

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015**

**SENATE BILL 119
RATIFIED BILL**

AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE GENERAL STATUTES AND SESSION LAWS, AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION, AND TO MAKE ADDITIONAL TECHNICAL AND OTHER AMENDMENTS TO THE STATUTES AND SESSION LAWS.

The General Assembly of North Carolina enacts:

PART I. TECHNICAL CORRECTIONS RECOMMENDED BY THE GENERAL STATUTES COMMISSION

SECTION 1.(a) G.S. 1-267.1(d) reads as rewritten:

"(d) This section applies only to civil proceedings. Nothing in this section shall be deemed to apply to criminal proceedings, to proceedings under Chapter 15A of the General Statutes, to proceedings making a collateral attack on any judgment entered in a criminal proceeding, or to ~~appeals from orders of the trial courts pertaining to~~ civil proceedings filed by a taxpayer pursuant to G.S. 105-241.17."

SECTION 1.(b) G.S. 7A-27 reads as rewritten:

"§ 7A-27. Appeals of right from the courts of the trial divisions.

(a) Appeal lies of right directly to the Supreme Court in any of the following cases:

- (1) All cases in which the defendant is convicted of murder in the first degree and the judgment of the superior court includes a sentence of death.
- (2) From any final judgment in a case designated as a mandatory complex business case pursuant to G.S. 7A-45.4 or designated as a discretionary complex business case pursuant to Rule 2.1 of the General Rules of Practice for the Superior and District Courts.
- (3) From any interlocutory order of a Business Court Judge that does any of the following:
 - a. Affects a substantial right.
 - b. In effect determines the action and prevents a judgment from which an appeal might be taken.
 - c. Discontinues the action.
 - d. Grants or refuses a new trial.

(a1) Appeal lies of right directly to the Supreme Court from any order or judgment of a court, either final or interlocutory, that holds that an act of the General Assembly is facially invalid on the basis that the act violates the North Carolina Constitution or federal law. Nothing in this ~~section-subsection~~ shall be deemed to apply to appeals from orders of the trial courts pertaining to criminal proceedings, to proceedings under Chapter 15A of the General Statutes, to proceedings making a collateral attack on any judgment entered in a criminal proceeding, or to appeals from orders of the trial courts pertaining to civil proceedings filed by a taxpayer pursuant to G.S. 105-241.17.

(b) ~~Appeal~~ Except as provided in subsection (a) or (a1) of this section, appeal lies of right directly to the Court of Appeals in any of the following cases:

- (1) From any final judgment of a superior court, other than ~~the one described in subsection (a) of this section, or one~~ based on a plea of guilty or nolo contendere, including any final judgment entered upon review of a decision of an administrative agency, except for a final judgment entered upon review of a court martial under G.S. 127A-62.
- (2) From any final judgment of a district court in a civil action.



- (3) From any interlocutory order or judgment of a superior court or district court in a civil action or proceeding that does any of the following:
 - a. Affects a substantial right.
 - b. In effect determines the action and prevents a judgment from which an appeal might be taken.
 - c. Discontinues the action.
 - d. Grants or refuses a new trial.
 - e. Determines a claim prosecuted under G.S. 50-19.1.
 - f. Grants temporary injunctive relief restraining the State or a political subdivision of the State from enforcing the operation or execution of an act of the General Assembly as applied against a party in a civil action. This ~~subsection-sub-subdivision~~ only applies where the State or a political subdivision of the State is a party in the civil action. This ~~subsection-sub-subdivision~~ does not apply to facial challenges to an act's validity heard by a three-judge panel pursuant to G.S. 1-267.1.
- (4) From any other order or judgment of the superior court from which an appeal is authorized by statute.

(c) through (e) Repealed by Session Laws 2013-411, s. 1, effective August 23, 2013."

SECTION 2. Reserved.

SECTION 3. G.S. 14-269 reads as rewritten:

"§ 14-269. Carrying concealed weapons.

(a) It shall be unlawful for any person willfully and intentionally to carry concealed about his or her person any bowie knife, dirk, dagger, slung shot, loaded cane, metallic knuckles, razor, ~~shuriken, shuriken~~, stun gun, or other deadly weapon of like kind, except when the person is on the person's own premises.

(a1) It shall be unlawful for any person willfully and intentionally to carry concealed about his or her person any pistol or gun except in the following circumstances:

- (1) The person is on the person's own premises.
- (2) The deadly weapon is a handgun, the person has a concealed handgun permit issued in accordance with Article 54B of this Chapter or considered valid under G.S. 14-415.24, and the person is carrying the concealed handgun in accordance with the scope of the concealed handgun permit as set out in G.S. 14-415.11(c).
- (3) The deadly weapon is a handgun and the person is a military permittee as defined under G.S. 14-415.10(2a) who provides to the law enforcement officer proof of deployment as required under G.S. 14-415.11(a).

...
(b1) It is a defense to a prosecution under this section that:

- (1) The weapon was not a firearm;
- (2) The defendant was engaged in, or on the way to or from, an activity in which ~~he~~ the defendant legitimately used the weapon;
- (3) The defendant possessed the weapon for that legitimate use; and
- (4) The defendant did not use or attempt to use the weapon for an illegal purpose.

The burden of proving this defense is on the defendant.

...."

SECTION 4. G.S. 14-313 reads as rewritten:

"§ 14-313. Youth access to tobacco products, tobacco-derived products, vapor products, and cigarette wrapping papers.

...
(b) Sale or distribution to persons under the age of 18 years. – If any person shall distribute, or aid, assist, or abet any other person in distributing tobacco products or cigarette wrapping papers to any person under the age of 18 years, or if any person shall purchase tobacco products or cigarette wrapping papers on behalf of a person under the age of 18 years, the person shall be guilty of a Class 2 misdemeanor; provided, however, that it shall not be unlawful to distribute tobacco products or cigarette wrapping papers to an employee when required in the performance of the employee's duties. Retail distributors of tobacco products

shall prominently display near the point of sale a sign in letters at least five-eighths of an inch high which states the following:

N.C. LAW STRICTLY PROHIBITS
THE PURCHASE OF TOBACCO PRODUCTS, TOBACCO-DERIVED PRODUCTS,
VAPOR PRODUCTS, AND CIGARETTE WRAPPING PAPERS
BY PERSONS UNDER THE AGE OF 18.
PROOF OF AGE REQUIRED.

Failure to post the required sign shall be an infraction punishable by a fine of twenty-five dollars (\$25.00) for the first offense and seventy-five dollars (\$75.00) for each succeeding offense.

A person engaged in the sale of tobacco products or cigarette wrapping papers shall demand proof of age from a prospective purchaser if the person has reasonable grounds to believe that the prospective purchaser is under 18 years of age. Failure to demand proof of age as required by this subsection is a Class 2 misdemeanor if in fact the prospective purchaser is under 18 years of age. Retail distributors of tobacco products or cigarette wrapping papers shall train their sales employees in the requirements of this law. Proof of any of the following shall be a defense to any action brought under this subsection:

- (1) The defendant demanded, was shown, and reasonably relied upon proof of age in the case of a retailer, or any other documentary or written evidence of age in the case of a nonretailer.
- (2) The defendant relied on the electronic system established and operated by the Division of Motor Vehicles pursuant to G.S. 20-37.02.
- (3) The defendant relied on a biometric identification system that demonstrated (i) the purchaser's age to be at least the required age for the purchase and (ii) the purchaser had previously registered with the seller or seller's agent a drivers license, a special identification card issued under ~~G.S. 20-377.7~~, G.S. 20-37.7, a military identification card, or a passport showing the purchaser's date of birth and bearing a physical description of the person named on the card.

...
(e) Statewide uniformity. – It is the intent of the General Assembly to prescribe this uniform system for the regulation of tobacco products and cigarette wrapping papers to ensure the eligibility for and receipt of any federal funds or grants that the State now receives or may receive relating to the provisions of ~~G.S. 14-313~~ this section. To ensure uniformity, no political subdivisions, boards, or agencies of the State nor any county, city, municipality, municipal corporation, town, township, village, nor any department or agency thereof, may enact ordinances, rules or regulations concerning the sale, distribution, display or promotion of (i) tobacco products or cigarette wrapping papers on or after September 1, 1995, or (ii) tobacco-derived products or vapor products on or after August 1, 2013. This subsection does not apply to the regulation of vending machines, nor does it prohibit the Secretary of Revenue from adopting rules with respect to the administration of the tobacco products taxes levied under Article 2A of Chapter 105 of the General Statutes.
...."

SECTION 5. G.S. 15A-150(b) reads as rewritten:

"(b) Notification to Other State and Local Agencies. – The clerk of superior court in each county in North Carolina shall send a certified copy of an order granting an expunction to a person named in subsection (a) of this section to all of the agencies listed in this subsection. An agency receiving an order under this subsection shall expunge from its records all entries made as a result of the charge or conviction ordered expunged, except as provided in G.S. 15A-151. The list of agencies is as follows:

- (1) The sheriff, chief of police, or other arresting agency.
- (2) When applicable, the Division of Motor ~~Vehicles and the Division of Adult Correction of the Department of Public Safety~~ Vehicles.
- (3) Any State or local agency identified by the petition as bearing record of the offense that has been expunged.
- (4) The Department of Public Safety."

SECTION 6. G.S. 15A-1340.16(f) reads as rewritten:

"(f) ~~[Notice to State Treasurer of Finding.]~~ Notice to State Treasurer of Finding. – If the court determines that an aggravating factor under subdivision (9) of subsection (d) of this

section has been proven, the court shall notify the State Treasurer of the fact of the conviction as well as the finding of the aggravating factor. The indictment charging the defendant with the underlying offense must include notice that the State seeks to prove the defendant acted in accordance with subdivision (9) of subsection (d) of this section and that the State will seek to prove that as an aggravating factor."

SECTION 7. G.S. 18B-302(d) reads as rewritten:

"(d) Defense. – It shall be a defense to a violation of subsection (a) of this section if the seller:

- ...
- (3) Shows that at the time of purchase, the purchaser utilized a biometric identification system that demonstrated (i) the purchaser's age to be at least the required age for the purchase and (ii) the purchaser had previously registered with the seller or seller's agent a drivers license, a special identification card issued under ~~G.S. 20-377.7~~, G.S. 20-37.7, a military identification card, or a passport showing the purchaser's date of birth and bearing a physical description of the person named on the document."

SECTION 8.(a) G.S. 20-115 reads as rewritten:

"§ 20-115. **Scope and effect of regulations in this ~~title~~Part.**

It shall be unlawful for any person to drive or move or for the owner to cause or knowingly permit to be driven or moved on any highway any vehicle or vehicles of a size or weight exceeding the limitations stated in this ~~title~~, Part, or any vehicle or vehicles which are not so constructed or equipped as required in this ~~title~~, Part, or the rules and regulations of the Department of Transportation adopted pursuant ~~thereto to this Part~~ and the maximum size and weight of vehicles ~~herein~~ specified in this Part shall be lawful throughout this State, and local authorities shall have no power or authority to alter ~~said the~~ limitations except as express authority may be granted in this Article."

SECTION 8.(b) G.S. 106-549.21(d) and (e) read as rewritten:

"(d) No article subject to this ~~title~~Article shall be sold or offered for sale by any person, firm, or corporation, in intrastate commerce, under any name or other marking or labeling which is false or misleading, or in any container of a misleading form or size, but established trade names and other marking and labeling and containers which are not false or misleading, and which are approved by the Commissioner or ~~his~~the Commissioner's authorized representative, are permitted.

(e) If the Commissioner or ~~his~~the Commissioner's authorized representative has reason to believe that any marking or labeling or the size or form of any container in use or proposed for use with respect to any article subject to this ~~title~~Article is false or misleading in any particular, ~~he~~the Commissioner or the authorized representative may direct that ~~such~~this use be withheld unless the marking, labeling, or container is modified in such a manner as he may prescribe ~~the Commissioner or the authorized representative prescribes~~ so that it will not be false or misleading. If the person, firm, or corporation using or proposing to use the marking, labeling or container does not accept the determination of the Commissioner or ~~his~~the Commissioner's authorized representative, ~~such~~the person, firm, or corporation may request a hearing, but the use of the marking, labeling, or container shall, if the Commissioner so directs, be withheld pending hearing and final determination by the Commissioner. A person who uses or proposes to use the marking, labeling, or container and who does not accept the determination of the Commissioner may commence a contested case under G.S. 150B-23. If directed by the Commissioner, the marking, labeling, or container may not be used pending a final decision."

SECTION 9. G.S. 20-183.2(a1) reads as rewritten:

"(a1) Safety Inspection Exceptions. – The following vehicles shall not be subject to a safety inspection pursuant to this Article:

- (1) Historic vehicles, as described in ~~G.S. 20-79.4(b)(88)~~G.S. 20-79.4(b)(90).
- (2) Buses titled to a local board of education and subject to the school bus inspection requirements specified by the State Board of Education and G.S. 115C-248."

SECTION 10. G.S. 62-36B is recodified as G.S. 62-36.01.

SECTION 11. G.S. 62-110.1(c) reads as rewritten:

"(c) The Commission shall develop, publicize, and keep current an analysis of the long-range needs for expansion of facilities for the generation of electricity in North Carolina,

including its estimate of the probable future growth of the use of electricity, the probable needed generating reserves, the extent, size, mix and general location of generating plants and arrangements for pooling power to the extent not regulated by the Federal Energy Regulatory Commission and other arrangements with other utilities and energy suppliers to achieve maximum efficiencies for the benefit of the people of North Carolina, and shall consider such analysis in acting upon any petition by any utility for construction. In developing such analysis, the Commission shall confer and consult with the public utilities in North Carolina, the utilities commissions or comparable agencies of neighboring states, the Federal Energy Regulatory Commission, ~~the Southern Growth Policies Board,~~ and other agencies having relevant information and may participate as it deems useful in any joint boards investigating generating plant sites or the probable need for future generating facilities. In addition to such reports as public utilities may be required by statute or rule of the Commission to file with the Commission, any such utility in North Carolina may submit to the Commission its proposals as to the future needs for electricity to serve the people of the State or the area served by such utility, and insofar as practicable, each such utility and the Attorney General may attend or be represented at any formal conference conducted by the Commission in developing a plan for the future requirements of electricity for North Carolina or this region. In the course of making the analysis and developing the plan, the Commission shall conduct one or more public hearings. Each year, the Commission shall submit to the Governor and to the appropriate committees of the General Assembly a report of its analysis and plan, the progress to date in carrying out such plan, and the program of the Commission for the ensuing year in connection with such plan."

SECTION 12.(a) G.S. 66-372(e) reads as rewritten:

- "(e) All service agreements used in this State by a service agreement company shall:
- (1) Not contain provisions that allow the company to cancel the agreement in its discretion other than for nonpayment of premiums or for a direct violation of the agreement by the consumer where the service agreement states that violation of the agreement would subject the agreement to cancellation;
 - (2) With respect to a motor vehicle service agreement as defined in ~~G.S. 66-370(b)(1),~~ G.S. 66-370(b)(5), provide for a right of assignability by the consumer to a subsequent purchaser before expiration of coverage if the subsequent purchaser meets the same criteria for motor vehicle service agreement acceptability as the original purchaser; and
 - (3) Contain a cancellation provision allowing the consumer to cancel at any time after purchase and receive a pro rata refund less any claims paid on the agreement and a reasonable administrative fee, not to exceed ten percent (10%) of the amount of the pro rata refund."

SECTION 12.(b) If Senate Bill 195, 2015 Regular Session, becomes law, this section is repealed.

SECTION 13. G.S. 90-89(5) reads as rewritten:

- "(5) Stimulants. – Unless specifically excepted or unless listed in another schedule, any material, compound, mixture, or preparation that contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers, and salts of isomers:
- a. Aminorex. Some trade or other names: aminoxaphen; 2-amino-5-phenyl-2-oxazoline; ~~_____ or 4,5-dihydro-5-phenyl-2-oxazolamine. _____ or 4,5-dihydro-5-phenyl-2-oxazolamine.~~
 - ...
 - j. A compound, other than bupropion, that is structurally derived from 2-amino-1-phenyl-1-propanone by modification in any of the following ways: (i) by substitution in the phenyl ring to any extent with alkyl, alkoxy, alkylendioxy, haloalkyl, or halide substituents, whether or not further substituted in the phenyl ring by one or more other univalent substituents; (ii) by substitution at the 3-position with an alkyl substituent; or (iii) by substitution at the nitrogen atom with alkyl or ~~di-alkyl-dialkyl~~ groups or by inclusion of the nitrogen atom in a cyclic structure.

...."

SECTION 14.(a) G.S. 90-113.101 reads as rewritten:

"§ 90-113.101. Definitions.

The following definitions apply in this Article:

- (a)(1) Caregiver. – An individual who is a parent, legal guardian, or custodian of a person diagnosed with intractable epilepsy.
- (b)(2) Caregiver Registration Card. – A registration card issued by the Department of Health and Human Services under this Article to a caregiver.
- (c)(3) Database. – The Intractable Epilepsy Alternative Treatment Pilot Study database, established by the Department of Health and Human Services pursuant to this Article, to register caregivers, patients, and recommending neurologists.
- (d)(4) Department. – The Department of Health and Human Services.
- (e)(5) Hemp Extract. – An extract from a cannabis plant, as defined in G.S. 90-94.1(a).
- (f)(6) Intractable Epilepsy. – A seizure disorder that, as determined by a neurologist, does not respond to three or more treatment options overseen by the neurologist.
- (g)(7) Neurologist. – An individual who is licensed under Article 1 of Chapter 90 of the General Statutes, who is board certified in neurology, and is affiliated with the neurology department at one or more of the following universities:
 - (1) The University of North Carolina at Chapel Hill.
 - (2) East Carolina University.
 - (3) Duke University.
 - (4) Wake Forest University.
- (h)(8) Patient. – A person who has been diagnosed by a neurologist with intractable epilepsy.
- (i)(9) Pilot Study. – An evidence-based investigation of the safety and efficacy of treating intractable epilepsy using hemp extract conducted by one or more neurologists registered pursuant to this Article."

SECTION 14.(b) This section becomes effective July 16, 2015.

SECTION 15. G.S. 113A-153 is repealed.

SECTION 16.(a) G.S. 63A-9 reads as rewritten:

"§ 63A-9. Bonds and notes.

...
(l) Bonds and notes are exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding ~~inheritance and gift taxes,~~ income taxes on the gain from the transfer of bonds and notes, and franchise taxes. The interest on bonds and notes is not subject to taxation as income."

SECTION 16.(b) G.S. 115C-513 reads as rewritten:

"§ 115C-513. Special tax for certain merged school administrative units.

...
(b) Issuance of Bonds. – The board of education of a merged school administrative unit may issue notes, bonds, or refunding bonds at one time or from time to time to pay the capital costs of school facilities as described in G.S. 159-48. The bonds shall be issued and maintained in accordance with the provisions of Articles 1, 4, 5A, 7, 9, 10, and 11 of Chapter 159 of the General Statutes, except as modified by this section.

The board of education of a merged school administrative unit shall call for a referendum authorizing the issuance of notes, bonds, and refunding bonds and the levy of a tax to pay amounts relating to these notes, bonds, or refunding bonds. The referendum may be called only with the consent of the boards of commissioners of both counties in which the merged school administrative unit is located. The referendum shall be held in the merged school administrative unit and only those qualified voters who reside in the unit may vote. The board of commissioners of each county shall have the referendum conducted by the board of elections of its county.

After issuance of the approved bonds, the merged school administrative unit shall make timely payments of principal and interest on the bonds after receipt of notification of its debt service obligation pursuant to G.S. 159-35. The provisions of G.S. 159-36 govern a failure by

the merged school administrative unit to levy taxes or otherwise provide for payment of the debt.

Bonds, notes, and refunding bonds issued under this section shall be exempt from all State, county, and municipal taxation and assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding ~~inheritance and gift taxes~~, income taxes on the gain from the transfer of bonds, notes, and refunding bonds, and franchise taxes. The interest on bonds, notes, and refunding bonds is not subject to taxation as income.

Article 9 of the North Carolina Uniform Commercial Code, Chapter 25 of the General Statutes, does not apply to any security interest created in connection with the issuance of bonds under this section."

SECTION 16.(c) G.S. 116-183 reads as rewritten:

"§ 116-183. Acceptance of grants; exemption from taxation.

The Board is hereby authorized, subject to the approval of the Director of the Budget, to accept grants of money or materials or property of any kind for any project from a federal agency, private agency, corporation or individual, upon such terms and conditions as such federal agency, private agency, corporation or individual may impose. The bonds issued under this Article are exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding ~~inheritance and gift taxes~~, income taxes on the gain from the transfer of the bonds and notes, and franchise taxes. The interest on the bonds and notes is not subject to taxation as income."

SECTION 16.(d) G.S. 116-196 reads as rewritten:

"§ 116-196. Exemption from taxation; bonds eligible for investment or deposit.

Any bonds issued under this Article shall at all times be exempt from all taxes or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, which are levied or assessed by the State or by any county, political subdivision, agency or other instrumentality of the State, excluding ~~inheritance and gift taxes~~, income taxes on the gain from the transfer of the bonds, and franchise taxes. The interest on the bonds is not subject to taxation as income. Bonds issued by the Board under the provisions of this Article are hereby made securities in which all public officers and public bodies of the State and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any State or municipal officer or any agency or political subdivision of the State for any purpose for which the deposit of bonds or obligations of the State is now or may hereafter be authorized by law."

SECTION 16.(e) G.S. 116-198.39 reads as rewritten:

"§ 116-198.39. Bonds are exempt from taxation.

Any bonds issued under this Article shall at all times be exempt from all taxes or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, which are levied or assessed by the State or by any county, political subdivision, agency, or other instrumentality of the State, excluding ~~inheritance and gift taxes~~, income taxes on the gain from the transfer of the bonds, and franchise taxes. The interest on the bonds is not subject to taxation as income. Bonds issued by the Board under the provisions of this Article are hereby made securities in which all public officers and public bodies of the State and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any State or municipal officer or any agency or political subdivision of the State for any purpose for which the deposit of bonds or obligations of the State is now or may hereafter be authorized by law."

SECTION 16.(f) G.S. 142-29.6 reads as rewritten:

"§ 142-29.6. Sale of refunding obligations and provisions thereof.

...
(f) All refunding obligations shall be exempt from all State, county and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except for ~~inheritance and gift taxes~~, income taxes on the gain

from the transfer of the obligations, and franchise taxes. The interest on the refunding obligations is not subject to taxation as income."

SECTION 16.(g) G.S. 142-68 reads as rewritten:

"§ 142-68. Tax exemption.

Any financing contract entered pursuant to this Article, and any certificates of participation relating to it, shall at all times be free from taxation by the State or any political subdivision or any of their agencies, excepting ~~estate, inheritance, and gift taxes~~; income taxes on the gain from the transfer of the financing contract or certificates of participation; and franchise taxes. The interest component of the installment payments made by the State under the financing contract, including the interest component of any certificates of participation, is not subject to taxation as income."

SECTION 16.(h) G.S. 142-92 reads as rewritten:

"§ 142-92. Tax exemption.

Special indebtedness shall at all times be free from taxation by the State or any political subdivision or any of their agencies, excepting ~~estate, inheritance, and gift taxes~~; income taxes on the gain from the transfer of the indebtedness; and franchise taxes. The interest component of any payments made by the State under special indebtedness, including the interest component of any certificates of participation, is not subject to taxation as to income."

SECTION 16.(i) G.S. 157-26 reads as rewritten:

"§ 157-26. Tax exemptions.

An authority is a local government agency and is exempt from taxation to the same extent as a unit of local government. Property owned by an authority is exempt from taxation in accordance with Article V, § 2 of the North Carolina Constitution. Bonds and other obligations issued by an authority or its corporate agent authorized by this Article to exercise its powers are declared to be issued for a public purpose and to be public instrumentalities. These obligations are exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding ~~inheritance and gift taxes~~, income taxes on the gain from the transfer of the obligations, and franchise taxes. The interest on the obligations is not subject to taxation as income."

SECTION 16.(j) G.S. 159I-23 reads as rewritten:

"§ 159I-23. Tax exemption.

All of the bonds and notes authorized by this Chapter shall be exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding ~~inheritance and gift taxes~~, income taxes on the gain from the transfer of the bonds and notes, and franchise taxes. The interest on the bonds and notes shall not be subject to taxation as income."

SECTION 16.(k) G.S. 160A-480.14 reads as rewritten:

"§ 160A-480.14. Taxation of revenue bonds.

Any bonds and notes issued by the Authority under the provisions of this Part shall be exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding ~~inheritance and gift taxes~~, income taxes on the gain from the transfer of bonds and notes, and franchise taxes. The interest on bonds and notes issued by an Authority under the provisions of this Part shall not be subject to taxation as to income."

SECTION 16.(l) G.S. 160A-516 reads as rewritten:

"§ 160A-516. Issuance of bonds.

...
(b) Neither the commissioners of a commission nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance of the bonds. The bonds and other obligations of the commission (and the bonds and obligations shall so state on their face) shall not be a debt of the municipality, the county, or the State and neither the municipality, the county, nor the State shall be liable on the bonds, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the commission acquired for the purpose of this Article. The bonds shall not constitute an indebtedness of the municipality within the meaning of any constitutional or statutory debt limitation or restriction. Bonds of a commission are declared to be issued for an essential public and governmental purpose and to be public instrumentalities. The bonds are exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding ~~inheritance and gift taxes~~, income taxes on

the gain from the transfer of the bonds and notes, and franchise taxes. The interest on the bonds is not subject to taxation as income. Bonds may be issued by a commission under this Article notwithstanding any debt or other limitation prescribed in any statute. This Article without reference to other statutes of the State shall constitute full and complete authority for the authorization and issuance of bonds by the commission under this Article and this authorization and issuance shall not be subject to any conditions, restrictions, or limitations imposed by any other statute whether general, special, or local, except as provided in subsection (d) of this section."

SECTION 17. G.S. 131E-154.13 reads as rewritten:

"§ 131E-154.13. Definitions.

The following definitions apply in this Part, unless otherwise specified:

- ...
- (3) NC NOVA Partner Team. – The entity responsible for developing the criteria and protocols for the NC NOVA special licensure designation. The Partner Team is inclusive of representatives from the following organizations: Association for Home and Hospice Care of North Carolina, Direct Care Workers Association of North Carolina, Duke University Gerontological Nursing Program, Friends of Residents in Long Term Care, North Carolina Assisted Living Association, North Carolina Association of Long Term Care Facilities, ~~North Carolina Association of Non Profit Homes for the Aging, Leading Age North Carolina,~~ North Carolina Department of Health and Human Services, North Carolina Foundation for Advanced Health Programs, North Carolina Health Care Facilities Association, The Carolinas Center for Medical Excellence, and the University of North Carolina at Chapel Hill – Institute on Aging.

....
SECTION 18. G.S. 143-228.10 reads as rewritten:

"§ 143-228.10. (See Editor's note) Definitions.

The following definitions apply to ~~Section 6 of this act;~~ in this Article:

....
SECTION 19. G.S. 143B-431.01(d) reads as rewritten:

"(d) Limitations. – Prior to contracting with a North Carolina nonprofit corporation pursuant to this section and in order for the North Carolina nonprofit corporation to receive State funds, the following conditions shall be met:

- (1) At least 45 days prior to entering into or amending in a nontechnical manner a contract authorized by this section, the Department shall submit the contract or amendment, along with a detailed explanation of the contract or amendment, to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division.
- (2) The nonprofit corporation adheres to the following governance provisions related to its governing board:

- ...
- e. The board is required to perform the following duties if the Department contracts pursuant to ~~G.S. 143B-431.01~~ this section for the performance of the Secretary's responsibilities under G.S. 143B-434.01:

....
SECTION 20. G.S. 143B-927 reads as rewritten:

"§ 143B-927. Personnel of the State Bureau of Investigation.

The Director of the State Bureau of Investigation may appoint a sufficient number of assistants who shall be competent and qualified to do the work of the Bureau. The Director shall be responsible for making all hiring and personnel decisions of the Bureau. Notwithstanding the provisions of ~~this Chapter, Chapter 143A, and Chapter 143B~~ this Chapter or Chapter 143A of the General Statutes, the Director may hire or fire personnel and transfer personnel within the Bureau."

SECTION 21. G.S. 143C-6-23(f1) reads as rewritten:

"(f) Suspension and Recovery of Funds to Grant Recipients for Noncompliance. – The Office of State Budget and Management, after consultation with the administering State agency, shall have the power to suspend disbursement of grant funds to grantees or

subgrantees, to prevent further use of grant funds already disbursed, and to recover grant funds already disbursed for noncompliance with rules adopted pursuant to subsection (d) of this section. If the grant funds are a pass-through of funds granted by an agency of the United States, then the Office of State Budget and Management must consult with the granting agency of the United States and the State agency that is the recipient of the pass-through funds prior to taking the actions authorized by this subsection.

(f1) Return of Grant Funds. – Except as otherwise required by federal law, a grantee or subgrantee shall return to the State all affected grant funds and interest earned on those funds if any of the following occurs:

- (1) The funds are in the possession or control of a grantee and are not expended, made subject to an encumbrance, or disbursed to a subgrantee by August 31 immediately following the fiscal year in which the funds are appropriated by the General Assembly, or a different period set forth in the terms of the applicable appropriation or federal grant.
- (2) The funds remain unexpended at the time that the grantee or subgrantee dissolves, ceases operations, or otherwise indicates that it does not intend to spend the funds.
- (3) The Office of State Budget and Management seeks to recover the funds pursuant to subsection (f) of this ~~act~~ section."

SECTION 22. G.S. 150B-21.1(a)(12) is repealed.

SECTION 23. G.S. 150B-21.3(b2) reads as rewritten:

"(b2) Objection. – Any person who objects to the adoption of a permanent rule may submit written comments to the agency. If the objection is not resolved prior to adoption of the rule, a person may submit written objections to the Commission. If the Commission receives written objections from 10 or more persons, no later than 5:00 P.M. of the day following the day the Commission approves the rule, clearly requesting review by the legislature in accordance with instructions ~~contained in the notice pursuant to G.S. 150B-21.2(e)(9), posted on the agency's Web site pursuant to G.S. 150B-19.1(c)(4),~~ and the Commission approves the rule, the rule will become effective as provided in subsection (b1) of this section. The Commission shall notify the agency that the rule is subject to legislative disapproval on the day following the day it receives 10 or more written objections. When the requirements of this subsection have been met and a rule is subject to legislative disapproval, the agency may adopt the rule as a temporary rule if the rule would have met the criteria listed in G.S. 150B-21.1(a) at the time the notice of text for the permanent rule was published in the North Carolina Register. If the Commission receives objections from 10 or more persons clearly requesting review by the legislature, and the rule objected to is one of a group of related rules adopted by the agency at the same time, the agency that adopted the rule may cause any of the other rules in the group to become effective as provided in subsection (b1) of this section by submitting a written statement to that effect to the Commission before the other rules become effective."

SECTION 24. G.S. 150B-23.2(d) reads as rewritten:

"(d) ~~Waiver~~ Waiver or Refund. – The Office of Administrative Hearings shall by rule provide for the fee to be waived in a contested case in which the petition is filed in forma pauperis and supported by such proofs as are required in G.S. 1-110 and in a contested case involving a mandated federal cause of action. The Office of Administrative Hearings shall by rule provide for the fee to be refunded in a contested case in which the losing party is the State."

SECTION 25. G.S. 161-22.3 reads as rewritten:

"§ 161-22.3. Minimum standards for land records management.

In addition to the recording and indexing procedures set forth in this Article, the register of deeds shall follow the rules specifying minimum standards and procedures in land records management adopted by the Department of Secretary of State pursuant to ~~G.S. 143-345.6(b1); G.S. 147-54.3(b1).~~"

SECTION 26. G.S. 163-275 reads as rewritten:

"§ 163-275. Certain acts declared felonies.

Any person who shall, in connection with any primary, general or special election held in this State, do any of the acts or things declared in this section to be unlawful, shall be guilty of a Class I felony. It shall be unlawful:

- (1) For any person fraudulently to cause ~~his~~ that person's name to be placed upon the registration books of more than one election precinct or

- fraudulently to cause or procure ~~his~~that person's name or that of any other person to be placed upon the registration books in any precinct when ~~such~~ registration in that precinct does not qualify ~~such~~the person to vote legally therein, or to impersonate falsely another registered voter for the purpose of voting in the stead of ~~such other voter;~~the other voter.
- (2) For any person to give or promise or request or accept at any time, before or after any such primary or election, any money, property or other thing of value whatsoever in return for the vote of any ~~elector;~~elector.
 - (3) For any person who is an election officer, a member of an election board or other officer charged with any duty with respect to any primary or election, knowingly to make any false or fraudulent entry on any election book or any false or fraudulent returns, or knowingly to make or cause to be made any false statement on any ballot, or to do any fraudulent act or knowingly and fraudulently omit to do any act or make any report legally required of ~~such person;~~that person.
 - (4) For any person knowingly to swear falsely with respect to any matter pertaining to any primary or ~~election;~~election.
 - (5) For any person convicted of a crime which excludes ~~him~~the person from the right of suffrage, to vote at any primary or election without having been restored to the right of citizenship in due course and by the method provided by ~~law;~~law.
 - (6) For any person to take corruptly the oath prescribed for ~~voters;~~voters.
 - (7) For any person with intent to commit a fraud to register or vote at more than one precinct or more than one time, or to induce another to do so, in the same primary or election, or to vote illegally at any primary or ~~election;~~election.
 - (8) For any chief judge or any clerk or copyist to make any entry or copy with intent to commit a ~~fraud;~~fraud.
 - (9) For any election official or other officer or person to make, certify, deliver or transmit any false returns of any primary or election, or to make any erasure, alteration, or conceal or destroy any election ballot, book, record, return or process with intent to commit a ~~fraud;~~fraud.
 - (10) For any person to assault any chief judge, judge of election or other election officer while in the discharge of ~~his duty~~duties in the registration of voters or in conducting any primary or ~~election;~~election.
 - (11) For any person, by threats, menaces or in any other manner, to intimidate or attempt to intimidate any chief judge, judge of election or other election officer in the discharge of ~~his~~duties in the registration of voters or in conducting any primary or ~~election;~~election.
 - (12) For any chief judge, judge of election, member of a board of elections, assistant, marker, or other election official, directly or indirectly, to seek, receive or accept money or the promise of money, the promise of office, or other reward or compensation from a candidate in any primary or election or from any source other than such compensation as may be provided by law for ~~his services;~~that person's services.
 - (13) For any person falsely to make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting, including declarations made under this Chapter, G.S. 20-37.7(d)(5), 20-37.7(d)(6), 130A-93.1(c), and ~~161-10(a)(8);~~161-10(a)(8).
 - (14) For any officer to register voters and any other individual to knowingly and willfully receive, complete, or sign an application to register from any voter contrary to the provisions of ~~G.S. 163-82.4; or~~G.S. 163-82.4.
 - (15) Reserved for future codification purposes.
 - (16) For any person falsely to make the certificate provided by G.S. 163-229(b)(2).
 - (17) For any person, directly or indirectly, to misrepresent the law to the public through mass mailing or any other means of communication where the intent

and the effect is to intimidate or discourage potential voters from exercising their lawful right to vote.

- (18) For any person, knowing that a person is not a citizen of the United States, to instruct or coerce that person to register to vote or to vote."

SECTION 27. G.S. 163-278.13(a1) reads as rewritten:

"(a1) Effective for each odd-numbered calendar year beginning in 2015, the dollar amount of the contribution limitation established by subsections (a), (b), and (c) of this subsection shall be increased as provided in this subsection. On July 1 of each even-numbered year, the State Board of Elections shall calculate from data from the Bureau of Labor Statistics of the United States Department of Labor Register the percent difference between the price index for the July 1 of the previous even-numbered year. That percentage increase shall be multiplied by the previous dollar amount contribution limit, that number added to the previous dollar amount contribution limit, and the total shall become effective with respect to contributions made or accepted on or after January 1 of the next odd-numbered year. If the amount after adjustment is not a multiple of one hundred dollars (\$100.00), the total shall be rounded to the nearest multiple of one hundred dollars (\$100.00). As used in this subsection the term "price index" means the average over a calendar year of the Consumer Price Index (all items – United States city average) published monthly by the Bureau of Labor Statistics. The revised amount of the dollar limit of contributions shall remain in effect for two calendar years until the next adjustment is made. The State Board of Elections shall publish the revised amount in the North Carolina Register and shall notify the ~~Reviser~~ Revisor of Statutes who shall adjust the dollar amounts in subsections (a), (b), and (c) of this section."

SECTION 28.(a) Section 2 of S.L. 2010-32 is codified as G.S. 39A-4.

SECTION 28.(b) G.S. 39A-4, as created by Section 27(a) of this act, reads as rewritten:

"**§ 39A-4. Applicability; interpretation.**

(a) This Chapter applies to (i) any transfer fee covenant that is recorded after July 1, 2010; (ii) any lien that is filed to enforce a transfer fee covenant that is recorded after July 1, 2010, or purports to secure payment of a transfer fee that is recorded after July 1, 2010; and (iii) any agreement imposing a private transfer fee obligation entered into after July 1, 2010.

(b) Nothing in this ~~act~~ Chapter shall be interpreted to mean that a transfer fee covenant recorded prior to ~~the effective date of this act~~ July 1, 2010, is valid or enforceable."

SECTION 28.(c) Section 3 of S.L. 2010-32 reads as rewritten:

"**SECTION 3.** This act is effective when it becomes ~~law and applies to: (i) any transfer fee covenant that is recorded after the effective date of this act; (ii) any lien that is filed to enforce a transfer fee covenant that is recorded after the effective date of this act or purports to secure payment of a transfer fee that is recorded after the effective date of this act; and (iii) any agreement imposing a private transfer fee obligation entered into after the effective date of this act.~~ law."

SECTION 29. The introductory language of Section 3 of S.L. 2014-76 reads as rewritten:

"**SECTION 3.** ~~G.S. 94-133(a)~~ G.S. 95-133(a) reads as rewritten:"

SECTION 30. Section 3.5 of S.L. 2015-35 reads as rewritten:

"**SECTION 3.5.(a)** Notwithstanding the PLAN OF MERGER OF THE IREDELL COUNTY AND STATESVILLE CITY SCHOOLS, as amended by Section 2 of S.L. 2002-18, beginning in 2016, members of the Iredell-Statesville Schools Board of Education shall be elected on a partisan basis at the time of the general election in each even-numbered year as terms expire. Candidates for election to the Iredell-Statesville Schools Board of Education shall be nominated at the same time and manner as other county officers. Members elected shall take office and qualify on the first Monday in December of the year of their election and the terms of their predecessors shall expire at that same time. Vacancies on the Iredell-Statesville Schools Board of Education for positions elected on a partisan basis shall be filled in accordance with G.S. 115C-37.1.

"**SECTION 3.5.(b)** For positions elected on a nonpartisan basis in 2012 or 2014, vacancies occurring in the membership of the ~~Iredell-States~~ Iredell-Statesville Schools Board of Education shall be filled for the unexpired term by the remaining members of the Board of Education."

SECTION 31.(a) S.L. 2015-205 is amended by adding a new Part to read:

"**PART X-A. UNIFORM TRUST CODE; CLARIFY REPORT ON TRUSTEE FEES.**

SECTION 10.5. G.S. 36C-8-802(f) reads as rewritten:

"(f) Notwithstanding subsection (c) of this section:

- (1) An investment by a trustee in securities of an investment company, investment trust, or pooled investment vehicle in which the trustee or its affiliate has an investment, or to which the trustee, or its affiliate, provides services for compensation, is not presumed to be affected by a conflict between personal and fiduciary interests if the investment otherwise complies with the prudent investor rule of Article 9 of this Chapter. The investment company, investment trust, or pooled investment vehicle may compensate the trustee for providing those services out of fees charged to the trust if the trustee at least annually ~~notifies the persons entitled under G.S. 36C-8-813 to receive a copy of the trustee's annual report~~ provides notice of the rate and method by which the compensation was determined; determined to each beneficiary of the trust to whom the trustee owes a duty under G.S. 36C-8-813(a)(1) to provide the information described in that subdivision; and
- (2) Payment made by a trustee to an attorney, broker, accountant, or agent for services performed on behalf of the trust in the ordinary course of business is not considered to be affected by a conflict between the trustee's personal and fiduciary interests if the payment is consistent with payments generally made for the same or similar services."

SECTION 31.(b) Section 11(a) of S.L. 2015-205 reads as rewritten:

"**SECTION 11.(a)** The Revisor of Statutes shall cause to be printed, as annotations to the published General Statutes, all relevant portions of the Official Commentary to the Uniform Powers of Appointment Act and of the Official Commentary to the Uniform Trust Code and all explanatory comments of the drafters of ~~those acts, Part III and Parts VI through X-A of this act,~~ as the Revisor may deem appropriate."

PART II. ADDITIONAL TECHNICAL CORRECTIONS AND OTHER AMENDMENTS

SECTION 32. G.S. 1C-1853(j), as enacted by S.L. 2015-107, reads as rewritten:

"(j) If a proceeding in a foreign court is brought by a foreign government entity based upon rules of law adopted for the benefit of the foreign government entity that are applied ex post facto to conduct of the defendant or if the action imposes liability for harms to individuals without requiring individualized proof of each element of the claim for each such individual, the court shall find that the action is fundamentally unfair and its judgment is repugnant to the public policy of this State under ~~G.S. 1C-1853(e)(3) and (5).~~ subdivisions (3) and (8) of subsection (c) of this section."

SECTION 32.5. G.S. 6-21.6(b) reads as rewritten:

"(b) Reciprocal attorneys' fees provisions in business contracts are valid and enforceable for the recovery of reasonable attorneys' fees and expenses only if all of the parties to the business contract sign by hand the business contract. ~~In any suit, action, proceeding, or arbitration primarily for the recovery of monetary damages, the award of reasonable attorneys' fees may not exceed the monetary damages awarded. Signature "by hand" is not intended to prevent the application of this section to a business contract executed by either of the following:~~

- (1) A party's electronic signature, as defined in G.S. 66-312, if the party's electronic signature originates from an affirmative action on the part of the party to evidence acceptance and execution such as typing the party's signature or writing the party's signature with a finger or stylus on a touchscreen to indicate acceptance and execution.
- (2) A party's manual signature that is delivered by an electronic reproductive image thereof."

SECTION 33.(a) G.S. 7B-401.1(b), as amended by Section 22 of S.L. 2015-181, reads as rewritten:

"(b) Parents. – The juvenile's parent shall be a party unless one of the following applies:

- (1) The parent's rights have been terminated.
- (2) The parent has relinquished the juvenile for adoption, unless the court orders that the parent be made a party.

- (3) The parent has been convicted under G.S. 14-27.21, ~~G.S. 14-27.22, 14-27.23, or G.S. 14-27.24~~ for an offense that resulted in the conception of the juvenile."

SECTION 33.(b) G.S. 7B-1103(c), as amended by Section 23 of S.L. 2015-181, reads as rewritten:

"(c) No person whose actions resulted in a conviction under G.S. 14-27.21, ~~G.S. 14-27.22, 14-27.23, or G.S. 14-27.24~~ and the conception of the juvenile may file a petition to terminate the parental rights of another with respect to that juvenile."

SECTION 33.(c) G.S. 7B-1104, as amended by Section 24 of S.L. 2015-181, reads as rewritten:

"§ 7B-1104. Petition or motion.

The petition, or motion pursuant to G.S. 7B-1102, shall be verified by the petitioner or movant and shall be entitled "In Re (last name of juvenile), a minor juvenile", who shall be a party to the action, and shall set forth such of the following facts as are known; and with respect to the facts which are unknown the petitioner or movant shall so state:

- ...
- (3) The name and address of the parents of the juvenile. If the name or address of one or both parents is unknown to the petitioner or movant, the petitioner or movant shall set forth with particularity the petitioner's or movant's efforts to ascertain the identity or whereabouts of the parent or parents. The information may be contained in an affidavit attached to the petition or motion and incorporated therein by reference. A person whose actions resulted in a conviction under G.S. 14-27.21, ~~G.S. 14-27.22, 14-27.23, or G.S. 14-27.24~~ and the conception of the juvenile need not be named in the petition.

...."

SECTION 33.(d) This section becomes effective December 1, 2015, and applies to petitions filed on or after that date.

SECTION 34.(a) G.S. 7B-901(c), as enacted by S.L. 2015-136, reads as rewritten:

"(c) If the disposition order places a juvenile in the custody of a county department of social services, the court shall direct that reasonable efforts for reunification as defined in G.S. 7B-101 shall not be required if the court makes written findings of fact pertaining to any of the following:

- (1) A court of competent jurisdiction has determined that aggravated circumstances exist because the parent has committed or encouraged the commission of, or allowed the continuation of, any of the following upon the juvenile:
- Sexual abuse.
 - Chronic physical or emotional abuse.
 - Torture.
 - Abandonment.
 - Chronic or toxic exposure to alcohol or controlled substances that causes impairment of or addiction in the juvenile.
 - Any other act, practice, or conduct that increased the enormity or added to the injurious consequences of the abuse or neglect.
- (2) A court of competent jurisdiction has terminated involuntarily the parental rights of the parent to another child of the parent.
- (3) A court of competent jurisdiction has determined that (i) the parent has committed murder or voluntary manslaughter of another child of the parent; (ii) has aided, abetted, attempted, conspired, or solicited to commit murder or voluntary manslaughter of the child or another child of the parent; (iii) has committed a felony assault resulting in serious bodily injury to the child or another child of the parent; (iv) has committed sexual abuse against the child or another child of the parent; or (v) has been required to register as a sex offender on any government-administered registry."

SECTION 34.(b) This section becomes effective October 1, 2015.

SECTION 34.5. Reserved.

SECTION 35. Reserved.

SECTION 36.(a) G.S. 14-415.12A(a1), as enacted by S.L. 2015-105, reads as rewritten:

"(a1) An individual who is a qualified retired law enforcement officer and has met the standards, as approved by the North Carolina Criminal Justice Education and Training Standards Commission, for handgun qualification for active law enforcement officers within the last 12 months is deemed to have satisfied the requirement under G.S. 14-415.12(a)(4) that an applicant successfully complete an approved firearms safety and training course."

SECTION 36.(b) This section becomes effective October 1, 2015.

SECTION 36.3. If House Bill 318, 2015 Regular Session, becomes law, G.S. 15A-306, as enacted by Section 11 of that act is amended by adding a new subsection to read:

"(c) Notwithstanding subsection (a) of this section, documents described in subdivision (2) of subsection (a) of this section may be used by a law enforcement officer to assist in determining 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."

SECTION 37.(a) G.S. 17C-10.1, as enacted by S.L. 2015-49, reads as rewritten:

"§ **17C-10.1. Certification of military service members and veterans with law enforcement training and experience.**

(a) Notwithstanding any other provision of law, the Commission shall waive an applicant's completion of the Commission-accredited training course and issue probationary certification to a current or honorably discharged former military police officer provided the Commission, upon evaluating the individual applicant's combined training and experience pursuant to G.S. 93B-15.1(a), determines that the applicant's combined training and experience is substantially equivalent to or exceeds the minimum expectations for employment as a law enforcement officer and the applicant satisfies all of the following conditions:

....

SECTION 37.(b) Not later than April 1, 2016, the Criminal Justice Education and Training Standards Commission shall provide a compliance report on the implementation of G.S. 17C-10.1 to the cochairs of the Joint Legislative Oversight Committee on Justice and Public Safety and to the cochairs of the House Homeland Security, Military, and Veterans Affairs Committee.

SECTION 38.(a) G.S. 20-28(a2) reads as rewritten:

"(a2) Driving Without Reclaiming License. – A person convicted under ~~subsection (a)~~ subsection (a) or (a1) of this section shall be punished as if the person had been convicted of driving without a license under G.S. 20-35 if the person demonstrates to the court that either subdivisions (1) and (2), or subdivision (3) of this subsection of the following is true:

- (1) At the time of the offense, the person's license was revoked solely under ~~G.S. 20-16.5; and G.S. 20-16.5~~ and one of the following applies:
 - (2) a. The offense occurred more than 45 days after the effective date of a revocation order issued under G.S. 20-16.5(f) and the period of revocation was 45 days as provided under subdivision (3) of that subsection; or
 - b. The offense occurred more than 30 days after the effective date of the revocation order issued under any other provision of ~~G.S. 20-16.5; or G.S. 20-16.5.~~
- (3) At the time of the offense the person had met the requirements of G.S. 50-13.12, or G.S. 110-142.2 and was eligible for reinstatement of the person's drivers license privilege as provided therein.

In addition, a person punished under this subsection shall be treated for drivers license and insurance rating purposes as if the person had been convicted of driving without a license under G.S. 20-35, and the conviction report sent to the Division must indicate that the person is to be so treated."

SECTION 38.(b) G.S. 20-179(c) reads as rewritten:

"(c) Determining Existence of Grossly Aggravating Factors. – At the sentencing hearing, based upon the evidence presented at trial and in the hearing, the judge, or the jury in superior court, must first determine whether there are any grossly aggravating factors in the case. Whether a prior conviction exists under subdivision (1) of this subsection, or whether a conviction exists under subdivision (d)(5) of this section, shall be matters to be determined by the judge, and not the jury, in district or superior court. If the sentencing hearing is for a case

remanded back to district court from superior court, the judge shall determine whether the defendant has been convicted of any offense that was not considered at the initial sentencing hearing and impose the appropriate sentence under this section. The judge must impose the Aggravated Level One punishment under subsection (f3) of this section if it is determined that three or more grossly aggravating factors apply. The judge must impose the Level One punishment under subsection (g) of this section if it is determined that the grossly aggravating factor in subdivision (4) of this subsection applies or two of the other grossly aggravating factors apply. If the judge does not find that the aggravating factor at subdivision (4) of this subsection applies, then the judge must impose the Level Two punishment under subsection (h) of this section if it is determined that only one of the other grossly aggravating factors applies. The grossly aggravating factors are:

- (1) A prior conviction for an offense involving impaired driving if:
 - a. The conviction occurred within seven years before the date of the offense for which the defendant is being sentenced; or
 - b. The conviction occurs after the date of the offense for which the defendant is presently being sentenced, but prior to or contemporaneously with the present sentencing; or
 - c. The conviction occurred in district court; the case was appealed to superior court; the appeal has been withdrawn, or the case has been remanded back to district court; and a new sentencing hearing has not been held pursuant to G.S. 20-38.7.Each prior conviction is a separate grossly aggravating factor.
- (2) Driving by the defendant at the time of the offense while his driver's license was revoked ~~under G.S. 20-28(a1), and the revocation was an impaired driving revocation under G.S. 20-28.2(a) pursuant to G.S. 20-28(a1).~~

...

In imposing an Aggravated Level One, a Level One, or a Level Two punishment, the judge may consider the aggravating and mitigating factors in subsections (d) and (e) in determining the appropriate sentence. If there are no grossly aggravating factors in the case, the judge must weigh all aggravating and mitigating factors and impose punishment as required by subsection (f)."

SECTION 38.(c) This section becomes effective December 1, 2015, and applies to convictions on or after that date. Prosecutions for offenses committed before the effective date of this section are not abated or affected by this section, and the statutes that would be applicable but for this section remain applicable to those prosecutions.

SECTION 38.3.(a) G.S. 20-28.9(a), as amended by Section 27.3(d) of S.L. 2015-241, reads as rewritten:

"(a) The 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 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 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."

SECTION 38.3.(b) This section becomes effective July 1, 2015.

SECTION 38.5. Reserved.

SECTION 39.(a) G.S. 20-38.7(c)(3), as enacted by Section 5 of S.L. 2015-150, reads as rewritten:

"(3) If the appeal is withdrawn and remanded pursuant to ~~G.S. 15A-1341(h)~~, G.S. 15A-1431(h), the prosecutor has certified to the clerk, in writing, that the prosecutor consents to the withdrawal and remand and has no new sentencing factors to offer the court."

SECTION 39.(b) This section becomes effective December 1, 2015.

SECTION 40. G.S. 20-58.4A(i) reads as rewritten:

"(i) **Mandatory Participation.** – Beginning ~~January 1, July 1, 2016~~, all individuals and lienholders who are normally engaged in the business or practice of financing motor vehicles, and who conduct at least five transactions annually, shall utilize the electronic lien system implemented in subsection (a) of this section to record information concerning the perfection and release of a security interest in a vehicle."

SECTION 40.6.(a) G.S. 20-63(b1), as amended by subsection (a) of Section 29.40 of S.L. 2015-241, reads as rewritten:

"(b1) The following special registration plates do not have to be a "First in Flight" plate or "First in Freedom" plate as provided in subsection (b) of this section. The design of the plates that are not "First in Flight" plates or "First in Freedom" plates must be developed in accordance with G.S. 20-79.4(a3). For special plates authorized in G.S. 20-79.7 on or after July 1, 2013, the Division may not issue the plate on a background under this subsection unless it receives at least 200 applications for the plate in addition to the applications required under G.S. 20-79.4 or G.S. 20-81.12.

...
(53) Kappa Alpha Psi Fraternity."

SECTION 40.6.(b) G.S. 20-79.4(b)(105) reads as rewritten:

"(105) Kappa Alpha Psi Fraternity. – Issuable to the registered owner of a motor ~~vehicle~~ vehicle who is a member of the Kappa Alpha Psi Fraternity. The plate shall bear the fraternity's symbol and name. The Division may not issue the plate authorized by this subdivision unless it receives at least 300 applications for the plate."

SECTION 40.6.(c) Nothing in G.S. 20-63(b1) or G.S. 20-79.3A(a) shall be construed as requiring an additional 200 applications for the Division of Motor Vehicles to issue a full-color background "Kappa Alpha Psi Fraternity" special registration plate in accordance with G.S. 20-63(b1), as amended by subsection (a) of this section.

SECTION 40.6.(d) This section becomes effective 90 days after S.L. 2015-241 becomes law.

SECTION 41. G.S. 20-116 is amended by adding a new subsection to read:

"(o) Notwithstanding any provision of this section to the contrary, the following may operate on the highways of this State without an oversize permit for the purpose of Department snow removal and snow removal training operations:

(1) Truck supporting snow plows with blades not exceeding 12 feet in width. A truck operated pursuant to this subdivision shall have adequate illumination when the plow is in the up and the down positions; visible signal lights; and a plow that is angled so that the minimum width is exposed to oncoming traffic during periods of travel between assignments.

(2) Motor graders not exceeding 102 inches in width, measured from the outside edge of the tires. A motor grader operated pursuant to this subdivision shall have adequate illumination when the moldboard is in the up and down positions; visible signal lights; and a moldboard that is angled not to exceed 102 inches during periods of travel between assignments."

SECTION 42.(a) G.S. 20-286(10), as amended by Section 8 of S.L. 2015-125 and by Section 1.2 of S.L. 2015-232, reads as rewritten:

"(10) **Motor vehicle.** – Any motor propelled vehicle, trailer or semitrailer, required to be registered under the laws of this State. This term does not include mopeds, as that term is defined in G.S. 20-4.01.

a. "New motor vehicle" means a motor vehicle that has never been the subject of a completed, successful, or conditional sale that was subsequently approved other than between new motor vehicle dealers, or between a manufacturer and a new motor vehicle dealer of

the same franchise. For purposes of this subdivision, the use of a new motor vehicle by a new motor vehicle dealer for demonstration or service loaner purposes does not render the new motor vehicle a used motor vehicle, notwithstanding (i) the commencement of ~~(i)~~ the manufacturer's original warranty as a result of the franchised dealer's use of the vehicle for demonstration or loaner ~~purposes~~ purposes, or (ii) the dealer's receipt of incentive or warranty compensation or other reimbursement or consideration from a manufacturer, factory branch, distributor, distributor branch or ~~(ii)from~~ a third-party warranty, maintenance, or service contract company relating to the use of a vehicle as a demonstrator or service loaner.

- b. "Used motor vehicle" means a motor vehicle other than described in paragraph (10)a above."

SECTION 42.(b) G.S. 20-79(d), as amended by Section 1.4(a) of S.L. 2015-232, reads as rewritten:

"(d) Restrictions on Use. – A dealer license plate may be displayed only on a motor vehicle that meets all of the following requirements:

- (1) Is part of the inventory of the dealer.
- (2) Is not consigned to the dealer.
- (3) Is covered by liability insurance that meets the requirements of Article 9A of this Chapter.
- (4) Is not used by the dealer in another business in which the dealer is engaged.
- (5) Is driven on a highway by a person who meets one of the following descriptions:
 - a. Has a demonstration permit to test-drive the motor vehicle and carries the demonstration permit while driving the motor vehicle.
 - b. Is an officer or sales representative of the dealer and is driving the vehicle for a business purpose of the dealer.
 - c. Is an employee of the dealer and is driving the vehicle in the course of employment.
 - d. Is an employee of the dealer or of a contractor of the dealer and is driving the vehicle within a 20-mile radius of a place where the vehicle is being repaired or otherwise prepared for sale.
 - e. Is an employee of the dealer or of a contractor of the dealer and is transporting the vehicle to or from a vehicle auction or to the dealer's established salesroom.
 - f. Is an officer, sales representative, or other employee of a franchised motor vehicle dealer or is an immediate family member of an officer, sales representative, or other employee of a franchised motor vehicle dealer.
- (6) A copy of the registration card for the dealer plate issued to the dealer is carried by the person operating the motor vehicle or, if the person is operating the motor vehicle in this State, the registration card is maintained on file at the dealer's address listed on the registration card, and the registration card must be able to be produced within 24 hours upon request of any law enforcement officer.

A dealer may issue a demonstration permit for a motor vehicle to a person licensed to drive that type of motor vehicle. A demonstration permit authorizes each person named in the permit to drive the motor vehicle described in the permit for up to 96 hours after the time the permit is issued. A dealer may, for good cause, renew a demonstration permit for one additional 96-hour period. A franchised motor vehicle dealer is not prohibited from using a demonstration permit pursuant to this subsection by reason of the dealer's receipt of ~~(i)~~ incentive or warranty compensation or other reimbursement or consideration from a manufacturer, factory branch, distributor, distributor branch or ~~(ii)from~~ a third-party warranty, maintenance, or service contract company relating to the use of the vehicle as a demonstrator or service loaner."

SECTION 43. G.S. 45-91(5) reads as rewritten:

"(5) The obligations of mortgage servicers set forth in ~~G.S. 53-243.11~~ G.S. 53-244.110."

SECTION 44.(a) G.S. 48-3-605 is amended by adding a new subsection to read:

"(g) The office of the clerk of superior court, the district court, and the superior court shall each be a court of competent jurisdiction for the purposes of (i) judicial proceedings for accepting voluntary consents to adoption under 25 U.S.C. § 1913, (ii) making determinations as to whether there is good cause to deviate from placement preferences under 25 U.S.C. § 1915(a), or (iii) judicial proceedings for voluntary consent to adoption in conformance with the laws of any state."

SECTION 44.(b) G.S. 48-3-702(b) reads as rewritten:

"(b) The provisions of G.S. 48-3-605(b), (e), ~~and~~ (f), and (g) also apply to a relinquishment executed under this Part."

SECTION 44.5.(a) Article 36 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-36-87. Affiliate transfer of policies.

Delivery by an insurer of a policy superseding a policy previously issued by the insurer at the end of the previously issued policy period is not a refusal to renew when it is delivered by:

(1) The same insurer; or

(2) An affiliate or subsidiary, as those terms are defined in G.S. 58-19-5, that has a financial strength rating, issued by an industry-recognized independent insurance rating company, which financial strength rating is at least as good as the insurer issuing the superseded policy. The provisions of G.S. 58-36-110 and G.S. 58-36-85 apply to the affiliate or subsidiary as if it were the same insurer issuing the policy."

SECTION 44.5.(b) This section expires June 30, 2016.

SECTION 45. Reserved.

SECTION 46. G.S. 62A-41(2) reads as rewritten:

"(2) Six members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives as follows:

- a. An individual who is a sheriff, appointed upon the recommendation of the North Carolina Sheriffs' Association, Inc.
- b. An individual who represents CMRS providers operating in North Carolina.
- c. An individual who represents the North Carolina chapter of the Association of Public Safety Communications Officials (APCO).
- d. Two individuals who represent local exchange carriers operating in North Carolina, one of whom represents a local exchange carrier with less than 50,000 access lines.
- e. A fire chief with experience operating or supervising a PSAP or a director/manager of a fire-based PSAP, appointed upon the recommendation of the North Carolina Firemen's Association."

SECTION 47. G.S. 84-24 reads as rewritten:

"§ 84-24. Admission to practice.

For the purpose of examining applicants and providing rules and regulations for admission to the Bar including the issuance of license therefor, there is hereby created the Board of Law Examiners, which shall consist of 11 members of the Bar, elected by the Council, who need not be members of the Council. No teacher in any law school, however, shall be eligible. The members of the Board of Law Examiners elected from the Bar shall each hold office for a term of three years.

The Board of Law Examiners shall elect a member of the Board as chair thereof, and the Board may employ an executive secretary and provide such assistance as may be required to enable the Board to perform its duties promptly and properly. The chair and any employees shall serve for a period of time determined by the Board.

The examination shall be held in the manner and at the times as the Board of Law Examiners may determine.

The Board of Law Examiners shall have full power and authority to make or cause to be made such examinations and investigations as may be deemed by it necessary to satisfy it that the applicants for admission to the Bar possess the qualifications of character and general fitness requisite for an attorney and counselor-at-law and to this end the Board of Law Examiners shall have the power of subpoena and to summons and examine witnesses under oath and to compel their attendance and the production of books, papers and other documents and writings deemed by it to be necessary or material to the inquiry and shall also have

authority to employ and provide assistance as may be required to enable it to perform its duties promptly and properly. Records, papers, and other documents containing information collected and compiled by the Board or its members or employees as a result of investigations, inquiries, or interviews conducted in connection with examinations or licensing matters, are not public records within the meaning of Chapter 132 of the General Statutes.

All applicants for admission to the Bar shall be fingerprinted to determine whether the applicant has a record of criminal conviction in this State or in any other state or jurisdiction. The information obtained as a result of the fingerprinting of an applicant shall be limited to the official use of the Board of Law Examiners in determining the character and general fitness of the applicant.

The Department of Public Safety may provide a criminal record check to the Board of Law Examiners for a person who has applied for a license through the Board. The Board shall provide to the Department of Public Safety, along with the request, the fingerprints of the applicant, any additional information required by the Department of Public Safety, and a form signed by the applicant consenting to the check of the criminal record and to the use of the fingerprints and other identifying information required by the State or national repositories. The applicant's fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of the fingerprints to the Federal Bureau of Investigation for a national criminal history check. The Board shall keep all information pursuant to this subsection privileged, in accordance with applicable State law and federal guidelines, and the information shall be confidential and shall not be a public record under Chapter 132 of the General Statutes.

The Department of Public Safety may charge each applicant a fee for conducting the checks of criminal history records authorized by this section.

The Board of Law Examiners, subject to the approval of the Council, shall by majority vote, from time to time, make, alter, and amend such rules and regulations for admission to the Bar as in their judgment shall promote the welfare of the State and the profession: Provided, that ~~any~~no change in the educational requirements for admission to the Bar that establishes an additional or greater requirement shall ~~not~~ become effective ~~within~~until two years ~~from~~after the date of the adoption of the change.

All rules and regulations, and modifications, alterations and amendments thereof, shall be recorded and promulgated as provided in G.S. 84-21 in relation to the certificate of organization and the rules and regulations of the Council.

Whenever the Council shall order the restoration of license to any person as authorized by G.S. 84-32, it shall be the duty of the Board of Law Examiners to issue a written license to the person, noting thereon that the license is issued in compliance with an order of the Council, whether the license to practice law was issued by the Board of Law Examiners or the Supreme Court in the first instance.

Appeals from the Board shall be had in accordance with rules or procedures as may be approved by the Supreme Court as may be submitted under G.S. 84-21 or as may be promulgated by the Supreme Court."

SECTION 47.5.(a) G.S. 89C-19 reads as rewritten:

"§ 89C-19. Public works; requirements where public safety involved.

This State and its political subdivisions such as counties, cities, towns, or other political entities or legally constituted boards, commissions, public utility companies, or authorities, or officials, or employees of these entities shall not engage in the practice of engineering or land surveying involving either public or private property where the safety of the public is directly involved without the project being under the ~~direct supervision~~responsible charge of a professional engineer for engineering projects, or a professional land surveyor for land surveying projects, as provided for the practice of the respective professions by this Chapter.

An official or employee of the State or any political subdivision specified in this section, holding the positions set out in this section as of June 19, 1975, shall be exempt from the provisions of this section so long as such official or employee is engaged in substantially the same type of work as is involved in the present position.

Nothing in this section shall be construed to prohibit inspection, maintenance and service work done by employees of the State of North Carolina, any political subdivision of the State, or any municipality including construction, installation, servicing, and maintenance by regular full-time employees of, secondary roads and drawings incidental to work on secondary roads, streets, street lighting, traffic-control signals, police and fire alarm systems, waterworks, steam,

electric and sewage treatment and disposal plants, the services of superintendents, inspectors or foremen regularly employed by the State of North Carolina or any political subdivision of the State, or municipal corporation.

The provisions in this section shall not be construed to alter or modify the requirements of Article 1 of Chapter 133 of the General Statutes."

SECTION 47.5.(b) G.S. 89C-25(7a) reads as rewritten:

"(7a) The engineering or surveying activities of a person as defined by G.S. 89C-3(5) who is engaged in manufacturing, processing, producing, or transmitting and delivering a ~~product~~, product or public utility service, and which activities are reasonably necessary and connected with the primary services performed by individuals regularly employed in the ordinary course of business by the person, provided that the engineering or surveying activity is not a holding out or an offer to the public of engineering or surveying services, as prohibited by this Chapter. The engineering and surveying services may not be offered, performed, or rendered independently from the primary services rendered by the person. For purposes of this subdivision, "activities reasonably necessary and connected with the primary service" include the following:

- a. Installation or servicing of the person's product or public utility service by employees of the person conducted outside the premises of the person's business.
- b. Design, acquisition, installation, or maintenance of machinery, equipment, or apparatus incidental to the manufacture or installation of the product or public utility service performed by employees of the person upon property owned, leased, or used by the person.
- c. Research and development performed in connection with the manufacturing, processing, or production of the person's product or public utility service by employees of the person.

Engineering or surveying activities performed pursuant to this subdivision, where the safety of the public is directly involved, shall be under the responsible charge of a licensed professional engineer or licensed professional surveyor."

SECTION 48.(a) G.S. 90-94(3), as amended by S.L. 2015-162, reads as rewritten:

"(3) Synthetic cannabinoids. – Any quantity of any synthetic chemical compound that (i) is a cannabinoid receptor agonist and mimics the pharmacological effect of naturally occurring substances or (ii) has a stimulant, depressant, or hallucinogenic effect on the central nervous system that is not listed as a controlled substance in Schedule I through V, and is not an FDA-approved drug. Synthetic cannabinoids include, but are not limited to, the substances listed in sub-subdivisions a. through ~~j.p.~~ of this subdivision and any substance that contains any quantity of their salts, isomers (whether optical, positional, or geometric), homologues, and salts of isomers and homologues, unless specifically excepted, whenever the existence of these salts, isomers, homologues, and salts of isomers and homologues is possible within the specific chemical designation. The following substances are examples of synthetic cannabinoids and are not intended to be inclusive of the substances included in this Schedule:

...."
SECTION 48.(b) This section becomes effective December 1, 2015.

SECTION 48.5. G.S. 90-113.101(1), as amended by S.L. 2015-154 and by Section 14 of this act, reads as rewritten:

"(1) Caregiver. – An individual that is at least 18 years of age and a resident of North Carolina who is a parent, legal guardian, or custodian of a patient and is registered with the Department of Health and Human ~~and~~ Services under G.S. 90-113.102 who possesses a written statement dated and signed by a neurologist that states all of the following:

...."
SECTION 49. Reserved.

SECTION 50. Reserved.

SECTION 51. Reserved.

SECTION 52. G.S. 97-101 reads as rewritten:

"§ 97-101. Collection of fines and penalties.

The Industrial Commission shall have the power by civil action brought in its own name to enforce the collection of any fines or penalties provided by this Article, and fines or penalties collected by the Commission shall become a part of the maintenance fund referred to in subsection (j) of G.S. 97-100. Article."

SECTION 53. G.S. 97-200(a) reads as rewritten:

"§ 97-200. Claims administration.

(a) A self-insurer shall not utilize any claims adjuster unless the adjuster is licensed under G.S. 58-33-25. G.S. 58-33-26."

SECTION 54.(a) G.S. 104E-5, as amended by Section 14.30(v) of S.L. 2015-241, reads as rewritten:

"§ 104E-5. Definitions.

Unless a different meaning is required by the context, the following terms as used in this Chapter shall have the meanings hereinafter respectively ascribed to them:

(1) "Agreement materials" means those materials licensed by the State under agreement with the United States Nuclear Regulatory Commission and which include by-product, source or special nuclear materials in a quantity not sufficient to form a critical mass, as defined by the Atomic Energy Act of 1954 as amended.

...
(14b) "Secretary" means the Secretary of ~~Environmental Quality~~ Health and Human Services.

....

SECTION 54.(b) G.S. 104E-7(a), as amended by Section 14.30(u) of S.L. 2015-241, reads as rewritten:

"§ 104E-7. Radiation Protection Commission – Creation and powers.

(a) There is hereby created the North Carolina Radiation Protection Commission of the ~~Department of Environmental Quality~~ Department of Health and Human Services with the power to promulgate rules and regulations to be followed in the administration of a radiation protection program. All rules and regulations for radiation protection that were adopted by the Commission for Public Health and are not inconsistent with the provisions of this Chapter shall remain in full force and effect unless and until repealed or superseded by action of the Radiation Protection Commission. The Radiation Protection Commission is authorized:

....

SECTION 54.(c) G.S. 104E-15(b), as amended by Section 14.30(u) of S.L. 2015-241, reads as rewritten:

"§ 104E-15. Transportation of radioactive materials.

...
(b) The Department is authorized to enter into agreements with the respective federal agencies designed to avoid conflict or duplication of effort and/or ~~conflict~~ in enforcement and inspection activities so that:

(1) Rules and regulations adopted by the Commission pursuant to this section of this Chapter may be enforced, within their respective jurisdictions, by any authorized representatives of the ~~Department of Environmental Quality~~ Department of Health and Human Services and the Department of Transportation, according to mutual understandings between such departments of their respective responsibilities and authorities.

....

SECTION 54.(d) G.S. 104E-17, as amended by Section 14.30(v) of S.L. 2015-241, reads as rewritten:

"§ 104E-17. Payments to State and local agencies.

Upon completion of any project or activity stated in G.S. 104E-16(a)(1), and from time to time during any project or activity stated in G.S. 104E-16(a)(2), each State and local agency that has participated by furnishing personnel, equipment or material shall deliver to the Department a record of the expenses incurred by the agency. The amount of incurred expenses shall be disbursed by the Secretary of ~~Environmental Quality~~ Health and Human Services to each such agency from the Radiation Protection Fund. Upon completion of any project or activity stated in G.S. 104E-16(a)(1), and from time to time during any project or activity stated

in G.S. 104E-16(a)(2), the Secretary of ~~Environmental Quality Health and Human Services~~ shall prepare a statement of all expenses and costs of the project or activity expended by the State and shall make demand for payment upon the person having control over the radioactive materials or the release thereof which necessitated said project or activity. Any person having control over the radioactive materials or the release thereof and any other person causing or contributing to an incident necessitating any project or activity stated in G.S. 104E-16 shall be directly liable to the State for the necessary expenses incurred thereby and the State shall have a cause of action to recover from any or all such persons. If the person having control over the radioactive materials or the release thereof shall fail or refuse to pay the sum expended by the State, the Secretary of ~~Environmental Quality Health and Human Services~~ shall refer the matter to the Attorney General of North Carolina, who shall institute an action in the name of the State in the Superior Court of Wake County, or in his discretion, in the superior court of the county in which the project or activity was undertaken by the State, to recover such cost and expenses.

In any action instituted by the Attorney General under this section, a verified and itemized statement of the expenses incurred by the State in any project or activity stated in G.S. 104E-16 shall be filed with the complaint and shall constitute prima facie the amount due the State; and any judgment for the State thereon shall be for such amount in the absence of allegation and proof on the part of the defendant or defendants that the statement of expenses incurred by and the amount due the State is not correct because of an error in:

- (1) Calculating the amount due, or
- (2) Not properly crediting the account with any cash payment or payments or other satisfaction which may have been made thereon."

SECTION 54.(e) G.S. 104E-24, as amended by Section 14.30(u) of S.L. 2015-241, reads as rewritten:

"§ 104E-24. Administrative penalties.

- (a) The Department may impose an administrative penalty on any person:
 - (1) Who fails to comply with this Chapter, any order issued hereunder, or any rules adopted pursuant to this Chapter;
 - (2) Who refuses to allow an authorized representative of the Radiation Protection Commission or the ~~Department of Environmental Quality Health and Human Services~~ a right of entry as provided for in G.S. 104E-11 or impounding materials as provided for in G.S. 104E-14.
- (b) Each day of a continuing violation shall constitute a separate violation. Such penalty shall not exceed ten thousand dollars (\$10,000) per day. In determining the amount of the penalty, the Department shall consider the degree and extent of the harm caused by the violation. Any person assessed a penalty shall be notified of the assessment by registered or certified mail, and the notice shall specify the reasons for the assessment.
- (c) Any person wishing to contest a penalty or order issued under this section shall be entitled to an administrative hearing and judicial review in accordance with the procedures outlined in Articles 3, 3A, and 4 of Chapter 150B of the General Statutes.
- (d) The Secretary may bring a civil action in the superior court of the county in which such violation is alleged to have occurred to recover the amount of administrative penalty whenever a person:
 - (1) Who has not requested an administrative hearing fails to pay the penalty within 60 days after being notified of such penalty, or
 - (2) Who has requested an administrative hearing fails to pay the penalty within 60 days after service of a written copy of the decision as provided in G.S. 150B-36.

(e) The clear proceeds of penalties imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

SECTION 54.3. G.S. 105-129.16A(f)(2), as enacted by S.L. 2015-11, reads as rewritten:

- "(2) A notarized copy of a written report prepared by an independent engineer duly licensed in the State of North Carolina with expertise in the design and construction of installations of renewable energy property stating that at least the minimum percentage of the physical construction of the project was ~~constructed and installed~~ completed prior to January 1, 2016."

SECTION 54.5.(a) G.S. 105-129.100 is amended by adding the following new subsection:

"(e) 2014 and 2015 Expenses. – A taxpayer is eligible for a credit under this section for taxable years beginning on or after January 1, 2016, for qualifying rehabilitation expenditures that were incurred in 2014 and 2015 if all of the following conditions are met:

- (1) The certified historic structure is located in a Tier 1 or a Tier 2 county.
- (2) The certified historic structure is owned by a city.
- (3) The qualifying rehabilitation activity commenced in 2014.
- (4) A certificate of occupancy is issued on or before December 31, 2015.
- (5) The taxpayer meets all of the other conditions in this section."

SECTION 54.5.(b) Section 32.2(c) of S.L. 2015-241 reads as rewritten:

"**SECTION 32.3.(c)** Subsection (a) of this section becomes effective January 1, 2016, and applies to qualified rehabilitation expenditures and rehabilitation expenses incurred on or after that ~~date.~~ date, except as otherwise provided by law. The remainder of the section is effective when this act becomes law."

SECTION 54.5.(c) This section is effective when it becomes law and applies to credits that may be claimed for taxable years beginning on or after January 1, 2016.

SECTION 55. G.S. 110-90.2(a1) reads as rewritten:

"(a1) No person shall be a child care provider or uncompensated child care provider who has been any of the following:

- (1) Convicted of a misdemeanor or a felony crime involving child neglect or child abuse.
- (2) Adjudicated a "responsible individual" under ~~G.S. 7B-807(a1).~~ G.S. 7B-311(b).
- (3) Convicted of a "reportable conviction" as defined under G.S. 14-208.6(4)."

SECTION 56.(a) G.S. 110-105.5(c), as enacted by S.L. 2015-123, reads as rewritten:

"(c) Individuals whose names are listed on the Registry shall not be a caregiver as defined in ~~G.S. 110-105.3(b)(2).~~ G.S. 110-105.3(b)(1) at any licensed child care facility or religious-sponsored child care facility."

SECTION 56.(b) This section becomes effective January 1, 2016.

SECTION 56.2.(a) G.S. 113-415.1 reads as rewritten:

"§ **113-415.1. Local ordinances ~~prohibiting~~ regulating oil and gas exploration, development, and production activities ~~invalid~~; petition to preempt local ordinance.**

(a) It is the intent of the General Assembly to maintain a uniform system for the management of oil and gas exploration, development, and production activities, and the use of horizontal drilling and hydraulic fracturing for that purpose, and to place limitations upon the exercise by all units of local government in North Carolina of the power to regulate the management of oil and gas exploration, development, and production activities by means of ~~special, local, or private acts or resolutions,~~ ordinances, property restrictions, zoning regulations, or otherwise. Notwithstanding any authority granted to counties, municipalities, or other local authorities to adopt local ordinances, including, but not limited to, those imposing taxes, fees, or charges or regulating health, environment, or land use, any local ordinance that prohibits or has the effect of prohibiting all provisions of local ordinances, including those regulating land use, adopted by counties, municipalities, or other local authorities that regulate or have the effect of regulating oil and gas exploration, development, and production activities that the Mining and Energy Commission has preempted pursuant this section, shall be invalid to the extent necessary to effectuate the purposes of this Article. To this end, all provisions of special, local, or private acts or resolutions are repealed that do the following: within the jurisdiction of a local government are invalidated and unenforceable, to the extent necessary to effectuate the purposes of this Part, that do the following:

- (1) ~~Prohibit the siting of wells for oil and gas exploration, development, and production within any county, city, or other political subdivision.~~
- (2) ~~Prohibit the use of horizontal drilling or hydraulic fracturing for the purpose of oil or gas exploration or development within any county, city, or other political subdivision.~~
- (3) Place any restriction or condition not placed by this Article upon oil and gas exploration, development, and production activities and use of horizontal

drilling or hydraulic fracturing for that purpose within any county, city, or other political subdivision.

- (4) In any manner are in conflict or inconsistent with the provisions of this Article.

~~(b) No special, local, or private act or resolution enacted or taking effect hereafter may be construed to modify, amend, or repeal any portion of this Article, unless it expressly provides for such by specific references to the appropriate section of this Article. Further to this end, all provisions of local ordinances, including those regulating land use, adopted by counties, municipalities, or other local authorities that prohibit or have the effect of prohibiting oil and gas exploration, development, and production activities and use of horizontal drilling or hydraulic fracturing for that purpose within the jurisdiction of a local government are invalidated to the extent preempted by the Commission pursuant to this section.~~

~~(c) When oil and gas exploration, development, and production activities would be prevented from construction or operation by a county, municipal, or other local ordinance, the operator of the proposed activities may petition the Mining and Energy Commission to review the matter. After receipt of a petition, the Commission shall hold a hearing in accordance with the procedures in subsection (d) of this section and shall determine whether or to what extent to preempt the local ordinance to allow for the proposed oil and gas exploration, development, and production activities.~~

(c1) If a local zoning or land-use ordinance imposes requirements, restrictions, or conditions that are generally applicable to development, including, but not limited to, setback, buffer, and stormwater requirements, and oil and gas exploration, development, and production activities would be regulated under the ordinance of general applicability, the operator of the proposed activities may petition the Oil and Gas Commission to review the matter. After receipt of a petition, the Commission shall hold a hearing in accordance with the procedures in subsection (d) of this section and shall determine whether or to what extent to preempt the local ordinance to allow for the regulation of oil and gas exploration, development, and production activities.

(d) When a petition described in subsection ~~(c)~~(c1) of this section has been filed with the ~~Oil and Gas Mining and Energy Commission~~, the Commission shall hold a public hearing to consider the petition. The public hearing shall be held in the affected locality within 60 days after receipt of the petition by the Commission. The Commission shall give notice of the public hearing by both of the following means:

- (1) Publication in a newspaper or newspapers having general circulation in the county or counties where the activities are to be conducted, once a week for three consecutive weeks, the first notice appearing at least 30 days prior to the scheduled date of the hearing.
- (2) First-class mail to persons who have requested notice. The Commission shall maintain a mailing list of persons who request notice in advance of the hearing pursuant to this section. Notice by mail shall be complete upon deposit of a copy of the notice in a postage-paid wrapper addressed to the person to be notified at the address that appears on the mailing list maintained by the Commission, in a post office or official depository under the exclusive care and custody of the United States Postal Service.

(e) Any interested person may appear before the ~~Oil and Gas Mining and Energy Commission~~ at the hearing to offer testimony. In addition to testimony before the Commission, any interested person may submit written evidence to the Commission for the Commission's consideration. At least 20 days shall be allowed for receipt of written comment following the hearing.

(f) A local zoning or land-use ordinance is presumed to be valid and enforceable to the extent the zoning or land-use ordinance imposes requirements, restrictions, or conditions that are generally applicable to development, including, but not limited to, setback, buffer, and stormwater requirements, unless the ~~Oil and Gas Mining and Energy Commission~~ makes a finding of fact to the contrary. The Commission shall determine whether or to what extent to preempt local ordinances so as to allow for the establishment and operation of the facility no later than 60 days after conclusion of the hearing. The Commission shall preempt a local ordinance only if the Commission makes all of the following findings:

- (1) That there is a local ordinance that would ~~prohibit or have the effect of prohibiting~~regulate oil and gas exploration, development, and production

activities, or use of horizontal drilling or hydraulic fracturing for that purpose.

- (2) That all legally required State and federal permits or approvals have been issued by the appropriate State and federal agencies or that all State and federal permit requirements have been satisfied and that the permits or approvals have been denied or withheld only because of the local ordinance.
- (3) That local citizens and elected officials have had adequate opportunity to participate in the permitting process.
- (4) That the oil and gas exploration, development, and production activities, and use of horizontal drilling or hydraulic fracturing for that purpose, will not pose an unreasonable health or environmental risk to the surrounding locality and that the operator has taken or consented to take reasonable measures to avoid or manage foreseeable risks and to comply to the maximum feasible extent with applicable local ordinances.

(g) If the ~~Oil and Gas Mining and Energy~~ Commission does not make all of the findings under subsection (f) of this section, the Commission shall not preempt the challenged local ordinance. The Commission's decision shall be in writing and shall identify the evidence submitted to the Commission plus any additional evidence used in arriving at the decision.

(h) The decision of the ~~Oil and Gas Mining and Energy~~ Commission shall be final unless a party to the action files a written appeal under Article 4 of Chapter 150B of the General Statutes, as modified by this section, within 30 days of the date of the decision. The record on appeal shall consist of all materials and information submitted to or considered by the Commission, the Commission's written decision, a complete transcript of the hearing, all written material presented to the Commission regarding the location of the oil and gas exploration, development, and production activities, the specific findings required by subsection (f) of this section, and any minority positions on the specific findings required by subsection (f) of this section. The scope of judicial review shall be as set forth in G.S. 150B-51, except as this subsection provides regarding the record on appeal.

(i) If the court reverses or modifies the decision of the ~~Oil and Gas Mining and Energy~~ Commission, the judge shall set out in writing, which writing shall become part of the record, the reasons for the reversal or modification.

(j) In computing any period of time prescribed or allowed by this procedure, the provisions of Rule 6(a) of the Rules of Civil Procedure, G.S. 1A-1, shall apply."

SECTION 56.2.(b) G.S. 130A-309.205 reads as rewritten:

"§ 130A-309.205. Local ordinances regulating management of coal combustion residuals and coal combustion products invalid; petition to preempt local ordinance.

(a) It is the intent of the General Assembly to maintain a uniform system for the management of coal combustion residuals and coal combustion products, including matters of disposal and beneficial use, and to place limitations upon the exercise by all units of local government in North Carolina of the power to regulate the management of coal combustion residuals and coal combustion products by means of ordinances, property restrictions, zoning regulations, or otherwise. Notwithstanding any authority granted to counties, municipalities, or other local authorities to adopt local ordinances, including those imposing taxes, fees, or charges or regulating health, environment, or land use, all provisions of local ordinances, including those regulating land use, adopted by counties, municipalities, or other local authorities that regulate or have the effect of regulating the management of coal combustion residuals and coal combustion products, including regulation of carbon burn-out plants, within the jurisdiction of a local government are ~~invalidated, invalidated and unenforceable~~, to the extent necessary to effectuate the purposes of this Part, that do the following:

- (1) Place any restriction or condition not placed by this Part upon management of coal combustion residuals or coal combustion products within any county, city, or other political subdivision.
- (2) Conflict or are in any manner inconsistent with the provisions of this Part.

...."

SECTION 56.2.(c) Subsection (a) of this section is effective retroactively to June 4, 2014. Subsection (b) of this section is effective retroactively to August 20, 2014.

SECTION 56.5. G.S. 115C-47 reads as rewritten:

"§ 115C-47. Powers and duties generally.

In addition to the powers and duties designated in G.S. 115C-36, local boards of education shall have the power or duty:

...
(62) To Establish Nonprofit Corporations to Further Authorized Purposes. – Local boards of education may establish, control, and operate a nonprofit corporation that is created under Chapter 55A of the General Statutes and is a tax-exempt organization under the Internal Revenue Code to further their authorized purposes. A nonprofit corporation established as provided in this section shall not have regulatory or enforcement powers and shall not engage in partisan political activity or policy advocacy. Any local board of education that establishes a nonprofit corporation shall make a report annually to the Joint Legislative Education Oversight Committee."

SECTION 57. Reserved.

SECTION 58. Reserved.

SECTION 59. Reserved.

SECTION 60. G.S. 115C-174.26(h) reads as rewritten:

"(h) Beginning ~~October 15~~ November 15, 2014, the State Board of Education shall report annually to the Joint Legislative Education Oversight Committee on advanced courses in North Carolina. The report shall include, at a minimum, the following information:

- (1) The North Carolina Advanced Placement Partnership's report to the Department of Public Instruction as required by subsection (g) of this section and the State Board's assessment of that report.
- (2) Number of students enrolled in advanced courses and participating in advanced course examinations, including demographic information by gender, race, and free and reduced-price lunch status.
- (3) Student performance on advanced course examinations, including information by course, local school administrative unit, and school.
- (4) Number of students participating in 10th grade PSAT/NMSQT testing.
- (5) Number of teachers attending summer institutes offered by the North Carolina Advanced Placement Partnership.
- (6) Distribution of funding appropriated for advanced course testing fees and professional development by local school administrative unit and school.
- (7) Status and efforts of the North Carolina Advanced Placement Partnership.
- (8) Other trends in advanced courses and examinations."

SECTION 61. Reserved.

SECTION 62. Reserved.

SECTION 62.5. Reserved.

SECTION 63.(a) G.S. 115D-12(a), as amended by S.L. 2015-167, reads as rewritten:

"(a) Each community college established or operated pursuant to this Chapter shall be governed by a board of trustees consisting of 13 members, or of additional members if selected according to the special procedure prescribed by the third paragraph of this subsection, who shall be selected by the following agencies. No member of the General Assembly may be appointed to a local board of trustees for a community college.

Group One – four trustees, elected by the board of education of the public school administrative unit located in the ~~administrative-service~~ area of the institution. If there are two or more public school administrative units, whether city or county units, or both, located within the ~~administrative-service~~ area, the trustees shall be elected jointly by all of the boards of education of those units, each board having one vote in the election of each trustee, except as provided in G.S. 115D-59. No board of education shall elect a member of the board of education or any person employed by the board of education to serve as a trustee, however, any such person currently serving on a board of trustees shall be permitted to fulfill the unexpired portion of the trustee's current term.

Group Two – four trustees, elected by the board of commissioners of the county in which the main campus of the institution is located. Provided, also, if the ~~administrative-service~~ area of the institution is composed of two or more counties, the board of trustees of the institution may authorize the county commissioners of any county in which the main campus is not located to elect an additional board member. Provided, also, the county commissioners of the county in which the community college has established a satellite campus may elect an

additional two members if the board of trustees of the community college agrees. No more than one trustee from Group Two may be a member of a board of county commissioners. Should the boards of education or the boards of commissioners involved be unable to agree on one or more trustees the senior resident superior court judge in the superior court district or set of districts as defined in G.S. 7A-41.1 where the institution is located shall fill the position or positions by appointment.

Group Three – four trustees, appointed by the Governor.

Group Four – the president of the student government or the chairman of the executive board of the student body of each community college established pursuant to this Chapter shall be an ex officio nonvoting member of the board of trustees of each said institution."

SECTION 63.(b) This section applies only to Beaufort County Community College.

SECTION 64. G.S. 115D-39.1(a) reads as rewritten:

"(a) Notwithstanding the provisions of ~~G.S. 115D-39.1(a)~~, G.S. 115D-39(a), a community college may, with the approval of the State Board of Community Colleges:

- (1) Implement a tuition surcharge of up to thirty-three and one-third percent (33 1/3%) of the statewide tuition rate to fund a new instructional program that is necessary to attract industry to the area, and
- (2) Use the proceeds of an endowed scholarship, consistent with the terms of the endowment, to offset the cost of the tuition charge."

SECTION 65. Reserved.

SECTION 65.5. G.S. 116-143.3A(a)(3), as enacted by S.L. 2015-116, reads as rewritten:

- "(3) Veteran. – A person who served active duty for not less than 90 days in the Armed Forces, the Commissioned Corps of the U.S. Public Health Service, or the National Oceanic and Atmospheric Administration and who was discharged or released from such ~~service under conditions other than dishonorable service.~~"

SECTION 66.(a) G.S. 116-209.52 reads as rewritten:

"§ 116-209.52. **Definitions.**

The following definitions apply in this Part:

- ~~(a)(1)~~ Academic Year. – Any period of 365 days beginning with the first day of enrollment for a course of instruction. The annual enrollment period used by the Authority.
- ~~(a1)~~ Business or Trade School. – Any school within the State of North Carolina which is licensed by the State Board of Education and listed by that Board as an approved private business school or an approved private trade school.
- ~~(b)(2)~~ Private Educational Institutions. – Any junior college, senior college or university which is operated and governed by private interests not under the control of the federal, State or any local government, which is located within and licensed by the State of North Carolina, which does not operate for profit, whose curriculum is primarily directed toward the awarding of associate, baccalaureate or graduate degrees, which agrees to the applicable administration and funding provisions of this Part.
- ~~(3)~~ Proprietary School. – An educational institution that is (i) defined as a proprietary school in G.S. 115D-87(2), (ii) licensed by the State Board of Community Colleges, and (iii) listed by the North Carolina State Approving Agency for Veterans and Military Education as an approved proprietary school for purposes of this Part.
- ~~(e)~~ Repealed by Session Laws 2010-31, s. 17.3(c), effective July 1, 2010.
- ~~(d)(4)~~ State Educational Institutions. – Any of the constituent institutions of the University of North Carolina, or any community college operated under the provisions of Chapter 115D of the General Statutes of North Carolina.
- ~~(e)~~ Repealed by Session Laws 2008-94, s. 2, effective July 1, 2008.
- ~~(f)(5)~~ Student Loan. – A loan or loans made to eligible students or parents of students to aid in attaining an education beyond the high school level."

SECTION 66.(b) G.S. 116-209.54 reads as rewritten:

"§ 116-209.54. **Eligibility.**

(a) Active members of the North Carolina National Guard who are enrolled or who shall enroll in any ~~business or trade school, proprietary school,~~ private educational institution, or State educational institution shall be eligible to apply for this tuition assistance benefit: Provided, that the applicant has a minimum obligation of two years remaining as a member of the North Carolina National Guard from the end of the academic period for which tuition assistance is provided or that the applicant commit himself or herself to extended membership for at least two additional years from the end of that academic period.

(b) This tuition assistance benefit shall be applicable to students in the following categories:

- (1) Students seeking to achieve completion of their secondary school education at a community college or technical institute.
- (2) Students seeking trade or vocational training or education.
- (3) Students seeking to achieve a two-year associate degree.
- (4) Students seeking to achieve a four-year baccalaureate degree.
- (5) Students seeking to achieve a graduate degree.
- (6) Students enrolled in a program granting a graduate certificate.

(c) The following persons shall be eligible to apply for disbursements to pay outstanding student loans pursuant to G.S. 116-209.55(g):

- (1) Persons described in subsections (a) and (b) of this section.
- (2) Active members of the North Carolina National Guard who were previously enrolled in any ~~business or trade school, proprietary school,~~ private educational institution, or State educational institution, but only if:
 - a. The applicant has a minimum obligation of two years remaining as a member of the North Carolina National Guard from the time of the application; or
 - b. The applicant commits himself or herself to extended membership for at least two additional years from the time of the application."

SECTION 66.(c) G.S. 116-209.55 reads as rewritten:

"§ 116-209.55. Administration and funding.

(a) The Authority is charged with the administration of the tuition assistance program under this Part.

(b) The Authority shall determine the eligibility of applicants, select the benefit recipients, establish the effective date of the benefit, and may suspend or revoke the benefit if the Authority finds that the recipient does not maintain an adequate academic status, or if the recipient engages in riots, unlawful demonstrations, the seizure of educational buildings, or otherwise engages in disorderly conduct, breaches of the peace, or unlawful assemblies. The Authority shall maintain such records and shall promulgate such rules and regulations as the Authority deems necessary for the orderly administration of this program. The Authority may require of ~~business or trade schools, proprietary schools,~~ State or private educational institutions such reports and other information as the Authority may need to carry out the provisions of this Part and the Authority shall disburse benefit payments for recipients upon certification of enrollment by the enrolling institutions.

(c) All tuition benefit disbursements shall be made to the ~~business or trade school, proprietary school,~~ State or private educational institution concerned, for credit to the tuition account of each recipient. Funds disbursed pursuant to subsection (g) of this section shall be made to the student loan creditor concerned to be applied against the outstanding student loans of each North Carolina National Guard member beneficiary.

(d) The participation by any ~~business or trade school, proprietary school,~~ private educational institution in this program shall be subject to the applicable provisions of this Part and to examination by the State Auditor of the accounts of the benefit recipients attending or having attended such private schools or institutions. The Authority may defer making an award or may suspend an award in any ~~business or trade school, proprietary school,~~ private educational institution which does not comply with the provisions of this Part relating to said institutions. The manner of payment to any ~~business or trade school, proprietary school,~~ private educational institution shall be as prescribed by the Authority.

(e) Irrespective of other provisions of this Part, the Authority may prescribe special procedures for adjusting the accounts of benefit recipients who, for reasons of illness, physical inability to attend classes or for other valid reason satisfactory to the Authority, may withdraw from any ~~business or trade school, proprietary school,~~ State or private educational institution

prior to the completion of the term, semester, quarter or other academic period being attended at the time of withdrawal.

(f) Any balance of the monetary educational assistance grant up to the maximum for the academic year remaining after tuition is paid pursuant to subsection (c) of this section may be disbursed to the recipient as reimbursement for required course books and materials. The manner of obtaining the reimbursement payment for these required books and materials shall be as prescribed by the Authority.

(g) Any funds not needed to accomplish the other purposes of this Part may be used to help members of the North Carolina National Guard repay outstanding student loans in accordance with rules to be adopted by the Authority. These rules shall provide that the length of a member's deployment may be considered in determining whether or not, and in what amount, a member receives assistance pursuant to this subsection. There shall be no reimbursement under this subsection for payments already made on student loans, and funds shall not be provided under this subsection for the purpose of paying student loans obtained for courses from which the member withdrew or for which the member did not receive a passing grade. Payments for outstanding loans shall not exceed the maximum benefit available under G.S. 116-209.53."

SECTION 67. Reserved.

SECTION 68. G.S. 120-11.1 reads as rewritten:

"§ 120-11.1. Time of meeting.

The regular session of the Senate and House of Representatives shall be held biennially beginning at ~~9:00 A.M.~~12:00 noon on the second Wednesday in January next after their election, and on that day they shall meet solely to elect officers, adopt rules, and otherwise organize the session. When they adjourn that day, they stand adjourned until 12:00 noon on the third Wednesday after the second Monday in January next after their election."

SECTION 68.5.(a) G.S. 120-36.13(a) reads as rewritten:

"(a) Plan. – The Joint Legislative Program Evaluation Oversight Committee, in consultation with the Director of the Program Evaluation Division, must establish ~~an annual~~a work plan for the Division. The Division must adhere to this ~~annual~~work plan, unless the Joint Legislative Program Evaluation Oversight Committee changes the ~~annual~~work plan to add a new evaluation or remove a planned evaluation. Any enacted legislation that directs the Program Evaluation Division to conduct a study or an evaluation is included in the ~~annual~~work plan by operation of law; however, notwithstanding any other provision of law, if the enacted legislation did not have an impact statement, as provided in G.S. 120-36.17, completed prior to its consideration by the General Assembly, then the study or evaluation shall be included in the next ~~annual~~work plan adopted by the Committee and one year shall be added to any required reporting dates included in the legislation, except that the impact statement is not required and the evaluation may be included in the current work plan if the impact statement was not provided pursuant to the time requirements in G.S. 120-36.17(b).

The ~~annual~~work plan constitutes an information request and a drafting request made by the Committee cochairs to legislative employees under Article 17 of Chapter 120 of the General Statutes. Any document prepared by a legislative employee pursuant to the ~~annual~~work plan becomes available to the public only as provided in G.S. 120-131. Any document prepared by an agency employee pursuant to a request under G.S. 120-131.1(a1) becomes available to the public only as provided in G.S. 120-131."

SECTION 68.5.(b) G.S. 120-36.14 reads as rewritten:

"§ 120-36.14. Content of report of Program Evaluation Division.

A report of an evaluation of a program or an activity of a State agency by the Program Evaluation Division of the General Assembly ~~must~~may include the following:

- (1) The findings of the Division concerning the program or activity.
- (2) Specific recommendations for making the program or activity more efficient or effective.
- (3) Any legislation needed to implement the Division's findings and recommendations concerning the program or activity.
- (4) An estimate of the costs or savings expected from implementing the Division's findings and recommendations concerning the program or activity."

SECTION 68.5.(c) G.S. 120-36.16(2) reads as rewritten:

"(2) To establish ~~an annual~~ a work plan for the Program Evaluation Division that describes the evaluations to be performed by the Division. The Committee must consult with the Director of the Program Evaluation Division in performing this duty."

SECTION 68.5.(d) G.S. 120-36.17(a) reads as rewritten:

"(a) Every bill and resolution introduced in the General Assembly proposing a study or evaluation by the Program Evaluation Division shall have attached to it at the time of its consideration by the General Assembly an impact statement prepared by the Division. The impact statement shall identify and estimate, to complete all studies and reports required by the bill or resolution, all of the following: (i) the number of personnel required; (ii) the total number of hours required; and (iii) the estimated costs.

- (1) If, after review, the Division determines that no estimates are possible, the impact statement shall contain a statement to that effect, setting forth the reasons why no estimate can be given.
- (2) The Division shall indicate whether the Division, based upon its current ~~annual~~ work plan, has adequate and sufficient resources to undertake the study or evaluation as part of the current annual work plan, and shall explain the basis for its determination.
- (3) If the Division determines that it would not be able to undertake the study or evaluation as part of its current ~~annual~~ work plan, it shall indicate a time frame in which it believes the study or evaluation could be accomplished."

SECTION 69.(a) G.S. 120-76(10) is repealed.

SECTION 69.(b) Subdivision (4) of Section 1.2(a) of S.L. 2011-291 is repealed.

SECTION 70. G.S. 130A-33.31 reads as rewritten:

"§ 130A-33.31. **Commission of Anatomy – Members; selection; term; chairman; quorum; meetings.**

(a) The Commission of Anatomy shall consist of ~~five~~six members, one representative from the field of mortuary science, and one each from The University of North Carolina School of Medicine, East Carolina University School of Medicine, Duke University School of Medicine, ~~and Bowman Gray School of Medicine.~~ Medicine, and Campbell University School of Osteopathic Medicine. The dean of each school shall make recommendations and the Secretary shall appoint from such recommendations a member to the Commission. The president of the State Board of Funeral Service shall appoint the representative from the field of mortuary science to the Commission. The members shall serve terms of four years except two of the original members shall serve a term of one year, one shall serve a term of two years, one shall serve a term of three years, and one shall serve a term of four years. The Secretary shall determine the terms of the original members.

(b) Any appointment to fill a vacancy on the Commission created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term.

(c) The Secretary shall remove any member of the Commission from office for misfeasance, malfeasance or nonfeasance.

(d) The Commission shall elect a chair annually from its own membership.

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

(f) The Commission shall meet at any time and place within the State at the call of the chair or upon the written request of three members.

(g) All clerical and other services required by the Commission shall be supplied by the Secretary."

SECTION 71. Reserved.

SECTION 72.(a) G.S. 136-200.2(k) reads as rewritten:

"(k) All individuals with voting authority serving on an MPO who are members of the Board of Transportation shall comply with Chapter 138A of the General Statutes and ~~G.S. 143A-350~~ G.S. 143B-350 while serving on the MPO."

SECTION 72.(b) G.S. 136-211(k) reads as rewritten:

"(k) All individuals with voting authority serving on a rural transportation planning organization who are members of the Board of Transportation shall comply with Chapter 138A of the General Statutes and ~~G.S. 143A-350~~ G.S. 143B-350 while serving on the rural transportation planning organization."

SECTION 73. G.S. 136-222 reads as rewritten:

"§ 136-222. Commission established; appointment and terms of members; ~~chairman;cochairs; reports; commission funds; staff.~~

(a) Commission established. – The Virginia-North Carolina High-Speed Rail Compact Commission is hereby established as a regional instrumentality and a common agency of each signatory party, empowered in a manner hereinafter to carry out the purposes of the Compact.

(b) Members, terms. – The Virginia members of the Commission shall be appointed as follows: three members of the House of Delegates, appointed by the Speaker of the House of Delegates, and two members of the Senate, appointed by the Senate Committee on Rules. The North Carolina members of the Commission shall be composed of five members as follows: two members of the Senate appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate, two members of the House of Representatives appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives, and one appointed by the Governor.

(c) ~~Chair. – The chair of the Commission shall be chosen by the members of the Commission from among its membership for a term of one year and shall alternate between the member states.~~Cochairs. – A cochair to the Commission shall be chosen by the Virginia members of the Commission from among its Virginia membership for a term of one year. A cochair to the Commission shall be chosen by the North Carolina members of the Commission from among its North Carolina membership for a term of one year.

(d) Meetings and reports. – The Commission shall meet at least twice each year, at least once in Virginia and once in North Carolina, and shall issue a report of its activities each year.

(e) Funds. – The Commission may utilize, for its operation and expenses, funds appropriated to it therefore by the legislatures of Virginia and North Carolina, or received from federal sources.

(f) Expenses of Members. – Virginia members of the Commission shall receive compensation and reimbursement for expenses in accordance with the applicable laws of that state. North Carolina members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-31, 138-5, or 138-6, as appropriate.

(g) Staff. – Primary staff to the Commission shall be provided by the Virginia Department of Rail and Public Transportation and the North Carolina Department of Transportation."

SECTION 74.(a) G.S. 143-48.6(b), as enacted by Section 26.2 of S.L. 2015-241, reads as rewritten:

"(b) Personal Services Contract Defined. – For purposes of this section, the term "personal services contract" means a contract for services provided by a professional individual as an independent contractor on a temporary or occasional ~~basis;basis, but does not include, and nothing in this Article shall apply to, the engagement of experts or expert witnesses who are to be involved in the planning, prosecution, or defense of any litigation, by the Department of Justice, the Governor, State agencies, or institutions.~~"

SECTION 74.(b) This section becomes effective July 1, 2015.

SECTION 75. Reserved.

SECTION 76. Reserved.

SECTION 77. Reserved.

SECTION 78. G.S. 143B-168.12(a)(1) reads as rewritten:

"(1) The North Carolina Partnership shall have a Board of Directors consisting of the following 26 members:

- a. The Secretary of Health and Human Services, ex officio, or the Secretary's ~~designee;designee.~~
- b. Repealed by Session Laws 1997, c. 443, s. 11A.105.
- c. The Superintendent of Public Instruction, ex officio, or the Superintendent's ~~designee;designee.~~
- d. The President of the Community Colleges System, ex officio, or the President's ~~designee;designee.~~
- e. Three members of the public, including one child care provider, one other who is a parent, and one other who is a board chair of a local partnership serving on the North Carolina Partnership local partnership advisory committee, appointed by the General Assembly upon recommendation of the President Pro Tempore of the ~~Senate;Senate.~~

- f. Three members of the public, including one who is a parent, one other who is a representative of the faith community, and one other who is a board chair or designee of the board chair of a local partnership serving on the North Carolina Partnership local partnership advisory committee, appointed by the General Assembly upon recommendation of the Speaker of the House of ~~Representatives;~~Representatives.
- g. Twelve members, appointed by the Governor. Three of these 12 members shall be members of the party other than the Governor's party, appointed by the Governor. Seven of these 12 members shall be appointed as follows: one who is a child care provider, one other who is a pediatrician, one other who is a health care provider, one other who is a parent, one other who is a member of the business community, one other who is a member representing a philanthropic agency, and one other who is an early childhood ~~educator;~~educator.
- h. Repealed by Session Laws 1998-212, s. 12.37B(a), effective October 30, 1998.
- h1. The Chair of the North Carolina Partnership Board shall be appointed by the ~~Governor;~~Governor.
- i. Repealed by Session Laws 1998-212, s. 12.37B(a), effective October 30, 1998.
- j. One member of the public appointed by the General Assembly upon recommendation of the Majority Leader of the ~~Senate;~~Senate.
- k. One member of the public appointed by the General Assembly upon recommendation of the Majority Leader of the House of ~~Representatives;~~Representatives.
- l. One member of the public appointed by the General Assembly upon recommendation of the Minority Leader of the ~~Senate;~~Senate.
- m. One member of the public appointed by the General Assembly upon recommendation of the Minority Leader of the House of ~~Representatives;~~andRepresentatives.
- n. The Director of the More at Four Pre-Kindergarten Program, or the Director's designee.

All members appointed to succeed the initial members and members appointed thereafter shall be appointed for three-year terms. Members may succeed themselves.

All appointed board members shall avoid conflicts of interests and the appearance of impropriety. Should instances arise when a conflict may be perceived, any individual who may benefit directly or indirectly from the North Carolina Partnership's disbursement of funds shall abstain from participating in any decision or deliberations by the North Carolina Partnership regarding the disbursement of funds.

All ex officio members are voting members. Each ex officio member may be represented by a designee. These designees shall be voting members. No members of the General Assembly shall serve as members.

The North Carolina Partnership may establish a nominating committee and, in making their recommendations of members to be appointed by the General Assembly or by the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Majority Leader of the Senate, the Majority Leader of the House of Representatives, the Minority Leader of the Senate, the Minority Leader of the House of Representatives, and the Governor shall consult with and consider the recommendations of this nominating committee.

The North Carolina Partnership may establish a policy on members' attendance, which policy shall include provisions for reporting absences of at least three meetings immediately to the appropriate appointing authority.

Members who miss more than three consecutive meetings without excuse or members who vacate their membership shall be replaced by the appropriate appointing authority, and the replacing member shall serve either

until the General Assembly and the Governor can appoint a successor or until the replaced member's term expires, whichever is earlier.

The North Carolina Partnership shall establish a policy on membership of the local boards. No member of the General Assembly shall serve as a member of a local board. Within these requirements for local board membership, the North Carolina Partnership shall allow local partnerships that are regional to have flexibility in the composition of their boards so that all counties in the region have adequate representation.

All appointed local board members shall avoid conflicts of interests and the appearance of impropriety. Should instances arise when a conflict may be perceived, any individual who may benefit directly or indirectly from the partnership's disbursement of funds shall abstain from participating in any decision or deliberations by the partnership regarding the disbursement of funds."

SECTION 79.(a) G.S. 143B-1100(b)(4) reads as rewritten:

"(4) Two public members provided by ~~subdivision~~ sub-subdivision (a)(1)d. of this section shall be appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives and two public members provided by ~~subdivision~~ sub-subdivision (a)(1)d. of this section shall be appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate."

SECTION 79.(b) G.S.143B-1100(c) reads as rewritten:

"(c) The initial members of the Commission shall be those appointed under subsection (b) above, which appointments shall be made by March 1, 1977. The terms of the present members of the Governor's Commission on Law and Order shall expire on February 28, 1977. Effective March 1, 1977, the Governor shall appoint members, other than those serving by virtue of their office, to serve staggered terms; seven shall be appointed for one-year terms, seven for two-year terms, and seven for three-year terms. At the end of their respective terms of office their successors shall be appointed for terms of three years and until their successors are appointed and qualified. ~~The Commission members from the House and Senate. The public members appointed pursuant to subdivision (4) of subsection (b) of this section shall serve two-year terms effective March 1, of each odd-numbered year; and they shall not be disqualified from Commission membership because of failure to seek or attain reelection to the General Assembly, but resignation or removal from office as a member of the General Assembly shall constitute resignation or removal from the Commission. year. Any other Commission member no longer serving in the office from which he the member qualified for appointment shall be disqualified from membership serving on the Commission. Any appointment to fill a vacancy on the Commission created by the resignation, dismissal, death, disability, or disqualification of a member shall be for the balance of the unexpired term.~~"

SECTION 80. Reserved.

SECTION 81.(a) If House Bill 373, 2015 Regular Session, becomes law, then G.S. 163-278.8B, as enacted by Section 3(a) of that act, is rewritten to read:

"§ 163-278.8B. Affiliated party committees.

(a) Each political party caucus of the North Carolina House of Representatives and the North Carolina Senate may establish one separate affiliated party committee to support the election of candidates who would be eligible to be members of that caucus. No other affiliated party committees shall be authorized pursuant to this section. The affiliated party committee is deemed a political party for purposes of this Article.

(b) An affiliated party committee shall be established only by majority vote of the total membership of the political party caucus. Attached to the organizational report filed in accordance with G.S. 163-9, the affiliated party committee shall provide a report to the State Board of Elections certifying that the political party caucus has organized and taken the appropriate vote to establish an affiliated party committee. The report described in this subsection shall be a public record within the meaning of Chapter 132 of the General Statutes.

(c) Each affiliated party committee shall:

- (1) Adopt bylaws which shall be in compliance with the provisions of this Article. At a minimum, the bylaws shall include designation of a treasurer.
- (2) Conduct campaigns for candidates who would be eligible to be members of that political party caucus of the North Carolina House of Representatives or

North Carolina Senate if elected or reelected or manage daily operations of the affiliated party committee.

(3) Establish a bank account.

(4) Accept contributions and expend funds.

(d) Notwithstanding any other provision of law to the contrary, an affiliated party committee shall be entitled to use the name, abbreviation, and symbol of its respective political party.

(e) For purposes of this section, "political party" has the same meaning as defined in G.S. 163-96."

SECTION 81.(b) If House Bill 373, 2015 Regular Session, becomes law, that act is amended by adding a new bill section to read:

"**SECTION 3.(a1)** Article 22A of Chapter 163 of the General Statutes is amended by adding a new section to read:

"§ 163-278.8C. Council of State affiliated party committees.

(a) Members of the Council of State affiliated with the same political party may establish one separate Council of State affiliated party committee to support the election of candidates who would be eligible to be nominees of that political party for Council of State offices. No other Council of State affiliated party committees shall be authorized pursuant to this section. The Council of State affiliated party committee is deemed a political party for purposes of this Article.

(b) Each Council of State affiliated party committee shall:

(1) Adopt bylaws which shall be in compliance with the provisions of this Article. At a minimum, the bylaws shall include designation of a treasurer.

(2) Conduct campaigns for candidates for Council of State who are members of the leader's political party or manage daily operations of the Council of State affiliated party committee.

(3) Establish a bank account.

(4) Accept contributions and expend funds.

(c) Notwithstanding any other provision of law to the contrary, a Council of State affiliated party committee shall be entitled to use the name, abbreviation, and symbol of the political party of its leader.

(d) A previously established Council of State affiliated party committee may continue to be maintained in the event that no individual affiliated with that political party is elected to serve on the Council of State in the general election. The Council of State affiliated party committee shall be maintained by the most recently elected members of the Council of State from that political party. Notwithstanding the definition of "leader" in subsection (e) of this section, those members shall designate an individual from that group to serve as leader. When an individual or individuals affiliated with that political party is next elected to the Council of State, that individual or individuals shall assume control of the Council of State affiliated party committee for that political party.

(e) For purposes of this section, the following definitions shall apply:

(1) Leader. – The highest-ranking individual affiliated with the political party of the Council of State affiliated party committee. For the purposes of this subdivision, the highest-ranking office serving on the Council of State shall be in the following order: Governor, Lieutenant Governor, and the offices as set out in Article III, Section 7 of the North Carolina Constitution, as follows: Secretary of State, State Auditor, State Treasurer, Superintendent of Public Instruction, Attorney General, Commissioner of Agriculture, Commissioner of Labor, and Commissioner of Insurance.

(2) Political party. – As defined in G.S. 163-96."

SECTION 81.(c) If House Bill 373, 2015 Regular Session, becomes law, that act is amended by adding a new bill section to read:

"**SECTION 3.(b1)** G.S. 163-278.6 is amended by adding a new subdivision to read:

"(1a) The term "affiliated party committee" means a General Assembly affiliated party committee as established by G.S. 163-278.8B or Council of State affiliated party committee as established by G.S. 163-278.8C."

SECTION 81.(d) If House Bill 373, 2015 Regular Session, becomes law, G.S. 163-278.6(15), as amended by that act, reads as rewritten:

"(15) The term "political party" means any political party organized or operating in this State, whether or not that party is recognized under the provisions of G.S. 163-96. A special definition of "political party organization" that applies only in Part 1A of this Article is set forth in G.S. 163-278.38Z. An affiliated party committee is deemed a political party for this Article as set forth in ~~G.S. 163-278.8B~~. G.S. 163-278.8B and G.S. 163-278.8C."

SECTION 81.(e) If House Bill 373, 2015 Regular Session, becomes law, that act is amended to add two new bill sections to read:

"**SECTION 3.(s)** G.S. 163-278.13B(a)(2) reads as rewritten:

"(2) "Limited contributee" means a member of or candidate for the Council of State, a member of or candidate for the General ~~Assembly~~. Assembly, an affiliated party committee, or a Council of State affiliated party committee.

"**SECTION 3.(t)** If any provision of this section or its application is held invalid, the invalidity does not affect other provisions or applications of this section that can be given effect without the invalid provisions or application, and to this end the provisions of this section are severable."

SECTION 81.(f) If House Bill 373, 2015 Regular Session, becomes law, G.S. 163-278.38Z, as amended by that act, reads as rewritten:

"§ 163-278.38Z. Definitions.

As used in this Part:

...
(3) "Candidate campaign committee" means any political committee organized by or under the direction of a ~~candidate~~. candidate, except for an affiliated party committee as defined in G.S. 163-278.6(1a).
....

SECTION 82. Section 3 of S.L. 2014-15 reads as rewritten:

"**SECTION 3.** Section 2 of this act becomes effective July 1, 2015. The remainder of this act is effective when it becomes law, and the annual identification requirement for local school administrative units applies beginning with the 2015-2016 school year. Beginning in the 2016-2017 school year, and annually thereafter, the identification of military-connected students for all local school administrative units shall be completed by January 31 of each school year. Local school administrative units may begin the annual identification of military-connected students using the Uniform Education Reporting System beginning with the 2014-2015 school year."

SECTION 83. Section 9 of S.L. 2014-49 reads as rewritten:

"**SECTION 9.** Section 4 of this act becomes effective July 29, 2013. The remainder of this act is effective when it becomes law, and Sections ~~1 through 7~~. 1, 2, 3, 5, 6, and 7 apply to grants awarded beginning with the 2014-2015 school year."

SECTION 84. S.L. 2015-13 is amended by adding a new section to read:

"**SECTION 3.1.** S.L. 1975-95 is repealed."

SECTION 85. Section 2 of S.L. 2015-32 reads as rewritten:

"**SECTION 2.** The Joint Legislative ~~Commission~~. Oversight Committee on Justice and Public Safety may study the current State and federal law regarding the authority for State agencies to schedule controlled substances without legislative action and the procedure for that scheduling or rescheduling."

SECTION 85.5. Section 2(b) of S.L. 2015-138 reads as rewritten:

"**SECTION 2.(b)** Notwithstanding Part 4 of Article 5 of Chapter 160A of the General Statutes and G.S. 160A-23, the City of Greensboro shall not alter or amend the form of government for the City. Upon the return of the 2020 federal decennial census, the North Carolina General Assembly shall revise the districts set out in this section, if needed. The City of Greensboro may submit proposed changes to the districts set out in this section to the North Carolina General Assembly. City until after the return of the 2020 federal decennial Census."

SECTION 86. Section 7 of S.L. 2015-186 reads as rewritten:

"**SECTION 7.** This act becomes effective December 1, 2015, and applies to ~~convictions~~. offenses committed on or after that date. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions."

SECTION 86.2. Section 1 of S.L. 2015-196 reads as rewritten:

"SECTION 1. The Environmental Review Commission, with the assistance of the Department of Environment and Natural Resources, shall study the aggregate uses of groundwater and surface water in or affecting the Cape Fear River Basin by all users, including, but not limited to, public water systems, industrial facilities, and agricultural operations. The study shall include all of the following elements: (i) a summary of the current and 50-year projected water-use demands along with the available water supplies for those portions of Alamance, Bladen, Brunswick, Caswell, Chatham, Columbus, Cumberland, Duplin, Durham, Guilford, Harnett, Hoke, Lee, Moore, New Hanover, Onslow, Orange, Pender, Randolph, Richmond, Robeson, Rockingham, Sampson, Scotland, and Wake counties within the Cape Fear River Basin; (ii) an evaluation of the adequacy of currently available supplies to meet the expected long-term needs for all water demands, including the identification of those areas of the basin that do not have a sustainable long-term water supply for the anticipated growth of that area; (iii) the identification of potential conflicts among the various users and recommendations for developing and enhancing coordination among users and groups of users in order to avoid or minimize those conflicts; and (iv) an enhanced review of the portions of the Cape Fear River Basin within Brunswick, New Hanover, and Pender counties addressing the increased demands on groundwater and limited surface water options in that area.

All the information and any analytical tools, such as models, employed in the conduct of the study shall be made available electronically for public review and use on the Web site of the Department's Division of Water Resources.

The Environmental Review Commission may submit an interim report to the 2016 Regular Session of the 2015 General Assembly and shall submit a final report of its findings and recommendations, including any legislative proposals, to the 2017 General Assembly."

SECTION 86.5.(a) Section 12A.5(b)(1) of S.L. 2015-241 reads as rewritten:

"(1) Beginning immediately upon receipt of the transferred funds, facilitate the following:

- a. Establishment- Establishment, administration, and ongoing support of the successor HIE Network described in subsection (a) of this section. Not later than 30 days after receipt of the transferred funds and notwithstanding any State laws pertaining to contracting procedures or contract review and approval requirements, the State CIO shall negotiate and enter into or amend a contract for services with an effective date no later than 30 days from receipt of the transferred funds. The contract for services shall include provisions to accomplish all of the following:
 1. The State's transition from the HIE Network established under Article 29A of Chapter 90 of the General Statutes to the successor HIE Network described in subsection (a) of this section.
 2. Establishment, oversight, administration, and ongoing support for the successor HIE Network described in subsection (a) of this section.
 3. Initial steps toward implementation of an HIE analytics data warehouse to be used solely for the purposes set forth in G.S. 90-414(a), as enacted by subsection (d) of this section.
- b. Termination or assignment to the Authority by February 29, 2016, of any contracts pertaining to the HIE Network established under Article 29A of Chapter 90 of the General Statutes (i) between the State and the NC HIE and (ii) between the NC HIE and any third parties.
- c. Pursuant to G.S. 143B-426.38A, as recodified by Section 7A.2(c) of this act, utilization of existing public-private partnerships and existing data and analytics contracts to do all of the following:
 1. Ensure the provision of services necessary to accomplish the State's transition from the HIE Network established under Article 29A of Chapter 90 of the General Statutes to the successor HIE Network described in subsection (a) of this section.

2. Provide for the integration of health information exchange clinical data, including the implementation of a health information exchange analytics data warehouse, to be used solely for the purposes set forth in G.S. 90-414(a), as enacted by subsection (d) of this section.
3. Provide health information exchange stakeholders with access to specific health information exchange analytics in a manner that allows stakeholders to leverage historical and prescriptive data for the purpose of reducing healthcare costs and improving quality and access to care."

SECTION 86.5.(b) G.S. 90-414.3(9), as enacted by Section 12A.5(d) of S.L. 2015-241, reads as rewritten:

"(9) HIPAA. – ~~The Sections 261 through 264 of the federal Health Insurance Portability and Accountability Act of 1996, P.L. 104-191, as amended, and any federal regulations adopted to implement these sections, as amended.~~"

SECTION 86.5.(c) G.S. 90-414.9, as enacted by Section 12A.5(d) of S.L. 2015-241, reads as rewritten:

"§ 90-414.9. Participation by covered entities.

(a) Each covered entity that ~~elects to participate~~participates in the HIE Network shall enter into a HIPAA compliant business associate agreement described in G.S. 90-414.5(b)(8) and a written participation agreement described in G.S. 90-414.5(b)(6) with the Authority or qualified organization prior to submitting data through or in the HIE Network.

(b) Each covered entity that ~~elects to participate~~participates in the HIE Network may authorize its business associates on behalf of the covered entity to submit data through, or access data stored in, the HIE Network in accordance with this Article and at the discretion of the Authority, as provided in G.S. 90-414.5(b)(8).

(c) Notwithstanding any State law or regulation to the contrary, each covered entity that ~~elects to participate~~participates in the HIE Network may disclose an individual's protected health information through the HIE Network to other covered entities for any purpose permitted by HIPAA, unless the individual has exercised the right to opt out."

SECTION 86.5.(d) Section 12A.5 of S.L. 2015-241 is amended by adding a new subsection to read:

"SECTION 12A.5.(f1) Notwithstanding any provision of this section, covered entities that are required to submit demographic and clinical information through the successor HIE Network described in subsection (a) of this section pursuant to G.S. 90-414.4(b), as enacted by subsection (d) of this section, shall not be required to submit such demographic and clinical information through the successor HIE Network until the Authority establishes a date for covered entities to begin submitting demographic and clinical information through the HIE Network or by other secure electronic means, as provided in G.S. 90-414.4(b), as enacted by subsection (d) of this section."

SECTION 86.5.(e) Section 12A.5(g) of S.L. 2015-241 reads as rewritten:

"SECTION 12A.5.(g) ~~Subsections~~Except as provided in subsection (f1) of this section, subsections (d) and (e) of this section become effective October 1, 2015. Subsection (f) of this section becomes effective on the date the State Chief Information Officer notifies the Revisor of Statutes that all contracts pertaining to the HIE Network established under Article 29A of Chapter 90 of the General Statutes (i) between the State and the NC HIE, as defined in G.S. 90-413.3, and (ii) between the NC HIE and any third parties have been terminated or assigned to the North Carolina Health Information Exchange Authority established under Article 29B of Chapter 90 of the General Statutes, as enacted by subsection (d) of this section. The remainder of this section becomes effective July 1, 2015."

SECTION 87.(a) Section 12F.17 of S.L. 2015-241 is repealed.

SECTION 87.(b) G.S. 168-2, as reenacted by Section 87(a) of this act, reads as rewritten:

"§ 168-2. Right of access to and use of public places.

Persons with disabilities have the same right as persons without disabilities to the full and free use of the streets, highways, sidewalks, walkways, public buildings, public facilities, and all other buildings and facilities, both publicly and privately owned, which serve the public. ~~The Department of Health and Human Services shall develop, print, and promote the publication ACCESS NORTH CAROLINA. It shall make copies of the publication available to~~

~~the Department of Commerce for its use in Welcome Centers and other appropriate Department of Commerce offices. The Department of Commerce shall promote ACCESS NORTH CAROLINA in its publications (including providing a toll-free telephone line and an address for requesting copies of the publication) and provide technical assistance to the Department of Health and Human Services on travel attractions to be included in ACCESS NORTH CAROLINA. The Department of Commerce shall forward all requests for mailing ACCESS NORTH CAROLINA to the Department of Health and Human Services."~~

SECTION 87.5. Section 12H.4 of S.L. 2015-241 reads as rewritten:

"**SECTION 12H.4.** The Department of Health and Human Services, Division of Medical Assistance, shall charge an application fee of one hundred dollars (\$100.00), and the amount federally required, to each provider enrolling in the Medicaid Program for the first time. The fee shall be charged to all providers at recertifying every ~~three~~ five years."

SECTION 88. Section 12H.23(a) of S.L. 2015-241 reads as rewritten:

"**SECTION 12H.23.(a)** The Department of Health and Human Services shall submit a State Plan amendment to modify Section 4.19-A of the Medicaid State Plan, such that, effective January 1, 2016, no Medicaid provider may receive reimbursement for Graduate Medical Education (GME) ~~in addition as an add-on~~ to their DRG Unit Value (Base) rate under the DRG payment rate methodology as defined in the current Medicaid State Plan. GME costs will continue to be an allowable Medicaid cost to be recorded on the hospital's Medicaid cost report in accordance with Medicare cost reporting requirements. GME costs will continue to be allowable in the calculation of supplemental payments made as part of cost settlements, Medicaid Reimbursement Initiative (MRI) and Upper Payment Limit (UPL) models as defined in the State Plan and allowed by the Centers for Medicare and Medicaid Services (CMS). This section shall not be construed to require the Department to submit any State Plan amendment to CMS that increases State funding requirements or that would impair achievement of the savings required by the "Hospital Inpatient Base Rates – GME" item in the Joint Conference Committee Report on the Base, Expansion, and Capital Budgets in the amount of twelve million seven hundred forty-eight thousand seven hundred ninety-five dollars (\$12,748,795) in fiscal year 2015-2016 and the amount thirty-one million one hundred twenty-seven thousand two hundred four dollars (\$31,127,204) in fiscal year 2016-2017."

SECTION 89. S.L. 2015-241 is amended by adding a new section to read:

"AMEND COST SETTLEMENT OF LOCAL HEALTH DEPARTMENTS

SECTION 12H.30. The Department of Health and Human Services, Division of Medical Assistance, shall submit a Medicaid State Plan amendment request to the Centers for Medicare and Medicaid Services (CMS) to amend the annual cost settlement methodology for local health departments, as defined in Article 2 of Chapter 130A of the General Statutes. The State Plan amendment shall provide a methodology that maximizes identification of allowable Medicaid costs in order to assure that North Carolina is receiving the maximum federal reimbursement for local health departments' treatment of Medicaid-eligible patients consistent with Medicare reimbursement principles. The State Plan amendment required by this section shall not be subject to the 90-day prior submission requirement of G.S. 108A-54.1A(e) but shall be submitted by February 15, 2016 and shall apply to cost reports with a fiscal year beginning July 1, 2016 and thereafter. This section shall not be construed to require the Department to submit to CMS a State Plan amendment that increases State funding requirements."

SECTION 90. Reserved.

SECTION 90.2. Section 20.3(b) of S.L. 2015-241 reads as rewritten:

"**SECTION 20.2.(b)** This section becomes effective ~~January 1,~~ August 1, 2016, and applies to insurance contracts issued, renewed, or amended on or after that date."

SECTION 90.5. Section 29.17E of S.L. 2015-241 reads as rewritten:

"STUDY/IMPROVING SAFETY ON SECONDARY ROADS & UNPAVED ROAD IMPROVEMENT PILOT PROGRAM

SECTION 29.17E.(a) Study. – The Department of Transportation shall study ways to improve safety and decrease the number of traffic accidents and fatalities occurring on secondary roads. The study shall include all of the following:

- (1) An identification of the secondary roads with the highest number of traffic accidents and fatalities.
- (2) An identification of the most common causes listed for traffic accidents and fatalities occurring on secondary roads.

- (3) Any other matters or information the Department deems relevant to the completion of the study.

SECTION 29.17E.(b) Report. ~~Report on Study.~~ – The Department shall report its findings and ~~recommendations,~~ recommendations from the study required under subsection (a) of this section, including any legislative proposals, to the Joint Legislative Transportation Oversight Committee by February 1, 2016.

SECTION 29.17E.(c) Survey. – The Department shall conduct a survey of the paved and unpaved roads in this State that are open to the public, but are not currently a part of the State system. The Department shall report its findings from the survey to the Joint Legislative Transportation Oversight Committee by June 30, 2016.

SECTION 29.17E.(d) Pilot Program. – Of the funds allocated to the Secondary Unpaved Road Paving Program (Fund Code: 84210-7812), the Department shall use the sum of one million dollars (\$1,000,000) nonrecurring for the 2015-2016 fiscal year to establish a pilot program to improve paved or unpaved roads that are open to the public, but are not currently part of the State system. The Department shall implement the pilot program by December 1, 2015. The pilot program shall provide for minimal improvements to the selected roads. The Department shall establish eligibility guidelines for the roads to be improved under the pilot program. The Department shall report the results of the pilot program to the Joint Legislative Transportation Oversight Committee by December 1, 2016, including any recommendations and legislative proposals. The pilot program shall expire upon the submission of the report required by this subsection.

SECTION 29.17E.(e) Applicability. – The survey and pilot program required under this section shall not include municipal or federally-owned roads.

SECTION 29.17E.(f) Liability. – Improvements of an unpaved road under this pilot program shall not obligate the State to further improve or maintain the unpaved road in the future. The State shall not be liable for any direct or indirect damages alleged to have been caused by the improvement of the unpaved road."

SECTION 90.7. Section 2.45 of S.L. 2015-254 reads as rewritten:

"**SECTION 2.45.** Michael Walters of Robeson County and Franklin Rouse of Brunswick New Hanover County are appointed to the North Carolina Railroad Company Board of Directors for terms expiring on June 30, 2019."

SECTION 91.(a) If House Bill 117, 2015 Regular Session, becomes law, Section 1(j) of that act reads as rewritten:

"**SECTION 1.(j)** Subsections (d) and (h) of this section are effective when this act becomes law. The remainder of this section becomes effective ~~July 1,~~ October 1, 2015, and applies to awards made under Part 2G of Article 10 of Chapter 143B of the General Statutes on or after that date."

SECTION 91.(b) This section is effective when it becomes law.

SECTION 91.2. If House Bill 318, 2015 Regular Session, becomes law, then Section 16(b) of that act reads as rewritten:

"**SECTION 16.(b)** The Department of Health and Human Services shall withdraw any pending request for waivers to time limits established by federal law for food and nutrition benefits for able-bodied adults without dependents required to fulfill work requirements to qualify for those benefits submitted but not granted prior to the effective date of this section unless the request can be amended so that the period covered by the waiver will not extend beyond March 1, 2016. If a pending waiver request is granted prior to the effective date of this section, the Department shall discontinue the waiver as of that effective date unless the waiver can be amended so that the period covered by the waiver will not extend beyond March 1, 2016. The Department shall not submit a new request for a waiver unless the period covered by the waiver will not extend beyond ~~March~~ July 1, 2016. Nothing in this section shall be construed to require termination of a waiver in place as of September 1, 2015."

SECTION 91.3. If House Bill 540, 2015 Regular Session, becomes law, it is amended by deleting the name "William Franklin "Billy" Graham, Jr.," and substituting in its place throughout the bill with the name "William Franklin Graham, II," and, where that name appeared at the end of a sentence, by inserting a period as needed.

SECTION 91.4.(a) Notwithstanding any other provision of law, the pilot program established by the Department of Health and Human Services, Division of Health Service Regulation, to study the use of electronic supervision devices as an alternative means of supervision during sleep hours at facilities for children and adolescents who have a primary

diagnosis of mental illness and/or emotional disturbance shall remain in effect and shall extend to facilities that are authorized to provide services in accordance with Section .1700 of the North Carolina Administrative Code, Residential Treatment Staff Secure for Children or Adolescents, currently owned or operated with the facility currently authorized to waive the requirement set forth in 10A NCAC 27G .1704(c) or any related or subsequent rule or regulation by the Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services setting minimum overnight staffing requirements. The waiver for these facilities shall remain in effect; however, the Division reserves the right to rescind the waiver if, at the time of the facility's license renewal, there are outstanding deficiencies that have remained uncorrected upon follow-up surveys that are related to electronic supervision.

SECTION 91.4.(b) This section expires on June 30, 2016.

SECTION 91.5.(a) Students enrolled in the Halifax County Schools shall be permitted to participate in the residential science, mathematics, engineering, and technology (STEM) enrichment program for traditionally underserved students supported by the sum of one hundred eighty thousand dollars (\$180,000) in nonrecurring funds appropriated to the State Board of Education for each fiscal year of the 2015-2017 fiscal biennium by S.L. 2015-241.

SECTION 91.5.(b) This section becomes effective July 1, 2015.

SECTION 91.7. If any provision of this act or its application is held invalid, the invalidity does not affect other provisions or applications of this act that can be given effect without the invalid provisions or application, and to this end the provisions of this act are severable.

PART III. EFFECTIVE DATE

SECTION 92. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 30th day of September, 2015.

s/ Chad Barefoot
Presiding Officer of the Senate

s/ Tim Moore
Speaker of the House of Representatives

Pat McCrory
Governor

Approved _____ .m. this _____ day of _____, 2015