issue a supplement to the plan in even-numbered years if significant new information becomes available.~~"

CONSOLIDATE REPORTS ON THE COASTAL HABITAT PROTECTION PLAN

SECTION 4.11.(a) G.S. 143B-279.8(e) reads as rewritten:

"(e) The Coastal Resources Commission, the Environmental Management Commission, and the Marine Fisheries Commission shall report to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission on progress in developing and implementing the Coastal Habitat Protection Plans, including the extent to which the actions of the three commissions are consistent with the Plans, on or before ~~1 September~~September 1 of each ~~year.~~year in which any significant revisions to the Plans are made."

SECTION 4.11.(b) G.S. 143B-279.8(f) is repealed.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS ON COST AND IMPLEMENTATION OF ENVIRONMENTAL PERMITTING PROGRAMS

SECTION 4.12.(a) G.S. 143-215.3A(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on the cost of the State's environmental permitting programs contained within the Department on or before ~~1 November~~ January 1 of each odd-numbered year. The report shall include, but is not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly. The Department shall submit this report with the report required by G.S. 143B-279.17 as a single report."

SECTION 4.12.(b) G.S. 143B-279.17 reads as rewritten:

"**§ 143B-279.17. Tracking and report on permit processing times.**

The Department of Environmental Quality shall track the time required to process all permit applications in the One-Stop for Certain Environmental Permits Programs established by G.S. 143B-279.12 and the Express Permit and Certification Reviews established by G.S. 143B-279.13 that are received by the Department. The processing time tracked shall include (i) the total processing time from when an initial permit application is received to issuance or denial of the permit and (ii) the processing time from when a complete permit application is received to issuance or denial of the permit. No later than ~~March~~ January 1 of each odd-numbered year, the Department shall report to the Fiscal Research Division of the General Assembly and the Environmental Review Commission on the permit processing times required to be tracked pursuant to this section. The Department shall submit this report with the report required by G.S. 143-215.3A(c) as a single report."

SECTION 4.12.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 1, 2017.

CONSOLIDATE AND REDUCE FREQUENCY OF REPORTS BY THE ENVIRONMENTAL MANAGEMENT COMMISSION

SECTION 4.13.(a) G.S. 143B-282(b) reads as rewritten:

"(b) The Environmental Management Commission shall submit ~~quarterly~~ written reports as to its operation, activities, programs, and progress to the Environmental Review ~~Commission.~~Commission by January 1 of each year. The Environmental Management Commission shall supplement the written reports required by this subsection with additional written and oral reports as may be requested by the Environmental Review Commission. ~~The Environmental Management Commission shall submit the written reports required by this subsection whether or not the General Assembly is in session at the time the report is due.~~"

SECTION 4.13.(b) G.S. 143-215.1(h) reads as rewritten:

"(h) Each applicant for a new permit or the modification of an existing permit issued under subsection (c) of this section shall include with the application: (i) the extent to which the new or modified facility is constructed in whole or in part with funds provided or administered by the State or a unit of local government, (ii) the impact of the facility on water quality, and (iii) whether there are cost-effective alternative technologies that will achieve greater protection of water quality. The Commission shall prepare ~~a quarterly~~ an annual summary and analysis of the information provided by applicants pursuant to this subsection. The Commission shall submit the summary and analysis required by this subsection to the Environmental Review Commission (ERC) as a part of each ~~quarterly~~ annual report that the Commission is required to make to the ERC under G.S. 143B-282(b)."

SECTION 4.13.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than January 1, 2017.

CONSOLIDATE WASTE MANAGEMENT REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.14.(a) G.S. 130A-309.06(c) reads as rewritten:

"(c) The Department shall report to the Environmental Review Commission and the Fiscal Research Division on or before ~~15 January~~January 15 of each year on the status of solid waste management efforts in the State. The report shall include:

(1) A comprehensive analysis, to be updated in each report, of solid waste generation and disposal in the State projected for the 20-year period beginning on ~~1 July~~ July 1 1991.

(2) The total amounts of solid waste recycled and disposed of and the methods of solid waste recycling and disposal used during the calendar year prior to the year in which the report is published.
(3) An evaluation of the development and implementation of local solid waste management programs and county and municipal recycling programs.
(4) An evaluation of the success of each county or group of counties in meeting the municipal solid waste reduction goal established in G.S. 130A-309.04.
(5) Recommendations concerning existing and potential programs for solid waste reduction and recycling that would be appropriate for units of local government and State agencies to implement to meet the requirements of this Part.
(6) An evaluation of the recycling industry, the markets for recycled materials, the recycling of polystyrene, and the success of State, local, and private industry efforts to enhance the markets for these materials.
(7) Recommendations to the Governor and the Environmental Review Commission to improve the management and recycling of solid waste in the State, including any proposed legislation to implement the recommendations.
(8) A description of the condition of the Solid Waste Management Trust Fund and the use of all funds allocated from the Solid Waste Management Trust Fund, as required by G.S. 130A-309.12(c).
(9) A description of the review and revision of bid procedures and the purchase and use of reusable, refillable, repairable, more durable, and less toxic supplies and products by both the Department of Administration and the Department of Transportation, as required by G.S. 130A-309.14(a1)(3).
(10) A description of the implementation of the North Carolina Scrap Tire Disposal Act that includes the amount of revenue used for grants and to clean up nuisance tire collection under the provisions of G.S 130A-309.64.
(11) A description of the management of white goods in the State, as required by G.S. 130A-309.85.
(12) A summary of the report by the Department of Transportation on the amounts and types of recycled materials that were specified or used in contracts that were entered into by the Department of Transportation during the previous fiscal year, as required by G.S. 136-28.8(g).
(13) Repealed by Session Laws 2010-142, s. 1, effective July 22, 2010.
(14) (Expiring October 1, 2023) A description of the activities related to the management of abandoned manufactured homes in the State in accordance with G.S. 130A-117, the beginning and ending balances in the Solid Waste Management Trust Fund for the reporting period and the amount of funds used, itemized by county, for grants made under Part 2F of Article 9 of Chapter 130A of the General Statutes.
(15) A report on the recycling of discarded computer equipment and televisions in the State pursuant to G.S. 130A-309-140(a).
(16) An evaluation of the Brownfields Property Reuse Act pursuant to G.S. 130A-310.40.
(17) A report on the Inactive Hazardous Waste Response Act of 1987 pursuant to G.S. 130A-310.10(a).
(18) A report on the Dry-Cleaning Solvent Cleanup Act of 1997 pursuant to G.S. 143-215.104U(a) until such time as the Act expires pursuant to Part 6 of Article 21A of Chapter 143 of the General Statutes.
(19) A report on the implementation and cost of the hazardous waste management program pursuant to G.S. 130A-294(i)."

SECTION 4.14.(b) G.S. 130A-309.140(a) reads as rewritten:

"(a) ~~No later than January 15 of each year, the Department shall submit a report on~~ The Department shall include in the status of solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on the recycling of discarded computer equipment and televisions in the State under this ~~Part to the Environmental Review Commission.~~Part. The report must include an evaluation of the recycling rates in the State for discarded computer equipment and televisions, a discussion of compliance and enforcement related to the requirements of this Part, and any recommendations for any changes to the system of collection and recycling of discarded computer equipment, televisions, or other electronic devices."

SECTION 4.14.(c) G.S. 130A-310.40 reads as rewritten:

"**§ 130A-310.40. Legislative reports.**

The Department shall ~~prepare and submit to the Environmental Review Commission, concurrently with the report on the Inactive Hazardous Sites Response Act of 1987 required under G.S. 130A-310.10,~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) an evaluation of the effectiveness of this Part in facilitating the remediation and reuse of existing industrial and commercial properties. This evaluation shall include any recommendations for additional incentives or changes, if needed, to improve the effectiveness of this Part in addressing such properties. This evaluation shall also include a report on receipts by and expenditures from the Brownfields Property Reuse Act Implementation Account."

SECTION 4.14.(d) G.S. 130A-310.10(a) reads as rewritten:

"(a) The Secretary shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on inactive hazardous sites ~~to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the Fiscal Research Division on or before October 1 of each year. The report shall include~~that includes at least the following:

(1) The Inactive Hazardous Waste Sites Priority List.

(2) A list of remedial action plans requiring State funding through the Inactive Hazardous Sites Cleanup Fund.

(3) A comprehensive budget to implement these remedial action plans and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the cost of said plans.

(4) A prioritized list of sites that are eligible for remedial action under CERCLA/SARA together with recommended remedial action plans and a comprehensive budget to implement such plans. The budget for implementing a remedial action plan under CERCLA/SARA shall include a statement as to any appropriation that may be necessary to pay the State's share of such plan.

(5) A list of sites and remedial action plans undergoing voluntary cleanup with Departmental approval.

(6) A list of sites and remedial action plans that may require State funding, a comprehensive budget if implementation of these possible remedial action plans is required, and the adequacy of the Inactive Hazardous Sites Cleanup Fund to fund the possible costs of said plans.

(7) A list of sites that pose an imminent hazard.

(8) A comprehensive budget to develop and implement remedial action plans for sites that pose imminent hazards and that may require State funding, and the adequacy of the Inactive Hazardous Sites Cleanup Fund.

(8a) Repealed by Session Laws 2015-286, s. 4.7(f), effective October 22, 2015.

(9) Any other information requested by the General Assembly or the Environmental Review Commission."

SECTION 4.14.(e) G.S. 143-215.104U reads as rewritten:

"**§ 143-215.104U. Reporting requirements.**

(a) The Secretary shall ~~present an annual report to the Environmental Review Commission that shall include~~ include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report on at least the following:

(1) A list of all dry-cleaning solvent contamination reported to the Department.

(2) A list of all facilities and abandoned sites certified by the Commission and the status of contamination associated with each facility or abandoned site.

(3) An estimate of the cost of assessment and remediation required in connection with facilities or abandoned sites certified by the Commission and an estimate of assessment and remediation costs expected to be paid from the Fund.

(4) A statement of receipts and disbursements for the Fund.

(5) A statement of all claims against the Fund, including claims paid, claims denied, pending claims, anticipated claims, and any other obligations.

(6) The adequacy of the Fund to carry out the purposes of this Part together with any recommendations as to measures that may be necessary to assure the continued solvency of the Fund.

~~(b) The Secretary shall make the annual report required by this section on or before 1 October of each year.~~"

SECTION 4.14.(f) G.S. 130A-294(i) reads as rewritten:

"(i) The Department shall include in the solid waste management report required to be submitted on or before January 15 of each year pursuant to G.S. 130A-309.06(c) a report ~~to the Fiscal Research Division of the General Assembly, the Senate Appropriations Subcommittee on Natural and Economic Resources, the House Appropriations Subcommittee on Natural and Economic Resources, and the Environmental Review Commission on or before January 1 of each year~~ on the implementation and cost of the hazardous waste management program. The report shall include an evaluation of how well the State and private parties are managing and cleaning up hazardous waste. The report shall also include recommendations to the Governor, State agencies, and the General Assembly on ways to: improve waste management; reduce the amount of waste generated; maximize resource recovery, reuse, and conservation; and minimize the amount of hazardous waste which must be disposed of. The report shall include beginning and ending balances in the Hazardous Waste Management Account for the reporting period, total fees collected pursuant to G.S. 130A-294.1, anticipated revenue from all sources, total expenditures by activities and categories for the hazardous waste management program, any recommended adjustments in annual and tonnage fees which may be necessary to assure the continued availability of funds sufficient to pay the State's share of the cost of the hazardous waste management program, and any other information requested by the General Assembly. In recommending adjustments in annual and tonnage fees, the Department may propose fees for hazardous waste generators, and for hazardous waste treatment facilities that treat waste generated on site, which are designed to encourage reductions in the volume or quantity and toxicity of hazardous waste. The report shall also include a description of activities undertaken to implement the resident inspectors program established under G.S. 130A-295.02. ~~In addition, the report shall include an annual update on the mercury switch removal program that shall include, at a minimum, all of the following:~~

~~(1) A detailed description of the mercury recovery performance ratio achieved by the mercury switch removal program.~~

~~(2) A detailed description of the mercury switch collection system developed and implemented by vehicle manufacturers in accordance with the NVMSRP.~~

~~(3) In the event that a mercury recovery performance ratio of at least 0.90 of the national mercury recovery performance ratio as reported by the NVMSRP is not achieved, a description of additional or alternative actions that may be implemented to improve the mercury switch removal program.~~

~~(4) The number of mercury switches collected and a description of how the mercury switches were managed.~~

~~(5) A statement that details the costs required to implement the mercury switch removal program, including a summary of receipts and disbursements from the Mercury Switch Removal Account.~~"

SECTION 4.14.(g) The first combined report required by subsections (a) through (f) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 15, 2017.

CONSOLIDATE SEDIMENTATION POLLUTION CONTROL ACT AND STORMWATER REPORTS

SECTION 4.15.(a) G.S. 113A-67 reads as rewritten:

"**§ 113A-67. Annual Report.**

The Department shall report to the Environmental Review Commission on the implementation of this Article on or before ~~1 October~~October 1 of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 143-214.7(e) as a single report."

SECTION 4.15.(b) G.S. 143-214.7(e) reads as rewritten:

"(e) On or before October 1 of each year, the ~~Commission~~ Department shall report to the Environmental Review Commission on the implementation of this section, including the status of any stormwater control programs administered by State agencies and units of local government. The status report shall include information on any integration of stormwater capture and reuse into stormwater control programs administered by State agencies and units of local government. The report shall be submitted to the Environmental Review Commission with the report required by G.S. 113A-67 as a single report."

SECTION 4.15.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission no later than October 1, 2016.

CONSOLIDATE VARIOUS WATER RESOURCES AND WATER QUALITY REPORTS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY

SECTION 4.16.(a) G.S. 143-355(n) is repealed.

SECTION 4.16.(b) G.S. 143-355(o)(9) is repealed.

SECTION 4.16.(c) G.S. 143-355 is amended by adding a new subsection to read:

"(p) Report. – The Department of Environmental Quality shall report to the Environmental Review Commission on the implementation of this section, including the development of the State water supply plan and the development of basinwide hydrologic models, no later than November 1 of each year. The Department shall submit the report required by this subsection with the report on basinwide water quality management plans required by G.S. 143-215.8B(d) as a single report."

SECTION 4.16.(d) G.S. 143-215.8B(d) reads as rewritten:

"(d) ~~The~~ As a part of the report required pursuant to G.S. 143-355(p), the Commission and the Department shall each report on or before ~~1 October~~November 1 of each year on an annual basis to the Environmental Review Commission on the progress in developing and implementing basinwide water quality management plans and on increasing public involvement and public education in connection with basinwide water quality management planning. The report to the Environmental Review Commission by the Department shall include a written statement as to all concentrations of heavy metals and other pollutants in the surface waters of the State that are identified in the course of preparing or revising the basinwide water quality management plans."

SECTION 4.16.(e) The first combined report required by subsections (c) and (d) of this section shall be submitted to the Environmental Review Commission no later than November 1, 2016.

CONSOLIDATE REPORTS BY THE DIVISION OF WATER INFRASTRUCTURE OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY AND THE STATE WATER INFRASTRUCTURE AUTHORITY

SECTION 4.17.(a) G.S. 159G-26(a) reads as rewritten:

"(a) Requirement. – The Department ~~must~~ shall publish a report each year on the accounts in the Water Infrastructure Fund that are administered by the Division of Water Infrastructure. The report ~~must~~ shall be published by ~~1~~ November 1 of each year and cover the preceding fiscal year. The Department ~~must~~ shall make the report available to the public and ~~must~~ shall give a copy of the report to the Environmental Review ~~Commission and the~~Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research ~~Division of the Legislative Services Commission.~~Division with the report required by G.S. 159G-72 as a single report."

SECTION 4.17.(b) G.S. 159G-72 reads as rewritten:

"**§ 159G-72. State Water Infrastructure Authority; reports.**

No later than November 1 of each year, the Authority shall submit a report of its activity and findings, including any recommendations or legislative proposals, to the ~~Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the Legislative Services Commission.~~ Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division with the report required by G.S. 159G-26(a) as a single report."

SECTION 4.17.(c) The first combined report required by subsections (a) and (b) of this section shall be submitted to the Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division no later than November 1, 2016.

CONSOLIDATE REPORTS BY SOIL AND WATER CONSERVATION COMMISSION AND THE DIVISION OF SOIL AND WATER CONSERVATION OF THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

SECTION 4.18.(a) G.S. 106-850(e) reads as rewritten:

"(e) The Soil and Water Conservation Commission shall report on or before ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. This report shall include a list of projects that received State funding pursuant to the program, the results of the evaluations conducted pursuant to subdivision (7) of subsection (b) of this section, findings regarding the effectiveness of each of these projects to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division with the reports required by G.S. 106-860(e) and G.S. 139-60(d) *as* a single report."

SECTION 4.18.(b) G.S. 106-860(e) reads as rewritten:

"(e) Report. – The Soil and Water Conservation Commission shall report no later than ~~31~~ January 31 of each year to the Environmental Review Commission, the Department of Agriculture and Consumer Services, and the Fiscal Research Division. The report shall include a summary of projects that received State funding pursuant to the Program, the results of the evaluation conducted pursuant to subdivision (5) of subsection (b) of this section, findings regarding the effectiveness of each project to accomplish its primary purpose, and any recommendations to

assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality. This report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(c) G.S. 139-60(d) reads as rewritten:

"(d) Report. – No later than January 31 of each year, the Division of Soil and Water Conservation of the Department of Agriculture and Consumer Services shall prepare a comprehensive report on the implementation of subsections (a) through (c) of this section. The report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 4.18.(d) The first combined report required by subsections (a) through (c) of this section shall be submitted to the Environmental Review Commission and the Fiscal Research Division no later than January 31, 2017.

DECREASE REPORTING FREQUENCY ON TERMINAL GROINS PILOT PROJECT BY THE COASTAL RESOURCES COMMISSION

SECTION 4.20. G.S. 113A-115.1(i) reads as rewritten:

"(i) No later than ~~September 1 of each year,~~January 1, 2017, and every five years thereafter, the Coastal Resources Commission shall report to the Environmental Review Commission on the implementation of this section. The report shall provide a detailed description of each proposed and permitted terminal groin and its accompanying beach fill project, including the information required to be submitted pursuant to subsection (e) of this section. For each permitted terminal groin and its accompanying beach fill project, the report shall also provide all of the following:

(1) The findings of the Commission required pursuant to subsection (f) of this section.

(2) The status of construction and maintenance of the terminal groin and its accompanying beach fill project, including the status of the implementation of the plan for construction and maintenance and the inlet management plan.

(3) A description and assessment of the benefits of the terminal groin and its accompanying beach fill project, if any.

(4) A description and assessment of the adverse impacts of the terminal groin and its accompanying beach fill project, if any, including a description and assessment of any mitigation measures implemented to address adverse impacts."

DECREASE REPORTING FREQUENCY ON PARKS SYSTEM PLAN BY THE DEPARTMENT OF NATURAL AND CULTURAL RESOURCES

SECTION 4.21. G.S. 143B-135.48(d) reads as rewritten:

"(d) No later than October ~~1 of each year,~~1, 2016, and every five years thereafter, the Department shall submit electronically the State Parks System Plan to the Environmental Review Commission, ~~the Senate and the House of Representatives appropriations committees with jurisdiction over natural and cultural resources,~~ the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division. Concurrently, the Department shall submit a summary of each change to the Plan that was made during the previous ~~fiscal year.~~five fiscal years."

REDIRECT INTERAGENCY REPORT ON SUPERFUND COST SHARE TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.22. Section 15.6 of S.L. 1999-237 reads as rewritten:

"Section 15.6.(a) The Department of ~~Environment and Natural Resources~~Environmental Quality may use available funds, with the approval of the Office of State Budget and

Management, to provide the ten percent (10%) cost share required for Superfund cleanups on the National Priority List sites, to pay the operating and maintenance costs associated with these Superfund cleanups, and for the cleanup of priority inactive hazardous substance or waste disposal sites under Part 3 of Article 9 of Chapter 130A of the General Statutes. These funds may be in addition to those appropriated for this purpose.

"Section 15.6.(b) The Department of ~~Environment and Natural Resources~~Environmental Quality and the Office of State Budget and Management shall report to the ~~Environmental Review Commission and the Joint Legislative Commission on Governmental Operations~~Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources the amount and the source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds."

REDIRECT REPORT ON EXPENDITURES FROM BERNARD ALLEN EMERGENCY DRINKING WATER FUND TO ANER OVERSIGHT COMMITTEE

SECTION 4.23. G.S. 87-98(e) reads as rewritten:

"(e) The Department, in consultation with the Commission for Public Health and local health departments, shall report no later than October 1 of each year to the ~~Environmental Review Commission, the House of Representatives and Senate Appropriations Subcommittees on Natural~~ Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division of the General Assembly on the implementation of this section. The report shall include the purpose and amount of all expenditures from the Fund during the prior fiscal year, a discussion of the benefits and deficiencies realized as a result of the section, and may also include recommendations for any legislative action."

REDIRECT REPORT ON PARKS AND RECREATION TRUST FUND TO THE ANER OVERSIGHT COMMITTEE

SECTION 4.24. G.S. 143B-135.56(f) reads as rewritten:

"(f) Reports. – The North Carolina Parks and Recreation Authority shall report no later than October 1 of each year to the Joint Legislative ~~Commission on Governmental Operations, the House and Senate Appropriations Subcommittees on Natural and Economic Resources,~~ Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division, and the Environmental Review Commission on allocations from the Trust Fund from the prior fiscal year. For funds allocated from the Trust Fund under subsection (c) of this section, this report shall include the operating expenses determined under subdivisions (1) and (2) of subsection (e) of this section."

PART IV-A. UMSTEAD EXEMPTION

SECTION 4A.(a) G.S. 66-58(b) reads as rewritten:

"(b) The provisions of subsection (a) of this section shall not apply to:

...

(14) Nothing herein contained shall be construed to prohibit the engagement in any of the activities described in subsection (a) hereof ~~by a firm, corporation or person who or which is a lessee~~ for the following:

a. A lease of space ~~only of~~ from the State of North Carolina or any of its departments or agencies; provided the leases shall be awarded by the Department of Administration to the highest bidder, as provided by law in the case of State contracts and which lease shall be for a term of not less than one year and not more than five years.

b. A lease of parking spaces, whether surface parking or in a State-owned parking structure, in accordance with the procedures set forth for leases in Chapter 146 of the General Statutes for any period of time the

Department of Administration determines the spaces to be in excess of need in accordance with the Department's authority under Chapter 143 of the General Statutes.

c. A ground lease of State-owned land in accordance with the procedures set forth for leases in Chapter 146 of the General Statutes.

...."

SECTION 4A.(b) This Part becomes effective July 1, 2016.

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 5.1. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 5.2. Except as otherwise provided, this act is effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT
Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE HOUSE COM SUB NO. 2, UNFAVORABLE HOUSE COM SUB NO. 1

SB **303** **(HCS#1)** Regulatory Reform Act of 2016.

Draft Number:	S303-PCS45529-ST-119
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	J. Bell

TOTAL REPORTED: 1

House Committee on Regulatory Reform
Thursday, June 23, 2016
3:00 p.m.
Room 643 Legislative Office Building
Representatives J. Bell, Millis, Riddell – Co-Chairs

MINUTES

The House Committee on Regulatory Reform met at 3:00 P.M. on Thursday, June 23, 2016 in Room 643 of the Legislative Office Building. The following Committee Members were present: Representatives J. Bell, Millis, Speciale, Bishop, Bradford, Brody, Dixon, Hager, McElraft, R. Moore, Queen, Stam, Stevens, and Whitmire.

Representative John Bell, Chair, called the meeting to order at 3:05 P.M. He introduced the Sergeant-at-Arms staff – there were no Pages in attendance.

The following bill was considered:

House Bill 1074, entitled, Schools Test for Lead/High School Dropout Pilot Program
(Representatives Hager, Bryan, Jeter, Burr)

Representative Moore made a motion for the Committee to adopt the proposed committee substitute (PCS) which passed by voice vote. Representatives Hager explained the proposed committee substitute, and staff member Jennifer Mundt explained sections of the PCS. Denise Thomas from the Fiscal Research Division noted the estimate of the appropriation could be $4.9 million which includes reimbursements to schools or child care centers for their costs (figures from DHHS). The cost of the initial testing and bottled water (if needed) is $2.4 million which didn't include the testing of child care centers. Ed Norman, Program Manager for the Childhood Lead Program in the Division of Public Health in the Department of Health and Human Services assisted staff with the cost estimate, and noted the increase of the appropriation to $4.9 million includes the initial testing of child care centers. He said county health departments who normally inspect facilities would be notified after the initial sampling and would be actively involved if there are negative test results. He also noted blood tests are conducted on 1 and 2 year old children in the State to determine any abnormal levels which are usually due to lead-based paint. Most of the higher levels are found in child care centers are based in homes built before 1978. After questions and much discussion between the Committee Members about the bill, Representative Speciale moved for a favorable report to the proposed committee substitute, unfavorable to the original bill. The vote was called by the Chair and passed unanimously. (Attachment 4)

The meeting adjourned at 3:45 P.M.

Representative John R. Bell, IV
Presiding Co-Chair

Susan W. Horne
Committee Clerk

Additional Notes to June 23, 2016 Minutes

* Please note House Bill 1074 originally had a serial referral to the House Committee on Environment, if favorable to the Committee on Health. The bill was re-referred to the House Committee on Regulatory Reform during Session on June 23, prior to this meeting with no serial referral.

** During the Committee meeting, Representative Speciale's motion included the serial referrals which is incorrect. The minutes have been corrected to reflect the appropriate motion.

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2015-2016 SESSION

You are hereby notified that the **House Committee on Regulatory Reform** will meet as follows:

DAY & DATE: Thursday, June 23, 2016
TIME: **3:00 PM**
LOCATION: **643 LOB**

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 1074	Schools Test for Lead/HS Dropout Pilot Prog.	Representative Hager Representative Bryan Representative Jeter Representative Burr

Respectfully,

Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 2:02 PM on Thursday, June 23, 2016.

___ Principal Clerk
___ Reading Clerk – House Chamber

Susan W. Horne (Committee Assistant)

AGENDA

House Committee on Regulatory Reform

Date: **June 23, 2016**
Room: **643 LOB**
Time: **3:00 p.m.**
Presiding: **Representative John Bell, Co-Chair**

AGENDA ITEM

HB 1074 SCHOOLS TEST FOR LEAD/
HS DROPOUT PILOT PROGRAM
Representative Hager, Sponsor
Representative Bryan, Sponsor
Representative Jeter, Sponsor
Representative Burr, Sponsor

ADJOURNMENT

Committee Sergeants at Arms

NAME OF COMMITTEE House Committee on Regulatory Reform

DATE: 06/23/2016 Room: 643

House Sgt-At Arms:

1. Name: Warren Hawkins
2. Name: Doug Harris
3. Name: Malachi McCullough, Jr
4. Name: Jonas Cherry
5. Name:

Senate Sgt-At Arms:

1. Name:
2. Name:
3. Name:
4. Name:
5. Name:

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform — 06/23/2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Steve Mauze	NCRLA
CADY THOMAS	FOCUS Carolina
ROB LAMMÉ	RLA
Adam Prideaux	NCRSM
[illegible]	CSS
TIM MINTON	~~NCHBP~~
Samuel Watts	
Doug Misiewicz	PSG
David Ferrell	VB
[illegible]	[illegible]
[illegible]	[illegible]

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform — 06/23/2016
Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
	BIA
Weldon Jones	Morden Price
Kate Hasnain	NC Conservation Network
Alex Acciti	NC Cons. Network
Margaret Dulee	OSHR/DMVA
Kara Weisbaar	SA
Sara Vick	Duke Energy
	LOC
Jay Hicks	NCDACS
Johanna Reese	NCACC

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform — 06/23/2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Brooks Reiney Pearson	SELC
[illegible]	[illegible]
Matthew Starr	Riverkeeper
Caroline Thomas	DEQ
[illegible]	DEQ
Ed Dorman	DHHS/DPH
Larry Michael	DHHS/DPH
Brian Perkins	DHHS
Jeff Royall	NCFPC
Daniel Ball	[illegible]
Martha Jenkins	DNCR

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform — 06/23/2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Leah Burns	Governor's office
Caroline Daly	Governor's office
Seman Yoder	NC DHHS
Meghan Cook	NC DIT
Lor. Ann Harris	LANA
Alex Miller	AMGA
Mia Bailey	ElectriCities
Angelle Dunston	J&J
David Heinen	NC Center for Nonprofits
Tom Hunt	NCICU
Gillian Thomas	MWC LLC

VISITOR REGISTRATION SHEET

House Committee on Regulatory Reform — 06/23/2016

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mary Shupeng	NCCCS
Katy Kingsbury	IBP
Sarah Collins	NCLM

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

HOUSE BILL 1074

Short Title:	Schools Test for Lead/HS Dropout Pilot Prog.	(Public)
Sponsors:	Representatives Hager, Bryan, Jeter, and Burr (Primary Sponsors). *For a complete list of sponsors, refer to the North Carolina General Assembly web site.*	
Referred to:	Appropriations	

May 11, 2016

A BILL TO BE ENTITLED

AN ACT (1) TO REQUIRE ALL SCHOOLS IN NORTH CAROLINA TO TEST DRINKING WATER OUTLETS FOR THE PRESENCE OF LEAD AND (2) TO ESTABLISH A PILOT PROGRAM TO RAISE THE HIGH SCHOOL DROPOUT AGE FROM SIXTEEN TO EIGHTEEN IN HICKORY PUBLIC SCHOOLS, NEWTON-CONOVER CITY SCHOOLS, AND RUTHERFORD COUNTY SCHOOLS.

Whereas, lead is a metal known for its toxicity and potential to harm human health; and

Whereas, lead has been shown to negatively affect almost every organ system in the human body; and

Whereas, the most sensitive organ system affected by lead is the central nervous system; and

Whereas, children six years of age and younger are particularly at risk when exposed to lead; and

Whereas, low blood lead levels in children have been associated with reduced IQ and attention span, learning disabilities, poor classroom performance, hyperactivity, behavioral problems, impaired growth, and hearing loss; and

Whereas, the United States Centers for Disease Control and Prevention and the United States Environmental Protection Agency have determined that there is no safe blood lead level in children; and

Whereas, the Centers for Disease Control and Prevention recommends that all sources of lead exposure to children be controlled or eliminated; and

Whereas, under the authority of the federal Safe Drinking Water Act, the United States Environmental Protection Agency's Lead and Copper Rule requires public water systems to test drinking water for the presence of lead in only a percentage of residences; and

Whereas, according to an evaluation of public water system data in the federal Safe Drinking Water Information System database collected between 2012 and 2015, 79 water systems in North Carolina were found to test higher than the Agency's action level for lead of 15 parts per billion (ppb); and

Whereas, the 79 water systems that tested higher than the federal action level are located in 44 counties across the State; and

Whereas, the lead testing protocols prescribed by the federal Lead and Copper Rule that are employed by public water supply systems are aimed at identifying systemwide lead problems rather than the presence of lead in outlets and taps within individual buildings; and

Whereas, the federal Lead and Copper Rule does not require testing for the presence of lead in drinking water in public schools or private schools; and

Whereas, unless a school is considered a public water system, testing drinking water in a school for the presence of lead is voluntary; and

Whereas, under the federal Lead and Copper Rule, states may establish drinking water regulations that are more stringent than the United States Environmental Protection Agency; and

Whereas, North Carolina does not require testing water in public schools or nonpublic schools for the presence of lead as a component of the mandatory annual sanitation inspection pursuant to G.S. 130A-236; and

Whereas, the United States Environmental Protection Agency strongly recommends that schools test the drinking water in their facilities for lead; Now, therefore,

The General Assembly of North Carolina enacts:

PART I. PROTECT NORTH CAROLINA'S SCHOOL-AGE CHILDREN FROM LEAD EXPOSURE

SECTION 1. Part I of this act shall be known as the "Protect North Carolina's School-Age Children from Lead Exposure Act of 2016."

SECTION 2.(a) Definitions. – For purposes of Parts I, II, and III of this act, the following definitions shall apply:

(1) "Agency" means the United States Environmental Protection Agency.

(2) "Department" means the Department of Environmental Quality.

(3) "Director" means the Director of the Division of Public Health in the Department of Health and Human Services, or the Director's designee.

(4) "Division" means the Division of Public Health in the Department of Health and Human Services.

(5) "Drinking water outlet" means any water fountain, faucet, or tap that is regularly used for drinking or food preparation, including ice-making and hot drink machines.

(6) "Elevated lead level" means a lead concentration in drinking water that exceeds the standard action level established by the Agency.

(7) "Local health department" means a district health department, a public health authority, or a county health department.

(8) "Public water system" means the same as that term is defined in G.S. 130A-313.

(9) "Secretary" means the Secretary of the North Carolina Department of Environmental Quality, or the Secretary's designee.

(10) "School" means all public schools and nonpublic schools that serve students in any grade between kindergarten to twelfth grade in North Carolina, with the exception of home schools, as that term is defined in Part 3 of Article 39 of Chapter 115C of the General Statutes. For purposes of this Part, "school" may also refer to local boards, superintendents, administrators, and other leaders who serve public schools and nonpublic schools in this State.

(11) "Technical guidance" means any technical guidance for reducing the level of lead in drinking water in schools issued either by the Agency, the Department, or the Division pursuant to subsection (g) of this section.

SECTION 2.(b) Test for the Presence of Lead in School Drinking Water Outlets. – Each school shall test each drinking water outlet in the school for the presence of lead. Each test for the presence of lead shall be analyzed by a laboratory certified in accordance with subsection (d) of this section. Schools may conduct the test for lead in drinking water in conjunction with the annual sanitation inspection required pursuant to G.S. 130A-236, provided that this test is conducted, evaluated, and the results are submitted to the Department, the Division, and the Department of Public Instruction in accordance with the time lines set out in subsection (e) of this

section. A school shall collect and handle drinking water samples in accordance with standards established pursuant to the federal Safe Drinking Water Act (42 U.S.C. § 300f through 300j-9).

SECTION 2.(c) Assistance with Compliance. – A school may seek the assistance of a local health department or a public water system to help ensure the school's compliance with the requirements of Part I of this act.

SECTION 2.(d) Certified Laboratory. – A school shall submit drinking water samples to a North Carolina State Laboratory Public Health Environmental Sciences Certified Laboratory to conduct the lead analyses required pursuant to this section.

SECTION 2.(e) Testing, Reporting, and Notification Requirements. –

(1) Each school shall sample and test drinking water for the presence of lead in drinking water outlets in accordance with the following timetable:
   a. Commence testing no earlier than the 30th calendar day following the start of the academic year, and
   b. Conclude testing no later than the 120th calendar day following the start of the academic year.

(2) Each school shall submit electronic copies of the results of the tests for the presence of lead from sampled drinking water outlets to the Department, the Division, and the Department of Public Instruction on or before December 31, 2016.

(3) Each school shall make the results of the test for lead in drinking water available to the public, free of charge, and shall notify the parents or guardians of the children attending each school of the test results.

SECTION 2.(f) Additional Requirements and Remediation for Drinking Water Samples That Reveal Elevated Lead Levels. – In the event that a school drinking water outlet water sample tested pursuant to this section reveals an elevated lead level established by the Agency, the school shall do all of the following, as applicable:

(1) Immediately restrict access to the drinking water outlet with lead concentrations at or above the elevated lead level.

(2) Immediately take remedial action to ensure that students are not exposed to drinking water with elevated levels of lead and have access to free, fresh, clean drinking water in the school. Alternate drinking water supplies shall be provided at the school until the drinking water is (i) tested and shown to be below the action level or concentration and (ii) the Department and the Division both determine and provide written documentation that the drinking water is safe for human consumption.

(3) Within one business day of receipt of a drinking water test result that reveals an elevated lead level at a drinking water outlet, the school shall notify teachers, other school personnel, and parents directly through written notice, electronic mail, or other means approved by the Department, the Division, and the Department of Public Instruction. The notification shall include the following:
   a. A summary of the results of the tests conducted pursuant to this section and information as to the availability of the complete drinking water test results for review at a public location and on the Web site for the school or local school administrative unit.
   b. A description of any remedial measures taken or planned to be taken in order to address the test results showing elevated lead levels.
   c. General information on the public health effects and risks posed by the presence of lead in drinking water and information on the availability of additional resources concerning lead in drinking water, including those outlined in the technical guidance and other State or federal resources.

d. When directed by the Department and the Division, information on how and where individuals may obtain blood testing for lead.

(4) Schools with drinking water with elevated lead levels shall conduct subsequent testing of the drinking water outlet to confirm the results of the first analysis and, upon confirmation of elevated lead levels in drinking water, determine the source of the lead, including identification of each building or structure with lead pipes, lead solder, or fixtures that contain lead.

(5) Schools with drinking water with elevated lead levels shall remove the source of lead from drinking water outlets. Schools may seek technical assistance to comply with this subdivision from the Department, the Division, and local health departments as necessary.

SECTION 2.(g) Technical Guidance. – The Department and the Division shall jointly develop and adopt technical guidance, provided that the guidance is at least as protective of public health as the technical guidance for reducing lead in drinking water at schools issued by the Agency. The Department and the Division shall work in consultation with the Department of Public Instruction to develop State-specific guidance for lead testing, including standards and practices for sample collection and handling, and remediation of drinking water in schools.

SECTION 2.(h) Reports. – The Department, Division, and Department of Public Instruction shall jointly report to the Environmental Review Commission, the Joint Legislative Oversight Committee on Health and Human Services, and the Joint Legislative Education Oversight Committee on the implementation and test results received pursuant to this section on or before January 15, 2017. The report shall include:

(1) The number of schools and the name of each school tested, listed by county, and when appropriate, further designation by local school administrative unit.

(2) The number of drinking water outlets tested at each school.

(3) Cumulative results for the drinking water testing performed at each school.

(4) The identity of each school that has drinking water outlets with elevated lead levels, and for each school identified:

a. The actions taken to remediate or restrict the lead exposure in the school.

b. An overview of the actions taken to notify students, their families, and school personnel of the findings of the lead tests as required by subsection (f) of this section.

SECTION 2.(i) Exemption. – This section shall not apply to schools that are public water systems.

SECTION 3. State Agencies to Provide Technical and Advisory Assistance. – Within 15 business days of the effective date of this act, the Department of Environmental Quality and the Division of Public Health in the Department of Health and Human Services shall provide the following to the Department of Public Instruction, the Division of Nonpublic Education in the Department of Administration, and to each public school and nonpublic school in North Carolina:

(1) The technical guidance and best management practices documents for reducing lead in drinking water at schools, issued by the United States Environmental Protection Agency.

(2) A summary of sampling and testing methods contained in the technical guidance.

(3) A list of the laboratories certified to test drinking water, in accordance with the federal Safe Drinking Water Act for the presence of lead.

(4) Any other information the Department and the Division deem appropriate.

PART II. STUDY THE EFFICACY OF THE FEDERAL LEAD AND COPPER RULE

SECTION 4. The Department of Environmental Quality and the Division of Public Health in the Department of Health and Human Services shall together study whether the United States Environmental Protection Agency's lead action level, as defined in the federal Lead and Copper Rule (Subpart I of 40 C.F.R. 141, July 1, 2011, Edition), is sufficient to protect public health in this State. In studying the lead action level, the Department and Division shall evaluate (i) the Long-Term Revisions to the Lead and Copper Rule under consideration by the Agency, (ii) how other states implement the Lead and Copper Rule in their jurisdictions, and (iii) any other information, including input from stakeholders, that the Department and Division deem appropriate. The Department and the Division shall jointly report their findings, recommendations, and any legislative proposals to the Environmental Review Commission and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2016.

PART III. APPROPRIATION

SECTION 5. There is appropriated ten million dollars ($10,000,000) from the General Fund to the Department of Public Instruction to reimburse public schools, including charter schools and regional schools, and nonpublic schools regulated in Parts 1 and 2 of Article 39 of Chapter 115C of the General Statutes, for the costs associated with testing drinking water for the presence of lead required pursuant to Section 2 of this act. Up to five percent (5%) of the total appropriation may be used by the Department of Health and Human Services, the Department of Environmental Quality, the Department of Public Instruction, and the Division of Nonpublic Education in the Department of Administration to support the administration and implementation of Sections 2, 3, and 4 of this act. The Department of Public Instruction shall reimburse each school upon receipt of appropriate documentation that authenticates the completion of the required testing for lead in drinking water. Of the remaining funds available, the Department of Public Instruction shall reimburse schools for the costs incurred for (i) the provision of alternative drinking water in accordance with Section 2(f)(2) of this act; (ii) identification and removal of drinking water infrastructure that contains lead conducted in accordance with Section 2(f) of this act; and (iii) installation of water treatment devices upon receipt of documentation that authenticates the installation of such devices.

PART IV. PILOT PROGRAM TO RAISE THE HIGH SCHOOL DROPOUT AGE FROM SIXTEEN TO EIGHTEEN IN THE HICKORY PUBLIC SCHOOLS, THE NEWTON-CONOVER CITY SCHOOLS, AND THE RUTHERFORD COUNTY SCHOOLS

SECTION 6.(a) Notwithstanding any provisions in Part 1 of Article 26 of Chapter 115C of the General Statutes, G.S. 7B-1501(27), 115C-238.66(3), 116-235(b)(2), and 143B-805(20) to the contrary, the State Board of Education shall authorize the Hickory Public Schools, the Newton-Conover City Schools, and the Rutherford County Schools to establish and implement a five-year pilot program pursuant to this section to increase the high school dropout age from 16 years of age to the completion of the school year coinciding with the calendar year in which a student reaches 18 years of age, unless the student has previously graduated from high school. The pilot program may be implemented beginning with the 2016-2017 school year and shall end in the 2020-2021 school year.

SECTION 6.(b) For the purposes of implementing the pilot program authorized by this section, a local school administrative unit that is participating in the pilot program shall have the authority to provide that, if the principal or the principal's designee determines that a student's parent, guardian, or custodian, or a student who is 18 years of age, has not made a good-faith effort to comply with the compulsory attendance requirements of the pilot program, the principal shall notify the district attorney and, if the student is less than 18 years of age, the director of social services of the county where the student resides. If the principal or the principal's designee determines that a parent, guardian, or custodian of a student less than 18 years of age has made a

good-faith effort to comply with the law, the principal may file a complaint with the juvenile court counselor pursuant to Chapter 7B of the General Statutes that the student is habitually absent from school without a valid excuse. Upon receiving notification by the principal or the principal's designee, the director of social services shall determine whether to undertake an investigation under G.S. 7B-302.

SECTION 6.(c) The local boards of education of the participating local school administrative units shall prescribe specific rules to address under what circumstances a student who is 18 years of age who is required to attend school as part of the pilot program shall be excused from attendance, including if the student has attained a high school equivalency certificate or a student has enlisted as a member of the Armed Forces.

SECTION 6.(d) For the purposes of implementing the pilot program authorized by this section, any (i) parent, guardian, or other person having charge or control of a student enrolled in a school located within a participating local school administrative unit and (ii) student who is 18 years of age enrolled in a school located within a participating local school administrative unit who violates the compulsory attendance provisions of the pilot program without a lawful exception recognized under Part 1 of Article 26 of Chapter 115C of the General Statutes or the provisions of this section shall be guilty of a Class 1 misdemeanor.

SECTION 6.(e) If an affidavit is made by the student, parent of the student, or by any other person that any student who is required to attend school under the requirements of the pilot program is not able to attend school by reason of necessity to work or labor for the support of himself or herself or the support of the family, then the school social worker of the applicable school located within the participating school administrative unit shall diligently inquire into the matter and bring it to the attention of an appropriate court, depending on the age of the student. The court shall proceed to find whether as a matter of fact the student is unable to attend the school or such parents, or persons standing in loco parentis, are unable to send the student to school for the term of compulsory attendance for the reasons given. If the court finds, after careful investigation, that the student or the parents have made or are making a bona fide effort to comply with the compulsory attendance law, and by reason of illness, lack of earning capacity, or any other cause which the court may deem valid and sufficient, the student is unable to attend school, then the court shall find and state what help is needed for the student or family to enable compliance with the attendance requirements under the pilot program.

SECTION 6.(f) Each local school administrative unit may use any funds available to it to implement the pilot program in accordance with this section to (i) employ up to three additional teachers and (ii) fund additional student-related costs, such as transportation and technology costs, including additional computers, to serve a greater number of students as a result of the pilot program. Each local school administrative unit may also use any funds available to it to operate a night school program for students at risk of dropping out of high school. For Hickory Public Schools and Newton-Conover City Schools, to the extent possible, the local school administrative units shall partner with Catawba Valley Community College in administering the pilot program. For Rutherford County Schools, to the extent possible, the local school administrative unit shall partner with Isothermal Community College in administering the pilot program.

SECTION 6.(g) The local school administrative units, in collaboration with the State Board of Education, shall report to the Joint Legislative Education Oversight Committee, the House Appropriations Committee on Education, and the Senate Appropriations Committee on Education/Higher Education with an interim report on or before January 15, 2018, and a final report on or before January 15, 2021. The report shall include at least all of the following information:

(1) An analysis of the graduation rate in each local school administrative unit and the impact of the pilot program on the graduation rate.

(2) The teen crime statistics for Catawba County and for Rutherford County.

(3) The number of reported cases of violations of compulsory attendance laws in Catawba County and Rutherford County and the disposition of those cases.

(4) Implementation of enforcement mechanisms for violations of the compulsory attendance requirements of the pilot program, including the imposition of criminal penalties.

(5) The number of at-risk students served in any night programs established as part of the pilot program and student graduation and performance outcomes for those students.

(6) All relevant data to assist in determining the effectiveness of the program and specific legislative recommendations, including the continuation, modification, or expansion of the program statewide.

SECTION 6.(h) The State Board of Education shall not authorize a pilot program under subsection (a) of this section in Catawba County except upon receipt of a copy of a joint resolution adopted by the boards of education for the Hickory Public Schools and the Newton-Conover City Schools setting forth a date to begin establishment and implementation of the pilot program. The State Board of Education shall not authorize a pilot program under subsection (a) of this section in Rutherford County except upon receipt of a copy of a resolution adopted by the board of education for the Rutherford County Schools setting forth a date to begin establishment and implementation of the pilot program.

PART V. EFFECTIVE DATE

SECTION 7. This act becomes effective July 1, 2016.

HOUSE BILL 1074:
Schools/CC Facilities - Test Water for Lead.

2016-2017 General Assembly

Committee:	House Environment. If favorable, re-refer to Health	**Date:**	June 23, 2016
Introduced by:	Reps. Hager, Bryan, Jeter, Burr	**Prepared by:**	Jennifer Mundt Legislative Analyst
Analysis of:	PCS to First Edition H1074-CSTA-24 [v.20]		

SUMMARY: The Proposed Committee Substitute (PCS) for House Bill 1074 would require public schools and child care facilities in the State that were permitted for construction prior to January 1, 1987, to test the school's or facility's drinking water for the presence of lead.

BILL ANALYSIS:

Part I of the PCS – comprising Sections 1 through 3 – would do the following:

Section 1 names the act the "Protect North Carolina's School-Age Children from Lead Exposure Act of 2016."

Section 2.(a) sets out definitions including:

- *Child care facility:* A facility as defined in G.S. 110-86 and licensed pursuant to Article 7 of Chapter 110 of the General Statutes, that was permitted in accordance with either G.S. 153A-357 or G.S. 160A-417, on or before January 1, 1987.
- *Drinking water outlet*: Any water fountain, faucet, or tap that is regularly used for drinking or food preparation, including ice-making and hot drink machines.
- *Elevated lead level:* A lead concentration in drinking water that exceeds the standard action level established by the United States Environmental Protection Agency (USEPA).
- *School:* a public school under the direction of a local board of education, a charter school, a regional school, a high school operated as part of The University of North Carolina, a school operated by the Department of Health and Human Services, or a school operated by the State Board of Education that was permitted in accordance with either G.S. 153A-357 or G.S. 160A-417, on or before January 1, 1987.
- *Standard action level:* The federal standard action level for lead: 15 parts per billion (ppb).

Section 2.(b) directs each school and child care facility, as defined above, to test prescribed drinking water outlets for the presence of lead.

Section 2.(c) establishes minimum criteria for testing drinking water for the presence of lead at prescribed drinking water outlets and other locations within or outside the school or child care facility as follows:

1. All drinking water outlets located within the kitchen and any other food preparation area.
2. At least one drinking water outlet in a lavatory located within each wing and on each floor of the school building.

3. At least one drinking water fountain of the same make and model number located within each wing and on each floor of the school building.
4. All classroom combination sinks and drinking water fountains.
5. All sinks located in classrooms that are used for home economics.
6. All sinks located in teachers' lounges.
7. All sinks located in nurses' offices.
8. All sinks located in special education classrooms that are used for drinking water or food preparation.
9. Any sink known to be or visibly used for consumption.
10. The location where the water piping from the water supplier or well connects to the water piping system of the school building, where practicable
11. Any other locations within or outside the school building as directed by the Division or the local health department (LHD).

Section 2.(d) provides that a school or child care facility may seek the assistance of a LHD, public water system, the Division of Public Health (DPH) in the Department of Health and Human Services, or the Department of Environmental Quality to help ensure compliance with this act.

Section 2.(e) requires each school and child care facility to submit drinking water samples to a North Carolina State Laboratory Public Health Environmental Sciences Certified Laboratory to conduct the required lead analyses.

Section 2.(f) sets out the following testing, reporting, and notification requirements:

1. In accordance with the criteria established in Section 2(c), the schools and child care facilities must perform the required lead testing between February 1, 2017, and April 1, 2017.
2. Certified laboratories must report the results of the drinking water analyses to both DPH and to each school and child care facility, as applicable, within 10 business days of completion, and in any case no later than April 15, 2017.
3. Within 10 business days of receiving the results from the certified laboratory, each school and child care facility must make the test results available to the public (and may fulfill this requirement by posting the results on its Web site) and notify parents or guardians of the children of the test results.

Section 2.(g) sets out the following additional requirements that must be followed by schools and child care facilities with initial drinking water samples that reveal elevated lead levels:

- Immediately restrict access to any drinking water with lead concentrations at or above the elevated lead level.
- Immediately ensure that all students and children have access to an alternate safe drinking water supply and are not exposed to drinking water with elevated levels of lead.
- Immediately, but no more than 5 days from the date when an elevated lead level test result was received, conduct a second test of the drinking water to confirm the results of the initial analysis. The school or child care facility must coordinate with staff from the LHD, DPH, DEQ, or private consultants who have expertise in sampling potable water to conduct the confirmatory tests.
- No more than 5 business days following the completion of the subsequent analysis, the certified laboratory must report the result to both the school or child care facility, as applicable, and to DPH.

- Within one business day of receipt of a subsequent drinking water analysis that confirms elevated lead levels, the school or child care facility must notify teachers, other school personnel, and parents or guardians of the results of the tests, provide a description of any remedial actions taken or planned to be taken, provide general information on the public health effects and risks posed by lead in drinking water, and when directed by DPH, include information on how and where individuals may obtain blood testing for lead.
- Upon confirmation of elevated lead levels, the school or child care facility must determine the source of the lead and work with DPH, DEQ, DPI, and the Division of Child Development and Early Education (DCDEE) in DHHS to identify necessary corrective action to address the lead contamination.
- Sources of lead must be removed from the school and child care facility and each may seek technical assistance from the agencies to comply as necessary.
- Requires each school or child care facility to complete all corrective actions to remove the source of lead from the drinking water within 12 months of receipt of subsequent test result that confirmed an elevated lead level in drinking water.

Section 2.(h) directs DPH, in consultation with DEQ, to develop and adopt technical guidance to assist in testing for and reducing lead in schools and child care facilities.

Section 2.(i) directs DPH to submit the following:

1. Within five business days of receipt, a report of each test result that confirms an elevated lead level in a school's or child care facility's drinking water to the chairs of several House and Senate Appropriations Subcommittees and to the Fiscal Research Division.
2. By May 1, 2017, a report on the implementation of this act and the test results received in accordance with this act to the chairs of several House and Senate Appropriations Subcommittees and to the Fiscal Research Division.

Section 3.(a) directs DPH to coordinate with the North Carolina Government Data Analytics Center (GDAC) to leverage the existing public-private partnerships and available resources to assist DPH with the development and implementation of a database and the reporting infrastructure necessary to support the testing, reporting, and notification requirements set out in this act.

Section 3.(b) directs DEQ and DPH to develop and provide technical guidance on reducing lead in drinking water, a layman's summary of methods to collect, handle, and test drinking water samples, a list of laboratories certified to analyze water for the presence of lead, and any other information the agencies deem appropriate to DPI and DCDEE by December 1, 2016. DPI and DCDEE must distribute the technical guidance to each school and each child care facility by January 1, 2017.

Part II of the PCS would authorize the following studies:

Section 4 directs DPH, in consultation with DEQ, to study and make recommendations to the Environmental Review Commission (ERC) and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2016 on the following:

1. A schedule of subsequent testing, as appropriate, of drinking water in schools and child care facilities that did not reveal lead in the water based on the analysis required by this act.
2. Whether schools and child care facilities that were permitted on or after January 1, 1987, should test drinking water for elevated lead levels, and the frequency of such tests, if recommended.

3. Public and private funding mechanisms available to schools and child care facilities that must take corrective action to reduce or eliminate the source of lead in drinking water.

Section 5 directs DEQ, in consultation with DPI, to study and make recommendations as to the appropriate timing and duration of water system flushing at each school prior to the start of the academic year and report its findings, recommendations, and any legislative proposals to the ERC and the Joint Legislative Education Oversight Committee by December 1, 2016.

Part III of the PCS sets out an appropriation in **Section 6 that would, effective July 1, 2016,** appropriate $2.4 million in nonrecurring funds from the General Fund to DHHS to (i) reimburse the schools and child care facilities for the costs associated with testing drinking water for the presence of lead or (ii) to cover the costs associated with DHHS conducting sampling and anaylsis of drinking water on behalf of schools and child care facilities. Of the funds appropriated, (i) up to 5% of the total appropriation may be used by DPH, DCDEE, DEQ, and DPI to support the administration of this act and (ii) up to $250,000 may be used to develop and implement the database and reporting infrastructure necessary to support the requirements of this act. DHHS would reimburse each school and child care facilities upon receipt of appropriate documentation that authenticates completion of the required testing. Any remaining funds may be used by DHHS to reimburse schools and child care facilities for the costs incurred for (i) the provision of alternative drinking water, (ii) identification and removal of drinking water infrastructure that contains lead, and (iii) installation of replacement infrastructure or water treatment devices upon receipt of documentation that authenticates installation of replacement infrastructure or treatment devices.

EFFECTIVE DATE: Except as otherwise provided, this act becomes effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H D

HOUSE BILL 1074
PROPOSED COMMITTEE SUBSTITUTE H1074-CSTA-24 [v.20]
06/22/2016 03:54:48 PM

Short Title: Schools/CC Facilities - Test Water for Lead. (Public)

Sponsors:

Referred to:

May 11, 2016

A BILL TO BE ENTITLED

AN ACT TO REQUIRE PUBLIC SCHOOLS AND CHILD CARE FACILITIES IN NORTH CAROLINA PERMITTED FOR CONSTRUCTION PRIOR TO JANUARY 1, 1987, TO TEST DRINKING WATER FOR THE PRESENCE OF LEAD.

Whereas, lead is a metal known for its toxicity and potential to harm human health; and

Whereas, lead has been shown to negatively affect almost every organ system in the human body; and

Whereas, the most sensitive organ system affected by lead is the central nervous system; and

Whereas, children six years of age and younger are particularly at risk when exposed to lead; and

Whereas, low blood lead levels in children have been associated with reduced IQ and attention span, learning disabilities, poor classroom performance, hyperactivity, behavioral problems, impaired growth, and hearing loss; and

Whereas, the United States Centers for Disease Control and Prevention and the United States Environmental Protection Agency have determined that there is no safe blood lead level in children; and

Whereas, the Centers for Disease Control and Prevention recommends that all sources of lead exposure to children be controlled or eliminated; and

Whereas, under the authority of the federal Safe Drinking Water Act, the United States Environmental Protection Agency's Lead and Copper Rule requires public water systems to test drinking water for the presence of lead in only a percentage of residences; and

Whereas, according to an evaluation of public water system data in the federal Safe Drinking Water Information System database collected between 2012 and 2015, 79 water systems in North Carolina were found to test higher than the Agency's action level for lead of 15 parts per billion (ppb); and

Whereas, the 79 water systems that tested higher than the federal action level are located in 44 counties across the State; and

Whereas, the lead testing protocols prescribed by the federal Lead and Copper Rule that are employed by public water supply systems are aimed at identifying systemwide lead problems rather than the presence of lead in outlets and taps within individual buildings; and

Whereas, the federal Lead and Copper Rule does not require testing for the presence of lead in drinking water in schools or child care facilities; and

Whereas, unless a school or child care facility is considered a public water system, testing drinking water the presence of lead is voluntary; and

Whereas, effective June 19, 1986, Section 1417 of the federal Safe Drinking Water Act prohibited the use of any pipe, any pipe or plumbing fitting or fixture, any solder, or any flux that is not "lead free" in the installation or repair of facilities that provide water for human consumption; and

Whereas, North Carolina does not require testing water in schools or child care facilities for the presence of lead; and

Whereas, the United States Environmental Protection Agency strongly recommends that schools and child care facilities test drinking water in their buildings and infrastructure for lead; Now, therefore,

The General Assembly of North Carolina enacts:

PART I. PROTECT NORTH CAROLINA'S CHILDREN FROM LEAD EXPOSURE

SECTION 1. This act shall be known as the "Protect North Carolina's Children from Lead Exposure Act of 2016."

SECTION 2.(a) Definitions. – For purposes of this act, the following definitions shall apply:

(1) "Agency" means the United States Environmental Protection Agency.

(2) "Child care facility" means a facility as defined in G.S. 110-86 and licensed pursuant to Article 7 of Chapter 110 of the General Statutes, that was permitted in accordance with either G.S. 153A-357 or G.S. 160A-417, on or before January 1, 1987.

(3) "Department" means the Department of Environmental Quality.

(4) "Division" means the Division of Public Health in the Department of Health and Human Services.

(5) "Drinking water outlet" means any water fountain, faucet, or tap that is regularly used for drinking or food preparation, including ice-making and hot drink machines.

(6) "Elevated lead level" means a lead concentration in drinking water that exceeds the standard action level established by the Agency.

(7) "Local health department" means a district health department, a public health authority, or a county health department.

(8) "Public water system" means the same as that term is defined in G.S. 130A-313.

(9) "School" means a public school under the direction of a local board of education, a charter school, a regional school, a high school operated as part of The University of North Carolina, a school operated by the Department of Health and Human Services, or a school operated by the State Board of Education that was permitted in accordance with either G.S. 153A-357 or G.S. 160A-417, on or before January 1, 1987.

(10) "Standard action level" means the federal standard action level for lead, which is 15 parts per billion (ppb).

(11) "Technical guidance" means any technical guidance for the testing of and reducing the level of lead in drinking water in schools issued either by the Agency, the Division, or the Department pursuant to subsection (h) of this section.

SECTION 2.(b) Test for the Presence of Lead in Drinking Water Outlets. – Each school and child care facility shall test drinking water outlets in the school or facility for the presence of lead in accordance with both the criteria set out in subsection (c) of this section and the timelines set out in subsection (f) of this section. Each test for the presence of lead shall be analyzed by a laboratory certified in accordance with subsection (e) of this section. Schools may conduct the test for lead in drinking water in conjunction with the annual sanitation inspection

required pursuant to G.S. 130A-236, provided that this test is conducted, evaluated, and the results are submitted in accordance with the timelines set out in subsection (f) of this section. Each school and child care facility shall collect and handle drinking water samples in accordance with standards established pursuant to the federal Safe Drinking Water Act (42 U.S.C. § 300f through 300j-9).

SECTION 2.(c) Minimum Criteria for Testing Drinking Water for the Presence of Lead. – In order to comply with subsection (b) of this section, schools and child care facilities shall test drinking water outlets and other locations within or outside the building for the presence of lead as follows:

(1) All drinking water outlets located within the kitchen and any other food preparation area.
(2) At least one drinking water outlet in a lavatory located within each wing and on each floor of the building.
(3) At least one drinking water fountain of the same make and model number located within each wing and on each floor of the building.
(4) All classroom combination sinks and drinking water fountains.
(5) All sinks located in classrooms that are used for home economics.
(6) All sinks located in teachers' lounges.
(7) All sinks located in nurses' offices.
(8) All sinks located in special education classrooms that are used for drinking water or food preparation.
(9) Any sink known to be or visibly used for consumption.
(10) The location where the water piping from the water supplier or well connects to the water piping system of the building, where practicable.
(11) Any other locations within or outside the building as directed by the Division or the local health department.

SECTION 2.(d) Assistance with Compliance. – A school or child care facility may seek the assistance of staff from a local health department, the Division, a public water system, or the Department to help ensure the school's compliance with the requirements of this act.

SECTION 2.(e) Certified Laboratory. – Each school and child care facility shall submit drinking water samples to a North Carolina State Laboratory Public Health Environmental Sciences Certified Laboratory to conduct the lead analyses required pursuant to this section.

SECTION 2.(f) Testing, Reporting, and Notification Requirements. –

(1) Each school and child care facility shall sample and test drinking water for the presence of lead in drinking water outlets and other locations within or outside the building, as provided in subsection (c) of this section, and in accordance with the following timeline:
    a. Sampling and testing shall commence no earlier than February 1, 2017.
    b. Sampling and testing shall conclude no later than April 1, 2017.
(2) The certified laboratory shall report the test results to both the Division and to each school or child care facility within 10 business days of completing the analysis of each drinking water sample, and in any case, no later than April 15, 2017. The laboratory shall report the results of the analytical testing in a format provided by the Division, which shall include electronic reporting, and shall be filled out completely.
(3) The Division, in consultation with the Department of Public Instruction and the Division of Child Development and Early Education of the Department of Health and Human Services, shall establish standard criteria for the certified laboratories to employ in order to report the results of the drinking water analyses that include at least all of the following:
    a. A unique identification number for each school and child care facility.

b. Unique identification codes or a description of each drinking water outlet and each location within or outside the building tested.

c. The date, to include the month, day, and time of day, on which (i) the sample is collected at the school or child care facility and (ii) the sample is analyzed by the certified laboratory.

d. The results of the laboratory analysis for each drinking water sample tested.

(4) Within 10 business days of receiving the results of the drinking water analyses, each school and each child care facility shall make the test results available to the public, free of charge, and shall notify the parents or guardians of the children attending each school and each child care facility of the test results. To meet the requirements of this subdivision, the results may be posted on the Web site for the school, local school administrative unit, or child care facility, as applicable.

SECTION 2.(g) Additional Requirements and Remediation for Drinking Water Samples that Reveal Elevated Lead Levels. – In the event that a drinking water sample tested and analyzed pursuant to this subsection (f) of this section reveals an elevated lead level, the school or child care facility shall do all of the following, as applicable:

(1) Immediately restrict access to (i) any drinking water outlet with lead concentrations at or above the elevated lead level and (ii) similar drinking water outlets located on the same wing or floor of the building of the outlet with elevated lead levels.

(2) Immediately take remedial action to ensure that all students and children have access to free, fresh, clean drinking water in the school or child care facility and are not exposed to drinking water with elevated lead levels. Alternate drinking water supplies shall be provided until (i) the drinking water is tested in accordance with this subsection and lead levels are shown, through subsequent analysis to be below the action level and (ii) the Division determines and provides written documentation to the school or child care facility, the Department of Public Instruction or the Division of Child Development and Early Education of the Department of Health and Human Services, as appropriate, that the elevated lead levels have been mitigated and the drinking water is safe for human consumption.

(3) Immediately, or as soon as practicable, but in no instance more than five business days from the date of the receipt of a drinking water test result that reveals an elevated lead level at a drinking water outlet or other locations within or outside the building, conduct a second test of the drinking water outlet or other locations within or outside the building that revealed elevated lead levels in order to confirm the results of the initial analysis required pursuant to this Part. The school or child care facility shall coordinate with local health department, Division, or Department staff, or with private consultants who have expertise in potable water sampling to conduct the second test of the drinking water outlet or other locations within or outside the building that revealed elevated lead levels. To the extent practicable, the school or child care facility and the certified laboratory shall expedite the testing and analysis of subsequent confirmatory samples required pursuant to this subdivision.

(4) As soon as practicable, but in no case more than five business days after completing the analysis of the subsequent drinking water sample, the certified laboratory shall report the results of the subsequent drinking water analysis to both the school or child care facility, as applicable, and to the Division in a format provided by the Division, which shall include electronic reporting, and

shall be filled out completely, and in accordance with subsection (f) of this section.

(5) Within one business day of receipt of a subsequent drinking water test result that confirms an elevated lead level at a drinking water outlet or other locations within or outside the building, the school or child care facility shall notify teachers, other school or facility personnel, and the parents or guardians of children attending the school or child care facility directly through written notice, electronic mail, or other means approved by the Division, the Department of Public Instruction, or the Division of Child Development and Early Education of the Department of Health and Human Services, as applicable. The notification shall include at least the following:

a. A summary of the results of the tests conducted pursuant to this section and information as to the availability of the complete drinking water test results for review at a public location and on the Web site for the school, the local school administrative unit, or the child care facility, as applicable.

b. A description of any remedial measures taken or planned to be taken in order to address the elevated lead levels found in the drinking water.

c. General information on the public health effects and risks posed by the presence of lead in drinking water and information on the availability of additional resources concerning lead in drinking water, including those outlined in the technical guidance and other State or federal resources.

d. When directed by the Division, information on how and where individuals may obtain blood testing for lead.

(6) Upon confirmation of elevated lead levels in drinking water samples analyzed pursuant to subdivision (3) of this subsection, the school or child care facility shall determine the source of the lead. The school or facility shall work together with the Division, Department, the Department of Public Instruction, and the Division of Child Development and Early Education of the Department of Health and Human Services, as applicable, to identify the necessary corrective action, including specific measures that will be taken and an estimate of the costs of those measures, to address the confirmed lead contamination.

(7) Schools and child care facilities that have drinking water with elevated lead levels shall remove the source of lead from drinking water outlets and other locations within or outside the building. Schools and child care facilities may seek technical assistance to comply with this subdivision from the Division and the Department, and local health departments as necessary.

(8) All corrective action taken by a school or child care facility to remove the source of lead from drinking water outlets and other locations within or outside the building shall be completed within 12 months of the receipt of the subsequent confirmatory test result that reveals an elevated lead level in drinking water.

SECTION 2.(h) Technical Guidance. – The Division, in consultation with the Department, shall develop and adopt technical guidance, provided that the guidance is at least as protective of public health as the technical guidance for reducing lead in drinking water at schools issued by the Agency. The Division shall work in consultation with the Department of Public Instruction and the Division of Child Development and Early Education of the Department of Health and Human Services to develop State-specific guidance for lead testing, including standards and practices for sample collection and handling, and remediation of drinking water in schools and child care facilities.

SECTION 2.(i) Reports. – The Division shall:

(1) Within five business days of receipt, report all test results that confirm an elevated lead level in a school's or child care facility's drinking water as evidenced by confirmatory testing conducted pursuant to subsection (g) of this section to the chairs of the House Appropriations Subcommittees on Education, Health and Human Services, and Agriculture and Natural and Economic Resources, the chairs of the Senate Appropriations Subcommittees on Education/Higher Education, Health and Human Services, and Natural and Economic Resources, and the Fiscal Research Division.

(2) Report to the chairs of the House Appropriations Subcommittees on Education, Health and Human Services, and Agriculture and Natural and Economic Resources, the chairs of the Senate Appropriations Subcommittees on Education/Higher Education, Health and Human Services, and Natural and Economic Resources, and the Fiscal Research Division on the implementation of this act and the test results received pursuant to this section, on or before May 1, 2017. The report shall include:

a. The number of schools and child care facilities and the name of each school and facility tested, listed by county, and as appropriate, further designation by local school administrative unit.

b. The number of drinking water outlets tested at each school and child care facility.

c. Aggregate results for the drinking water testing performed at each school and child care facility.

d. The identity of each school and child care facility that has drinking water outlets with elevated lead levels and for each school and facility identified:

i. The actions taken to remediate or restrict the lead exposure.

ii. An overview of the actions taken to notify students, their families, and school and child care facility personnel of the findings of the lead tests as required by subsection (g) of this section.

e. Any corrective action taken by a school or child care facility to remove the source of lead from drinking water.

SECTION 3.(a) Develop and Implement Necessary Information Technology Infrastructure. – The Division shall coordinate with the North Carolina Government Data Analytics Center to leverage the existing public-private partnerships and available resources pursuant to G.S. 143B-1385, including, but not limited to licensing, software, services, and subject matter expertise, to assist the Division with the development and implementation of a database and the reporting infrastructure necessary to support the testing, reporting, and notification requirements set out in Section 2 of this act.

SECTION 3.(b) State Agencies to Provide Technical and Advisory Assistance. – On or before December 1, 2016, the Department and the Division shall develop and provide the following information to the Department of Public Instruction, and the Division of Child Development and Early Education of the Department of Health and Human Services:

(1) The technical guidance and best management practices documents for reducing lead in drinking water at schools and child care facilities, issued by the United States Environmental Protection Agency.

(2) A layman's summary of sampling, collection, handling, and testing methods for drinking water samples conducted in accordance with the federal Safe Drinking Water Act.

(3) A list of the laboratories certified to test drinking water, in accordance with the federal Safe Drinking Water Act, for the presence of lead.

(4) Any other information the Department and the Division deem appropriate.

The Department of Public Instruction and the Division of Child Development and Early Education of the Department of Health and Human Services shall distribute the information provided pursuant to this subsection to each school and each child care facility, respectively, on or before January 1, 2017.

PART II. STUDIES

SECTION 4.(a) The Division of Public Health in the Department of Health and Human Services, in consultation with the Department of Environmental Quality, shall study and make recommendations on the following:

(1) A schedule of subsequent testing, as appropriate, of drinking water in schools and child care facilities subject to the provisions of this act, but which did not reveal a presence of lead based on analyses conducted pursuant to Section 2 of this act.

(2) Whether schools and child care facilities that were permitted on or after January 1, 1987, should test drinking water for elevated lead levels, and the frequency of such tests, if recommended.

(3) Public and private funding mechanisms available to schools and child care facilities that must take corrective action to reduce or eliminate the source of lead in drinking water.

SECTION 4.(b) The Division shall report its findings, recommendations, and any legislative proposals to the Environmental Review Commission and the Joint Legislative Oversight Committee on Health and Human Services on or before December 1, 2016.

SECTION 5. The Department of Environmental Quality, in consultation with the Department of Public Instruction, shall study and make recommendations as to the appropriate timing and duration of water system flushing for schools prior to the commencement of the academic year. The Department shall report its findings, recommendations, and any legislative proposals to the Environmental Review Commission and the Joint Legislative Committee on Education Oversight on or before December 1, 2016.

PART III. APPROPRIATION

SECTION 6.(a) There is appropriated two million, four hundred thousand dollars ($2,400,000) in nonrecurring funds from the General Fund to the Department Health and Human Services to either (i) reimburse schools and child care facilities for the costs associated with testing drinking water for the presence of lead as required pursuant to Section 2 of this act or (ii) to cover the costs associated with the Department conducting sampling and analysis of drinking water on behalf of schools and child care facilities. Of the funds appropriated, (i) up to five percent (5%) of the total appropriation may be used by the Divisions of Public Health and Child Development and Early Education in the Department of Health and Human Services, the Department of Environmental Quality, and the Department of Public Instruction to support the administration and implementation of Sections 2 and 3 of this act and (ii) up to two hundred and fifty thousand dollars ($250,000) of the total appropriation may be used to develop and implement the database and reporting infrastructure necessary to support the requirements of Sections 2 and 3 of this act. The Department of Health and Human Services shall reimburse each school and child care facility upon receipt of appropriate documentation that authenticates the payment for and completion of the required sampling and analysis for lead in drinking water. Of the remaining funds available, the Department of Health and Human Services shall reimburse schools and child care facilities for the costs incurred for: (i) the provision of alternative drinking water in accordance with Section 2(g)(2) of this act; (ii) identification and removal of drinking water infrastructure that contains lead conducted in accordance with Section 2(g) of this act; and (iii) installation of replacement infrastructure or water treatment devices upon receipt of

documentation that authenticates the installation of replacement infrastructure or such treatment devices.

SECTION 6.(b) This section becomes effective July 1, 2016.

PART IV. EFFECTIVE DATE

SECTION 7. Except as otherwise provided, this act becomes when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES

REGULATORY REFORM COMMITTEE REPORT
Representative John R. Bell, IV, Co-Chair
Representative Chris Millis, Co-Chair
Representative Dennis Riddell, Co-Chair

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL

HB **1074** Schools Test for Lead/HS Dropout Pilot Prog.

Draft Number:	H1074-PCS40680-TA-24
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	Yes
Floor Manager:	Hager

TOTAL REPORTED: 1