

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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HOUSE BILL 67  
PROPOSED SENATE COMMITTEE SUBSTITUTE H67-PCS40643-MU-1

Short Title: GSC Technical Corrections 2021.

(Public)

Sponsors:

Referred to:

February 11, 2021

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE GENERAL STATUTES AND  
3 SESSION LAWS, AS RECOMMENDED BY THE GENERAL STATUTES  
4 COMMISSION.

5 The General Assembly of North Carolina enacts:

6 SECTION 1.(a) G.S. 1-120.2 reads as rewritten:

7 "§ 1-120.2. Filing of notice by cities and counties in certain cases.

8 The governing body of a city or county may, by ordinance under ~~Part 5 of Article 19 of~~  
9 ~~Chapter 160A Article 11 of Chapter 160D of the General Statutes relating to building inspection,~~  
10 ~~or Part 6 of Article 19 of Chapter 160A Article 12 of Chapter 160D of the General Statutes~~  
11 ~~relating to minimum housing standards, or Part 4 of Article 18 of Chapter 153A relating to~~  
12 ~~building inspection,~~ provide that upon the issuance of a complaint and notice of hearing or order  
13 pursuant ~~thereto, to it,~~ a notice of lis pendens, with a copy of the complaint and notice of hearing  
14 or order attached ~~thereto, to it,~~ may be filed in the office of the clerk of superior court of the  
15 county where the property is located. When a notice of lis pendens and a copy of the complaint  
16 and notice of hearing or order is filed with the clerk of superior court, it shall be indexed and  
17 cross-indexed in accordance with the indexing procedures of G.S. 1-117. From the date and time  
18 of indexing, the complaint and notice of hearing or order ~~shall be is~~ binding upon the successors  
19 and assigns of the owners of and parties in interest in the building or dwelling. A copy of the  
20 notice of lis pendens shall be served upon the owners and parties in interest in the building or  
21 dwelling at the time of filing in accordance with ~~G.S. 160A-428, 160A-445, or 153A-368 as~~  
22 ~~applicable.~~ G.S. 160D-1121 and G.S. 160D-1206. The notice of lis pendens ~~shall remain~~ remains  
23 in full force and effect until cancelled. The ordinance may authorize the cancellation of the notice  
24 of lis pendens under certain circumstances. Upon receipt of notice from the city, the clerk of  
25 superior court shall cancel the notice of lis pendens."

26 SECTION 1.(b) G.S. 160D-403 reads as rewritten:

27 "§ 160D-403. Administrative development approvals and determinations.

28 ...

29 (b) Determinations and Notice of Determinations. – A development regulation enacted  
30 under the authority of this Chapter may designate the staff member or members charged with  
31 making determinations under the development regulation.

32 The officer making the determination shall give written notice to the owner of the property  
33 that is the subject of the determination and to the party who sought the determination, if different  
34 from the owner. The written notice shall be delivered by personal delivery, ~~electronic mail, email,~~  
35 or ~~by~~ first-class mail. The notice shall be delivered to the last address listed for the owner of the



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1 affected property on the county tax abstract and to the address provided in the application or  
2 request for a determination if the party seeking the determination is different from the owner.

3 It is conclusively presumed that all persons with standing to appeal have constructive notice  
4 of the determination from the date a sign providing notice that a determination has been made is  
5 prominently posted on the property that is the subject of the determination, ~~provided so long as~~  
6 the sign remains on the property for at least 10 days. ~~The~~ A posted sign shall contain the words  
7 "Zoning Decision" or "Subdivision Decision" or similar language for other determinations in  
8 letters at least ~~6~~ six inches high and shall identify the means to contact a local government staff  
9 member for information about the determination. Posting of signs is not the only form of  
10 constructive notice. Any ~~such sign~~ posting is the responsibility of the landowner, applicant, or  
11 person ~~who~~ that sought the determination. Verification of the posting shall be provided to the  
12 staff member responsible for the determination. Absent an ordinance provision to the contrary,  
13 posting of signs ~~shall is not be~~ required.

14 ...

15 (e) Inspections. – Administrative staff may inspect work undertaken pursuant to a  
16 development approval to assure that the work is being done in accordance with applicable State  
17 and local laws and ~~of the terms of the approval~~. In exercising this power, staff ~~are authorized to~~  
18 may enter any premises within the jurisdiction of the local government at all reasonable hours  
19 for the purposes of inspection or other enforcement action, upon presentation of proper  
20 ~~credentials; provided, however, that~~ credentials, so long as the appropriate consent has been given  
21 for inspection of areas not open to the public or ~~that~~ an appropriate inspection warrant has been  
22 secured.

23 (f) Revocation of Development Approvals. – In addition to initiation of enforcement  
24 actions under G.S. 160D-404, development approvals may be revoked by the local government  
25 issuing the development approval by notifying the holder in writing stating the reason for the  
26 revocation. The local government shall follow the same development review and approval  
27 process required for issuance of the development approval, including any required notice or  
28 hearing, in the review and approval of any revocation of that approval. Development approvals  
29 shall be revoked for any substantial departure from the approved application, plans, or  
30 specifications; for refusal or failure to comply with the requirements of any applicable local  
31 development regulation or any State law delegated to the local government for enforcement  
32 purposes in lieu of the State; or for false statements or misrepresentations made in securing the  
33 approval. Any development approval mistakenly issued in violation of an applicable State or  
34 local law may also be revoked. The revocation of a development approval by a staff member may  
35 be appealed pursuant to G.S. 160D-405. If an appeal is filed regarding a development regulation  
36 adopted by a local government pursuant to this Chapter, the provisions of ~~G.S. 160D-405(e)~~  
37 G.S. 160D-405(f) regarding stays apply.

38 (g) Certificate of Occupancy. – A local government may, upon completion of work or  
39 activity undertaken pursuant to a development approval, make final inspections and issue a  
40 certificate of compliance or occupancy if staff finds that the completed work complies with all  
41 applicable State and local laws and with the terms of the approval. No building, structure, or use  
42 of land that is subject to a building permit required by Article 11 of this Chapter shall be occupied  
43 or used until a certificate of occupancy or temporary certificate pursuant to ~~G.S. 160D-1114~~  
44 G.S. 160D-1116 has been issued.

45 (h) Optional Communication Requirements. – A regulation adopted pursuant to this  
46 Chapter may require notice ~~and/or or~~ informational meetings-meetings, or both, as part of the  
47 administrative decision-making process."

48 **SECTION 1.(c)** G.S. 160D-604 reads as rewritten:

49 **"§ 160D-604. Planning board review and comment.**

50 (a) Initial Zoning. – In order to exercise zoning powers conferred by this Chapter for the  
51 first time, a local government shall create or designate a planning board under the provisions of

1 this Article or ~~of a special~~ a local act of the General Assembly. The planning board shall prepare  
 2 or shall review and comment upon a proposed zoning regulation, including the full text of ~~such~~  
 3 the regulation and maps showing proposed district boundaries. The planning board may hold  
 4 public meetings and legislative hearings in the course of preparing the regulation. Upon  
 5 completion, the planning board shall make a written recommendation regarding adoption of the  
 6 regulation to the governing board. The governing board shall not hold its required hearing or take  
 7 action until it has received a recommendation regarding the regulation from the planning board.  
 8 Following its required hearing, the governing board may refer the regulation back to the planning  
 9 board for any further recommendations that the board may wish to make prior to final action by  
 10 the governing board in adopting, modifying and adopting, or rejecting the regulation.

11 ...

12 (d) Plan Consistency. – When conducting a review of proposed zoning text or map  
 13 amendments pursuant to this section, the planning board shall advise and comment on whether  
 14 the proposed action is consistent with any comprehensive or land-use plan that has been adopted  
 15 and any other officially adopted plan that is applicable. The planning board shall provide a written  
 16 recommendation to the governing board that addresses plan consistency and other matters as  
 17 deemed appropriate by the planning board, but a comment by the planning board that a proposed  
 18 amendment is inconsistent with the comprehensive or land-use plan shall not preclude  
 19 consideration or approval of the proposed amendment by the governing board. If a zoning map  
 20 amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the planning board  
 21 statement describing plan consistency may address the overall rezoning and describe how the  
 22 analysis and policies in the relevant adopted plans were considered in the recommendation made.

23 (e) Separate Board Required. – Notwithstanding the authority to assign duties of the  
 24 planning board to the governing board as provided by this Chapter, the review and comment  
 25 required by this section shall not be assigned to the governing board and ~~must~~ shall be performed  
 26 by a separate board."

27 **SECTION 1.(d)** G.S. 160D-605 reads as rewritten:

28 "**§ 160D-605. Governing board statement.**

29 (a) Plan Consistency. – When adopting or rejecting any zoning text or map amendment,  
 30 the governing board shall approve a brief statement describing whether its action is consistent or  
 31 inconsistent with an adopted comprehensive or land-use plan. The requirement for a plan  
 32 consistency statement may also be met by a clear indication in the minutes of the governing board  
 33 that at the time of action on the amendment the governing board was aware of and considered  
 34 the planning board's recommendations and any relevant portions of an adopted comprehensive  
 35 or land-use plan. If a zoning map amendment is adopted and the action was deemed inconsistent  
 36 with the adopted plan, the zoning amendment ~~shall have~~ has the effect of also amending any  
 37 future land-use map in the approved plan, and no additional request or application for a plan  
 38 amendment ~~shall be~~ is required. A plan amendment and a zoning amendment may be considered  
 39 concurrently. The plan consistency statement is not subject to judicial review. If a zoning map  
 40 amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the governing board  
 41 statement describing plan consistency may address the overall rezoning and describe how the  
 42 analysis and policies in the relevant adopted plans were considered in the action taken.

43 ...."

44 **SECTION 1.(e)** G.S. 160D-944 reads as rewritten:

45 "**§ 160D-944. Designation of historic districts.**

46 (a) Any local government may, as part of a zoning regulation adopted pursuant to Article  
 47 7 of this Chapter or as a development regulation enacted or amended pursuant to Article 6 of this  
 48 Chapter, designate and from time to time amend one or more historic districts within the area  
 49 subject to the regulation. Historic districts established pursuant to this Part shall consist of areas  
 50 that are deemed to be of special significance in terms of their history, prehistory, architecture, or  
 51 culture and to possess integrity of design, setting, materials, feeling, and association.

1 ~~Such a~~ development regulation may treat historic districts either as a separate use district  
2 classification or as districts that overlay other zoning districts. Where historic districts are  
3 designated as separate use districts, the zoning regulation may include as uses by right or as  
4 special uses those uses found by the preservation commission to have existed during the period  
5 sought to be restored or preserved or to be compatible with the restoration or preservation of the  
6 district.

7 (b) No historic district or districts shall be designated under subsection (a) of this section  
8 until all of the following occur:

9 (1) An investigation and report describing the significance of the buildings,  
10 structures, features, sites, or surroundings included in ~~any such the~~ proposed  
11 district and a description of the boundaries of ~~such the~~ district ~~has have~~ been  
12 prepared.

13 (2) The Department of Natural and Cultural Resources, acting through the State  
14 Historic Preservation Officer or his or her designee, ~~shall have~~ has made an  
15 analysis of and recommendations concerning ~~such the~~ report and description  
16 of proposed boundaries. Failure of the ~~department~~ Department to submit its  
17 written analysis and recommendations to the governing board within 30  
18 calendar days after a written request for ~~such the~~ analysis has been received  
19 by the Department of ~~Cultural Resources~~ shall relieve relieves the governing  
20 board of any responsibility for awaiting ~~such the~~ analysis, and the governing  
21 board may at any subsequent time ~~thereafter~~ take any necessary action to  
22 adopt or amend its zoning regulation.

23 (c) The governing board may also, in its discretion, refer the report and proposed  
24 boundaries under subsection (b) of this section to any local preservation commission or other  
25 interested body for its recommendations prior to taking action to amend the zoning regulation.  
26 With respect to any changes in the boundaries of ~~such a~~ district, subsequent to its initial  
27 establishment, or the creation of additional districts within the jurisdiction, the investigative  
28 studies and reports required by subdivision (1) of subsection (b) of this section shall be prepared  
29 by the preservation commission and shall be referred to the planning board for its review and  
30 comment according to procedures set forth in the zoning regulation. Changes in the boundaries  
31 of an initial district or proposal for additional districts shall also be submitted to the Department  
32 of Natural and Cultural Resources in accordance with the provisions of subdivision (2) of  
33 subsection (b) of this section.

34 On receipt of these reports and recommendations, the local government may proceed in the  
35 same manner as would otherwise be required for the adoption or amendment of any appropriate  
36 zoning regulation.

37 ~~The provisions of G.S. 160D-910 apply~~ G.S. 160D-914 applies to zoning or other  
38 development regulations pertaining to historic districts, and the authority under  
39 ~~G.S. 160D-910(b) that statute~~ for the ordinance to regulate the location or screening of solar  
40 collectors may encompass requiring the use of plantings or other measures to ensure that the use  
41 of solar collectors is not incongruous with the special character of the district."

42 **SECTION 1.(f)** G.S. 160D-1102 reads as rewritten:

43 **"§ 160D-1102. Building code administration.**

44 A local government may create an inspection department and may appoint inspectors who  
45 may be given appropriate titles, such as building inspector, electrical inspector, plumbing  
46 inspector, housing inspector, zoning inspector, heating and air-conditioning inspector, fire  
47 prevention inspector, or deputy or assistant inspector, or ~~such other titles as may be~~ another title  
48 generally descriptive of the duties assigned. Every local government shall perform the duties and  
49 responsibilities set forth in ~~G.S. 160D-1105~~ G.S. 160D-1104 either by (i) creating its own  
50 inspection department, (ii) creating a joint inspection department in cooperation with one or more  
51 other units of local government, pursuant to ~~G.S. 160D-1105~~ or Part 1 of Article 20 of Chapter

1 160A of the General Statutes, (iii) contracting with another unit of local government for the  
 2 provision of inspection services pursuant to Part 1 of Article 20 of Chapter 160A of the General  
 3 Statutes, or (iv) arranging for the county in which a city is located to perform inspection services  
 4 within the city's jurisdiction as authorized by ~~G.S. 160D-1105~~ G.S. 160D-1104 and  
 5 G.S. 160D-202.

6 In the event that any local government fails to provide inspection services or ceases to provide  
 7 ~~such inspection~~ services, the Commissioner of Insurance shall arrange for the provision of ~~such~~  
 8 inspection services, either through personnel employed by the department or through an  
 9 arrangement with other units of government. In either event, the Commissioner ~~shall have~~ has  
 10 and may exercise within the local government's planning and development regulation jurisdiction  
 11 all powers made available to the governing board with respect to building inspection under this  
 12 Article and Part 1 of Article 20 of Chapter 160A of the General Statutes. Whenever the  
 13 Commissioner has intervened in this manner, the local government may assume provision of  
 14 inspection services only after giving the Commissioner two years' written notice of its intention  
 15 to do so; ~~provided, however, that~~ the Commissioner may waive this requirement or permit  
 16 assumption at an earlier date upon finding that ~~such an~~ an earlier assumption will not unduly  
 17 interfere with arrangements made for the provision of those services."

18 **SECTION 1.(g)** G.S. 160D-1111 reads as rewritten:

19 **"§ 160D-1111. Expiration of building permits.**

20 A building permit issued pursuant to this Article ~~shall expire~~ expires by limitation six months,  
 21 or any lesser time fixed by ~~ordinance of the city council,~~ ordinance, after the date of issuance if  
 22 the work authorized by the permit has not been commenced. If, after commencement, the work  
 23 is discontinued for a period of 12 months, the permit ~~therefor~~ shall immediately expire. No work  
 24 authorized by any building permit that has expired shall ~~thereafter~~ be performed until a new  
 25 permit has been secured."

26 **SECTION 1.(h)** G.S. 160D-1202 reads as rewritten:

27 **"§ 160D-1202. Definitions.**

28 The following terms ~~shall have the meanings whenever used or referred to as indicated when~~  
 29 ~~used in this Part unless a different meaning clearly appears from the context:~~ definitions apply in  
 30 this Article:

- 31 (1) Owner. – The holder of the title in fee simple and every mortgagee of record.
- 32 (2) Parties in interest. – All individuals, associations, and corporations ~~who that~~  
 33 have interests of record in a dwelling and any ~~who that~~ are in possession  
 34 thereof of a dwelling.
- 35 (3) Public authority. – Any housing authority or any officer ~~who that~~ is in charge  
 36 of any department or branch of the government of the city, county, or State  
 37 relating to health, fire, building regulations, or other activities concerning  
 38 dwellings in the local government.
- 39 (4) Public officer. – The officer ~~or officers who are~~ authorized by ordinances  
 40 adopted ~~hereunder~~ under this Article to exercise the powers prescribed by the  
 41 ordinances and by this Article."

42 **SECTION 2.** G.S. 14-113.9 reads as rewritten:

43 **"§ 14-113.9. Financial transaction card theft.**

44 (a) A person is guilty of financial transaction card theft when the person does any of the  
 45 following:

- 46 (1) Takes, ~~obtains~~ obtains, or withholds a financial transaction card from the  
 47 person, possession, ~~custody~~ custody, or control of another without the  
 48 cardholder's consent and with the intent to use it; or who, with knowledge that  
 49 it has been so taken, ~~obtained~~ obtained, or withheld, receives the financial  
 50 transaction card with intent to use it or to sell it, or to transfer it to a person  
 51 other than the issuer or the cardholder.

- 1 (2) Receives a financial transaction card that he or she knows to have been lost,  
 2 mislaid, or delivered under a mistake as to the identity or address of the  
 3 cardholder, and ~~who~~ retains possession with intent to use it or to sell it or to  
 4 transfer it to a person other than the issuer or the cardholder.
- 5 (3) Not being the issuer, sells a financial transaction card or buys a financial  
 6 transaction card from a person other than the issuer.
- 7 (4) Not being the issuer, during any 12-month period, receives financial  
 8 transaction cards issued in the names of two or more persons which he or she  
 9 has reason to know were taken or retained under circumstances ~~which that~~  
 10 constitute a violation of G.S. 14-113.13(a)(3) and subdivision (3) of  
 11 subsection (a) of this section.
- 12 (5) With the intent to defraud any person, either (i) uses a scanning device to  
 13 access, read, obtain, memorize, or store, temporarily or permanently,  
 14 information encoded on another person's financial transaction card, or (ii)  
 15 receives the encoded information from another person's financial transaction  
 16 card.

17 (b) ~~Credit~~ Financial transaction card theft is punishable as provided by  
 18 G.S. 14-113.17(b)."

19 **SECTION 3.** G.S. 15A-151.5 reads as rewritten:

20 "**§ 15A-151.5. Prosecutor access to expunged files.**

21 (a) Notwithstanding any other provision of this Article, the Administrative Office of the  
 22 Courts shall make all confidential files maintained under G.S. 15A-151 electronically available  
 23 to all prosecutors of this State if the criminal record was expunged on or after July 1, 2018, under  
 24 any of the following:

25 ...

- 26 (7b) G.S. 15A-145.8A. Expunction of records for offenders under the age of 18 at  
 27 the time of ~~conviction~~ commission of certain misdemeanors and felonies upon  
 28 completion of the sentence.

29 ...

30 (c) For any expungement granted on or after July 1, 2018, the information maintained by  
 31 the Administrative Office of the Courts, and made available under subsection (a) of this section,  
 32 ~~shall be~~ is prima facie evidence of the expunged conviction for the purposes provided in  
 33 subsection (b) of this section and ~~shall be~~ is admissible into evidence. The expungement of a  
 34 conviction shall not serve as a basis to challenge a conviction or sentence entered before the  
 35 expungement of that conviction."

36 **SECTION 4.(a)** G.S. 18B-302 reads as rewritten:

37 "**§ 18B-302. Sale to or purchase by underage persons.**

38 (a) Sale. – It ~~shall be~~ is unlawful for any person ~~to~~ to do any of the following:

- 39 (1) Sell malt beverages or unfortified wine to anyone less than 21 years ~~old;~~ or old.  
 40 (2) Sell fortified wine, spirituous liquor, or mixed beverages to anyone less than  
 41 21 years old.

42 (a1) Give. – It ~~shall be~~ is unlawful for any person ~~to~~ to do any of the following:

- 43 (1) Give malt beverages or unfortified wine to anyone less than 21 years ~~old;~~  
 44 or old.  
 45 (2) Give fortified wine, spirituous liquor, or mixed beverages to anyone less than  
 46 21 years old.

47 (b) Purchase, Possession, or Consumption. – It ~~shall be~~ is unlawful ~~for~~ for a person less  
 48 than 21 years old to do any of the following:

- 49 (1) ~~A person less than 21 years old to purchase, to~~ Purchase, attempt to purchase,  
 50 or to possess malt beverages or unfortified wine; ~~or wine.~~

- 1           (2) ~~A person less than 21 years old to purchase, to~~ Purchase, attempt to purchase,  
2           or ~~to~~ possess fortified wine, spirituous liquor, or mixed ~~beverages;~~  
3           ~~or beverages.~~
- 4           (3) ~~A person less than 21 years old to consume~~ Consume any alcoholic beverage.
- 5       (c) ~~Aider and Abettor.~~ Abettor. –
- 6           (1) By Underage Person. – Any person who is under the lawful age to purchase  
7           and who aids or abets another in violation of subsection (a), (a1), or (b) of this  
8           section ~~shall be~~ is guilty of a Class 2 misdemeanor.
- 9           (2) By Person over Lawful Age. – Any person who is over the lawful age to  
10          purchase and who aids or abets another in violation of subsection (a), (a1), or  
11          (b) of this section ~~shall be~~ is guilty of a Class 1 misdemeanor.
- 12       (d) Defense. – It ~~shall be~~ is a defense to a violation of subsection (a) of this section if the  
13       ~~seller;~~ seller does any of the following:
- 14           (1) Shows that the purchaser produced a driver's license, a special identification  
15           card issued under G.S. 20-37.7, a military identification card, or a passport,  
16           showing ~~his~~ the purchaser's age to be at least the required age for purchase  
17           and bearing a physical description of the person named on the card reasonably  
18           describing the ~~purchaser;~~ or purchaser.
- 19           (2) Produces evidence of other facts that reasonably indicated at the time of sale  
20           that the purchaser was at least the required age.
- 21           (3) Shows that at the time of purchase, the purchaser utilized a biometric  
22           identification system that demonstrated (i) the purchaser's age to be at least  
23           the required age for the purchase and (ii) the purchaser had previously  
24           registered with the seller or seller's agent a drivers license, a special  
25           identification card issued under G.S. 20-37.7, a military identification card, or  
26           a passport showing the purchaser's date of birth and bearing a physical  
27           description of the person named on the document.
- 28       (e) Fraudulent Use of Identification. – It ~~shall be~~ is unlawful for any person to enter or  
29       attempt to enter a place where alcoholic beverages are sold or consumed, or to obtain or attempt  
30       to obtain alcoholic beverages, or to obtain or attempt to obtain permission to purchase alcoholic  
31       beverages, in violation of subsection (b) of this section, by using or attempting to use any of the  
32       following:
- 33           (1) A fraudulent or altered drivers license.
- 34           (2) A fraudulent or altered identification document other than a drivers license.
- 35           (3) A drivers license issued to another person.
- 36           (4) An identification document other than a drivers license issued to another  
37           person.
- 38           (5) Any other form or means of identification that indicates or symbolizes that the  
39           person is not prohibited from purchasing or possessing alcoholic beverages  
40           under this section.
- 41       (f) Allowing Use of Identification. – It ~~shall be~~ is unlawful for any person to permit the  
42       use of the person's drivers license or any other form of identification of any kind issued or given  
43       to the person by any other person who violates or attempts to violate subsection (b) of this section.
- 44       ...
- 45       (h) Handling in Course of Employment. – Nothing in this section ~~shall be construed to~~  
46       ~~prohibit~~ prohibits an underage person from selling, transporting, ~~possessing~~ possessing, or  
47       dispensing alcoholic beverages in the course of employment, if the employment of the person for  
48       that purpose is lawful under applicable youth employment statutes and Commission rules.
- 49       (i) Purchase, Possession, or Consumption by 19 or 20-Year Old. – A violation of  
50       subdivision (b)(1) or (b)(3) of this section by a person who is 19 or 20 years old is a Class 3  
51       misdemeanor.

1 (j) Screening Test. – Notwithstanding any other provisions of law, a law enforcement  
2 officer may require any person the officer has probable cause to believe is ~~under age 21 less than~~  
3 21 years old and has consumed alcohol to submit to an alcohol screening test using a device  
4 approved by the Department of Health and Human Services. The results of any screening device  
5 administered in accordance with the rules of the Department of Health and Human Services ~~shall~~  
6 ~~be are~~ admissible in any court or administrative proceeding. A refusal to submit to an alcohol  
7 screening test ~~shall be is~~ admissible in any court or administrative proceeding.

8 (k) Exception. – Notwithstanding the provisions in this section, it ~~shall is~~ not ~~be~~ unlawful  
9 for a person less than 21 years old to consume unfortified wine or fortified wine during  
10 participation in an exempted activity under G.S. 18B-103(4), (8), or (11)."

11 **SECTION 4.(b)** G.S. 18B-900 reads as rewritten:

12 "**§ 18B-900. Qualifications for permit.**

13 (a) Requirements. – To be eligible to receive and to hold an ABC permit, a person must  
14 satisfy all of the following requirements:

15 (1) Be at least 21 years old.

16 ~~selling only malt beverages and unfortified wine,~~

17 (2) Be a resident of North ~~Carolina unless:~~ Carolina, unless any of the following  
18 apply:

19 a. ~~He~~ The person is an officer, ~~director~~ director, or stockholder of a  
20 corporate applicant or permittee and is not a manager or otherwise  
21 responsible for the day-to-day operation of the ~~business; or~~ business.

22 b. ~~He~~ The person has executed a power of attorney designating a  
23 qualified resident of this State to serve as attorney in fact for the  
24 purposes of receiving service of process and managing the business  
25 for which permits are ~~sought; or~~ sought.

26 c. ~~He~~ The person is applying for a nonresident malt beverage vendor  
27 permit, a nonresident wine vendor permit, or a vendor representative  
28 permit.

29 (3) Not have been convicted of a felony within three years, and, if convicted of a  
30 felony before then, ~~has~~ have had his or her citizenship restored.

31 (4) Not have been convicted of an alcoholic beverage offense within two years.

32 (5) Not have been convicted of a misdemeanor controlled substance offense  
33 within two years.

34 (6) Not have had an alcoholic beverage permit revoked within three years, except  
35 where the revocation was based solely on a permittee's failure to pay the  
36 annual registration and inspection fee required in G.S. 18B-903(b1).

37 (7) Not have, whether as an individual or as an officer, director, shareholder or  
38 manager of a corporate permittee, an unsatisfied outstanding final judgment  
39 that was entered against him or her in an action under Article 1A of this  
40 Chapter.

41 (8) Be current in filing all applicable tax returns to the State and in payment of all  
42 taxes, interest, and penalties that are collectible under G.S. 105-241.22. This  
43 subdivision does not apply to the following ABC permits:

44 a. Special occasion permit under G.S. 18B-1001(8).

45 b. Limited special occasion permit under G.S. 18B-1001(9).

46 c. Special one-time permit under G.S. 18B-1002.

47 d. Salesman permit under G.S. 18B-1111.

48 To avoid undue hardship, however, the Commission may decline to take action under  
49 G.S. 18B-104 against a permittee who is in violation of subdivisions (3), (4), or ~~(5)~~ (5) of this  
50 subsection.



1 (b) Definition of Conviction. – A person has been "convicted" for the purposes of  
2 subsection (a) of this section when ~~he~~ the person has been found guilty, or has entered a plea of  
3 guilty or nolo contendere, and judgment has been ~~entered against him~~ entered. A felony  
4 conviction in another jurisdiction ~~shall disqualify~~ disqualifies a person from being eligible to  
5 receive or hold an ABC permit if ~~his~~ the conduct would also constitute a felony in North Carolina.  
6 A conviction of an alcoholic beverage offense or misdemeanor drug offense in another  
7 jurisdiction ~~shall disqualify~~ disqualifies a person from being eligible to receive or hold an ABC  
8 permit if ~~his~~ the conduct would constitute an offense in North Carolina, unless the Commission  
9 determines that under North Carolina procedure judgment would not have been entered under  
10 the same circumstances. Revocation of a permit in another jurisdiction ~~shall disqualify~~  
11 disqualifies a person if ~~his~~ the conduct would be grounds for revocation in North Carolina.

12 (c) Who Must Qualify; Exceptions. – For an ABC permit to be issued to and held for a  
13 business, each of the following persons associated with that business must qualify under  
14 subsection ~~(a)~~ (a) of this section:

- 15 (1) The owner of a sole proprietorship.
- 16 (2) Each member of a firm, ~~association~~ association, or general partnership.
- 17 (2a) Each general partner in a limited partnership.
- 18 (2b) Each manager and any member with a twenty-five percent (25%) or greater  
19 interest in a limited liability company.
- 20 (3) Each officer, ~~director~~ director, and owner of twenty-five percent (25%) or  
21 more of the stock of a corporation except that the requirement of subdivision  
22 (a)(1) does not apply to ~~such an~~ the officer, director, or stockholder unless he  
23 or she is a manager or is otherwise responsible for the day-to-day operation of  
24 the business.
- 25 (4) The manager of an establishment operated by a corporation.
- 26 (5) Any manager who has been empowered as attorney-in-fact for a nonresident  
27 individual or partnership.
- 28 (6) Any manager or person otherwise responsible for the day-to-day operation of  
29 the business, if none of the persons listed in subdivisions (1) through (5) of  
30 this subsection ~~are~~ is a manager or person otherwise responsible for the  
31 day-to-day operation of the business.

32 (d) Manager of Off-Premises Establishment. – Although ~~he~~ the manager of an  
33 establishment operated by a corporation and holding off-premises permits for malt beverages,  
34 unfortified wine, or fortified wine is not otherwise required to meet the requirements of this  
35 section, the manager ~~of an establishment operated by a corporation and holding off-premises~~  
36 ~~permits for malt beverages, unfortified wine, or fortified wine shall~~ must be at least 19 years old  
37 and ~~shall~~ must meet the requirements of subdivisions (3), (4), (5) and (6) of subsection ~~(a)~~ (a)  
38 of this section.

39 ...  
40 (f) Procedure to Confirm State Tax Compliance. – Upon request of the Commission, the  
41 Department of Revenue must provide information to the Commission to confirm a person's  
42 compliance with subdivision (a)(8) of this section. If the Department of Revenue notifies the  
43 Commission that a person is not in compliance, then the Commission ~~may~~ shall not issue or  
44 renew the person's permit until the Commission receives notice from the Department of Revenue  
45 that the person is in compliance. The requirement to pay all taxes, interest, and penalties may be  
46 satisfied by an operative agreement under G.S. 105-237 covering any amounts that are collectible  
47 under G.S. 105-241.22. Chapter 150B of the General Statutes does not apply to a Commission  
48 action on issuance, suspension, or revocation of an ABC permit under subdivision (a)(8) of this  
49 section."

50 **SECTION 5.** G.S. 42-34.1, as amended by Section 8 of S.L. 2021-47, reads as  
51 rewritten:

1 **"§ 42-34.1. Rent pending execution of judgment; post bond pending appeal.**

2 (a) If the judgment in district court is against the defendant appellant, it ~~shall be~~ is  
3 sufficient to stay execution of the judgment during the 30-day time period for taking an appeal  
4 provided for in Rule 3 of the North Carolina Rules of Appellate Procedure if the defendant  
5 appellant posts a bond as provided in ~~G.S. 42-34(b), and no G.S. 42-34(b).~~ No additional security  
6 under G.S. 1-292 is required. If the defendant appellant fails to make rental payments as provided  
7 in the undertaking within five business days of the day rent is due under the terms of the  
8 residential rental agreement, the clerk of superior court shall, upon application of the plaintiff  
9 appellee, immediately issue a writ of possession, and the sheriff shall dispossess the defendant  
10 appellant as provided in G.S. 42-36.2.

11 (a1) If the judgment in district court is against the defendant appellant and the defendant  
12 appellant does not appeal the judgment, the defendant appellant shall pay rent to the plaintiff for  
13 the time the defendant appellant remains in possession of the premises after the judgment is  
14 given. Rent shall be prorated if the judgment is executed before the day rent would become due  
15 under the terms of the lease. The clerk of court shall ~~disperse~~ disburse any rent in arrears paid by  
16 the defendant appellant in accordance with a stipulation executed by all parties or, if there is no  
17 stipulation, in accordance with the judge's order.

18 (b) If the judgment in district court is against the defendant appellant and the defendant  
19 appellant appeals the judgment, it ~~shall be~~ is sufficient to stay execution of the judgment if the  
20 defendant appellant posts a bond as provided in ~~G.S. 42-34(b), and no G.S. 42-34(b).~~ No  
21 additional security under G.S. 1-292 is required. If the defendant appellant fails to perfect the  
22 appeal or the appellate court upholds the judgment of the district court, the execution of the  
23 judgment shall proceed. The clerk of court shall not ~~disperse~~ disburse any rent in arrears paid by  
24 the defendant appellant until all appeals have been resolved."

25 **SECTION 6.** G.S. 50-13.7 reads as rewritten:

26 **"§ 50-13.7. Modification of order for child support or custody.**

27 (a) ~~Except as otherwise provided in G.S. 50-13.7A, an An~~ order of a court of this State  
28 for support of a minor child may be modified or vacated at any time, upon motion in the cause  
29 and a showing of changed circumstances by either party or anyone interested subject to the  
30 limitations of G.S. 50-13.10. Subject to ~~the provisions of~~ G.S. 50A-201, 50A-202, and 50A-204,  
31 an order of a court of this State for custody of a minor child may be modified or vacated at any  
32 time, upon motion in the cause and a showing of changed circumstances by either party or anyone  
33 interested.

34 (b) When an order for support of a minor child has been entered by a court of another  
35 state, a court of this State may, upon gaining jurisdiction, and upon a showing of changed  
36 circumstances, enter a new order for support ~~which that~~ modifies or supersedes ~~such the~~  
37 for support, subject to the limitations of G.S. 50-13.10. Subject to ~~the provisions of~~  
38 G.S. 50A-201, 50A-202, and 50A-204, when an order for custody of a minor child has been  
39 entered by a court of another state, a court of this State may, upon gaining jurisdiction, and a  
40 showing of changed circumstances, enter a new order for custody ~~which that~~ modifies or  
41 supersedes ~~such the~~ order for custody."

42 **SECTION 7.** G.S. 85B-3.2 reads as rewritten:

43 **"§ 85B-3.2. Criminal history record checks of applicants for licensure.**

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

- 45 (1) Applicant. – An applicant for initial licensure as an auctioneer, apprentice  
46 auctioneer, or auction firm.  
47 (2) Criminal history. – A State or federal history of conviction of a crime, whether  
48 a misdemeanor or felony, that bears upon an applicant's fitness to be licensed  
49 as an auctioneer, apprentice auctioneer, or auction firm.

50 ...

1 (c) All releases of criminal history information to the Commission ~~shall be~~ are subject to,  
 2 and ~~in compliance shall comply~~ with, rules governing the dissemination of criminal history  
 3 record checks as adopted by the North Carolina Department of Public Safety. All of the  
 4 information the Commission receives through the checking of the criminal history is for the  
 5 exclusive use of the Commission and shall be kept confidential.

6 (d) If the applicant's verified criminal history record check reveals one or more  
 7 convictions of a crime that is punishable as a felony offense, or the conviction of any crime  
 8 involving fraud or moral ~~turpitude, turpitude,~~ the Commission may deny the applicant's license.  
 9 However, the conviction ~~shall does not~~ automatically prohibit licensure, and the following factors  
 10 shall be considered by the Commission in determining whether ~~licensure shall be denied; to deny~~  
 11 licensure:

- 12 (1) The level and seriousness of the crime.
- 13 (2) The date of the crime.
- 14 (3) The age of the person at the time of the crime.
- 15 (4) The circumstances surrounding the commission of the crime, if known.
- 16 (5) The nexus between the criminal conduct of the applicant and the applicant's  
 17 duties as an auctioneer, apprentice auctioneer, or auction firm.
- 18 (6) The prison, jail, probation, parole, rehabilitation, and employment records of  
 19 the applicant since the date the crime was committed.
- 20 (7) The subsequent commission by the person of a crime.

21 ...."

22 **SECTION 8.** G.S. 90B-9.1 reads as rewritten:

23 **"§ 90B-9.1. Nonpracticing status.**

24 (a) Any person certified or licensed and desiring to retire temporarily from the practice  
 25 of social work shall send written notice thereof to the Board. Upon receipt of ~~such the~~ notice, his  
 26 or her certificate or license shall be placed on nonpracticing status. During a period of  
 27 nonpracticing status, the certificate or license holder ~~shall not be is not~~ subject to payment of  
 28 renewal fees and ~~shall not be is not~~ subject to continuing education requirements corresponding  
 29 to his or her credential. Social workers whose certificate or license has been placed on  
 30 nonpracticing status shall not refer to themselves as certified or licensed by the Board and shall  
 31 not engage in social work practice that requires an active certificate or license under this Chapter.

32 (b) In order to reactivate a certificate or license that has been placed on nonpracticing  
 33 status, a person shall apply to the Board by making a written request for reactivation. Upon  
 34 payment of the renewal fee as provided in ~~G.S. 90-6.2, G.S. 90B-6.2,~~ and upon receipt of  
 35 documentation to the satisfaction of the Board that continuing education requirements for the  
 36 certification or licensure are complete, the Board shall reactivate the certificate or license of an  
 37 applicant who is otherwise qualified under this Chapter."

38 **SECTION 9.(a)** Sub-subdivision (e)(3)b. of G.S. 108A-58.2 is recodified as  
 39 sub-subdivision (e)(3)c1. of that section.

40 **SECTION 9.(b)** G.S. 108A-58.2, as amended by subsection (a) of this section, reads  
 41 as rewritten:

42 **"§ 108A-58.2. Waiver of transfer of assets penalty due to undue hardship.**

43 ...

44 (b) When a Medicaid applicant who is requesting Medicaid to pay for institutional care  
 45 requests a waiver of a penalty period due to undue hardship, the determination of whether to  
 46 waive the penalty period shall be processed as part of the Medicaid application and is subject to  
 47 the application processing standards set forth in ~~10A NCAC 21B.0203, 10A NCAC 23C .0201.~~  
 48 ...

49 (d) As required by 42 U.S.C. § 1396p(c)(2)(D), the facility in which an institutionalized  
 50 individual is residing may request an undue hardship waiver on behalf of the institutionalized  
 51 individual with the written consent of the individual or the personal representative of the

1 individual. A facility applying for a waiver for an individual residing in the facility shall adhere  
2 to the requirements of this section but ~~shall not be~~ is not required to advance the costs of acquiring  
3 an attorney to aid the institutionalized individual.

4 (e) Except as provided for in subsection (f) of this section, undue hardship exists if the  
5 imposition of the penalty period would deprive the individual of medical care, such that the  
6 individual's health or life would be ~~endangered; endangered,~~ or of food, clothing, shelter, or other  
7 necessities of life. The individual must provide the information and documentation necessary to  
8 demonstrate to the director of the county department of social services or the director's designee  
9 ~~that all of the following:~~

10 (1) The individual currently has no alternative income or resources available to  
11 provide the medical care or food, clothing, shelter, or other necessities of life  
12 that the individual would be deprived of due to the imposition of the ~~penalty;~~  
13 ~~and penalty.~~

14 (2) The individual or some other person acting on the individual's behalf is  
15 making a good faith effort to pursue all reasonable means to recover the  
16 transferred asset or the fair market value of the transferred asset, ~~which may~~  
17 ~~include;~~ including any of the following:

18 a. Seeking the advice of an attorney and pursuing legal or equitable  
19 remedies such as asset freezing, assignment, or ~~injunction;~~ ~~or~~  
20 injunction.

21 a1. seeking—Seeking modification, avoidance, or nullification of a  
22 financial instrument, promissory note, loan, mortgage or other  
23 property agreement, or other similar transfer ~~agreement;~~  
24 ~~and agreement.~~

25 b. Cooperating with any attempt to recover the transferred asset or the  
26 fair market value of the transferred asset.

27 (3) The following definitions ~~shall apply to~~ apply in this ~~subsection.~~ subsection:

28 a. ~~"Health or life would be endangered" means a~~ Health or life would be  
29 endangered. – A medical doctor with knowledge of the individual's  
30 medical condition certifies in writing that in his or her professional  
31 opinion, the individual will be in danger of death or the individual's  
32 health will suffer irreparable harm if a penalty period is imposed.

33 b. Recodified.

34 c. ~~"Income" means all~~ Income. – All income of the individual and the  
35 community spouse less a protected amount for the community spouse  
36 equal to the minimum monthly maintenance needs allowance as  
37 determined under 42 U.S.C. § 1396r-5(d), including in all  
38 circumstances the excess shelter allowance described under 42 U.S.C.  
39 § 1396r-5(d)(3)(A)(ii), without regard to any adjustment that would be  
40 made under 42 U.S.C. § 1396r-5(e), plus fifty percent (50%) of ~~such~~  
41 the income in excess of the protected amount.

42 c1. ~~"Other necessities of life" includes~~ Other necessities of life. – Includes  
43 basic, life sustaining utilities, including water, heat, electricity, phone,  
44 and other items or activities that without which the individual's health  
45 or life would be endangered.

46 d. ~~"Resources" means all~~ Resources. – All resources of the individual and  
47 of the community spouse except the homesite in which the individual  
48 or community spouse has an equity interest not exceeding five hundred  
49 thousand dollars (\$500,000), a motor vehicle in which the individual  
50 or community spouse has an equity interest not exceeding thirty  
51 thousand dollars (\$30,000), personal property, and, in the case of a

community spouse, a portion of such other resources in an amount equal to the community spouse resource allowance as defined by 42 U.S.C. § 1396r-5(f)(2), ~~provided that such amount shall so long as the amount does not exceed sixty percent (60%) of the maximum community spouse resource allowance as defined by 42 U.S.C. § 1396r-5(f)(2)(A)(ii).~~ For purposes of this sub-subdivision, "homesite" means the principal place of residence of the individual or the community spouse in which the individual or community spouse has an equity interest.

(f) An undue hardship ~~shall~~ does not exist when the application of a transfer of assets penalty merely causes the individual an inconvenience or restricts the individual's lifestyle.

...

(i) While the determination on a request for a waiver of the penalty period due to undue hardship is pending, Medicaid shall not make payments for services in a nursing facility ~~services~~ or in an intermediate care facility for the mentally retarded ~~services~~ individuals with intellectual disabilities to hold a bed for the individual, as described in 42 U.S.C. § 1396p(c)(2)(D). However, if the individual is institutionalized and receiving Medicaid payment for services, Medicaid will maintain the same level of services until the last day of the month after the latter of the following:

- (1) Expiration of the 10 workday period following the notice required by ~~G.S. 108A-79, or~~ G.S. 108A-79.
- (2) The date of the decision of a local appeal hearing described in G.S. 108A-79 is issued if the individual requests an appeal of the imposition of a transfer of assets penalty period within the 10 workday period described in subdivision (1) of subsection (i) of this section."

**SECTION 9.(c)** G.S. 108A-61.1 reads as rewritten:

**"§ 108A-61.1. Financial responsibility of a parent for a child under age 21 in a medical institution.**

Notwithstanding any other provisions of the law, for the purpose of determining eligibility for medical assistance under Title XIX of the Social Security Act, 42 U.S.C. § 1396 et seq., the income and financial resources of the natural or adoptive parents of a person who is under the age of 21 and who requires Medicaid covered services in a medical institution shall not be counted if the patient's physician certifies, and the Division of Health Benefits or its agents approve, that continuous care and treatment are expected to exceed 12 months. For purposes of this subsection, "medical institution" means licensed acute care inpatient medical facilities providing medical, surgical, and psychiatric or substance abuse treatment, or facilities providing skilled or intermediate care, including intermediate care for ~~the mentally retarded~~ individuals with intellectual disabilities."

**SECTION 9.(d)** Subdivision (b)(1) of G.S. 108A-70.5 is recodified as subdivision (b)(4) of that section. Sub-sub-subdivisions b.3a. and 4. of that subdivision are recodified as sub-sub-subdivisions b.4. and 5. of that subdivision, respectively.

**SECTION 9.(e)** G.S. 108A-70.5, as amended by subsection (d) of this section, reads as rewritten:

**"§ 108A-70.5. Medicaid Estate Recovery Plan.**

...

(b) The following definitions apply in this section:

- (1) Recodified.
- (2) Estate. – All the real and personal property considered assets of the estate available for the discharge of debt pursuant to G.S. 28A-15-1. The Department has all rights available to estate creditors, including the right to qualify as personal representative or collector of an estate. For individuals who have received benefits under a qualified long-term care partnership

1 policy as described in G.S. 108A-70.4, "~~estate~~" this term also includes any  
 2 other real and personal property and other assets in which the individual had  
 3 any legal title or interest at the time of death (to the extent of ~~such the~~ interest),  
 4 including assets conveyed to a survivor, heir, or assign of the deceased  
 5 individual through joint tenancy, tenancy in common, survivorship, life estate,  
 6 living trust, or other arrangement.

7 (3) Repealed by Session Laws 2007-442, s. 1, effective August 23, 2007.

8 (4) Medical assistance. – Medical care services paid for by the North Carolina  
 9 Medicaid Program on behalf of the ~~recipient~~; recipient as follows:

10 a. If the recipient of any age is receiving medical care services as an  
 11 inpatient in a nursing facility, intermediate care facility for ~~the~~  
 12 ~~mentally retarded~~, individuals with intellectual disabilities, or other  
 13 medical institution, and cannot reasonably be expected to be  
 14 discharged to return ~~home~~; or home.

15 b. If the recipient is 55 years of age or older and is receiving one or more  
 16 of the following medical care services:

- 17 1. Nursing facility services.
- 18 2. Home and community-based services.
- 19 3. Hospital care.
- 20 4. Prescription drugs.
- 21 5. Personal care services.

22 (c) The amount the Department recovers from the estate of any recipient shall not exceed  
 23 the amount of medical assistance made on behalf of the recipient and ~~shall be~~ is recoverable only  
 24 for medical care services prescribed in subsection (b) of this section. The Department is a  
 25 sixth-class creditor, as prescribed in G.S. 28A-19-6, for purposes of determining the order of  
 26 claims against an estate; ~~provided, however, that~~ judgments in favor of other sixth-class creditors  
 27 docketed and in force before the Department seeks recovery for medical assistance shall be paid  
 28 prior to recovery by the Department.

29 ...."

30 **SECTION 9.(f)** G.S. 28A-14-1 reads as rewritten:

31 "**§ 28A-14-1. Notice for claims.**

32 (a) Every personal representative and collector after the granting of letters shall notify all  
 33 persons, ~~firms~~ firms, and corporations having claims against the decedent to present ~~the same~~  
 34 their claims to ~~such the~~ personal representative or collector, on or before a day to be named in  
 35 ~~such the~~ notice, which day must be at least three months from the day of the first publication or  
 36 posting of ~~such the~~ notice. The notice shall set out a mailing address for the personal  
 37 representative or collector. The notice shall be published once a week for four consecutive weeks  
 38 in a newspaper qualified to publish legal advertisements, if any such newspaper is published in  
 39 the county. If there is no newspaper published in the county, but there is a newspaper having  
 40 general circulation in the county, then at the option of the personal representative, or collector,  
 41 the notice shall be published once a week for four consecutive weeks in the newspaper having  
 42 general circulation in the county and posted at the courthouse or the notice shall be posted at the  
 43 courthouse and four other public places in the county. Personal representatives are not required  
 44 to publish or mail notice to creditors if the only asset of the estate consists of a claim for damages  
 45 arising from death by wrongful act. When any collector or personal representative of an estate  
 46 has published or mailed the notice provided for by this section, no further publication or mailing  
 47 shall be required by any other collector or personal representative.

48 (b) Prior to filing the proof of notice required by G.S. 28A-14-2, every personal  
 49 representative and collector shall personally deliver or send by first class mail to the last known  
 50 address a copy of the notice required by subsection (a) of this section to all persons, firms, and  
 51 corporations having unsatisfied claims against the decedent ~~who~~ that are actually known or can

1 be reasonably ascertained by the personal representative or collector within 75 days after the  
2 granting of letters and, if at the time of the decedent's death the decedent was receiving medical  
3 assistance as defined by ~~G.S. 108A-70.5(b)(1)~~, G.S. 108A-70.5(b), to the Division of Health  
4 Benefits of the Department of Health and Human Services, ~~Division of Health Benefits~~.  
5 ~~Provided, however, no notice shall be~~ Services. No notice, however, is required to be delivered  
6 or mailed with respect to any claim that is recognized as a valid claim by the personal  
7 representative or collector.

8 (c) The personal representative or collector may personally deliver or mail by first class  
9 mail a copy of the notice required by subsection (a) of this section to all creditors of the estate  
10 whose names and addresses can be ascertained with reasonable diligence. If the personal  
11 representative or collector in good faith believes that the notice required by subsection (b) of this  
12 section to a particular creditor is or may be required and gives notice based on that belief, the  
13 personal representative or collector is not liable to any person for giving the notice, whether or  
14 not the notice is actually required by subsection (b) of this section. If the personal representative  
15 or collector in good faith fails to give notice required by subsection (b) of this section, the  
16 personal representative or collector is not liable to any person for ~~such~~ the failure."

17 **SECTION 9.(g)** G.S. 36C-8-818 reads as rewritten:

18 "**§ 36C-8-818. Notice of deceased Medicaid beneficiaries.**

19 If a trust was established by a person who at the time of that person's death was receiving  
20 medical assistance, as defined in ~~G.S. 108A-70.5(b)(1)~~, G.S. 108A-70.5(b), and the trust was  
21 revocable at the time of that person's death, then any trustee of that trust ~~who~~ that knows of the  
22 medical assistance within 90 days of the person's death shall provide notice of that person's death  
23 to the Division of Health Benefits of the Department of Health and Human Services, ~~Division of~~  
24 ~~Health Benefits~~, within 90 days of the person's death. This section does not apply to trustees of  
25 preneed funeral trusts established or created pursuant to Article 13D of Chapter 90 of the General  
26 Statutes."

27 **SECTION 9.(h)** G.S. 122C-23 reads as rewritten:

28 "**§ 122C-23. Licensure.**

29 (a) No person shall establish, maintain, or operate a licensable facility for ~~the mentally~~  
30 ~~ill, developmentally disabled, individuals with mental illnesses, individuals with intellectual or~~  
31 other developmental disabilities, or substance abusers without a current license issued by the  
32 Secretary.

33 (b) Each license is issued to the person only for the premises named in the application  
34 and ~~shall not be~~ is not transferrable or assignable except with prior written approval of the  
35 Secretary.

36 (c) Any person ~~who~~ that intends to establish, maintain, or operate a licensable facility  
37 shall apply to the Secretary for a license. The Secretary shall prescribe by rule the contents of the  
38 application forms.

39 (d) The Secretary shall issue a license if the Secretary finds that the person complies with  
40 this Article and the rules of the Commission and Secretary.

41 (e) Initial licenses issued under ~~the authority of~~ this section ~~shall be~~ are valid for not more  
42 than 15 months. Licenses shall be renewed annually thereafter and shall expire at the end of the  
43 calendar year. The expiration date of a license shall be specified on the license when issued.  
44 Renewal of a regular license is contingent upon receipt of information required by the Secretary  
45 for renewal and continued compliance with this Article and the rules of the Commission and the  
46 Secretary. Licenses for facilities that have not served any clients during the previous 12 months  
47 are not eligible for renewal.

48 The Secretary may issue a provisional license for a period up to six months to a person  
49 obtaining the initial license for a facility. The licensee must demonstrate substantial compliance  
50 prior to being issued a full license.

1 A provisional license for a period not to exceed six months may be granted by the Secretary  
2 to a person ~~who~~that is temporarily unable to comply with a rule when the noncompliance does  
3 not present an immediate threat to the health and safety of the individuals in the licensable  
4 facility. During this period the licensable facility shall correct the noncompliance based on a plan  
5 submitted to and approved by the Secretary. A provisional license for an additional period of  
6 time to meet the noncompliance ~~may~~shall not be issued.

7 (e1) Except as provided in subsection (e2) of this section, the Secretary shall not enroll  
8 any new provider for Medicaid Home or Community Based services or other Medicaid services,  
9 as defined in 42 C.F.R. 440.90, 42 C.F.R. 440.130(d), and 42 C.F.R. 440.180, or issue a license  
10 for a new facility or a new service to any applicant meeting any of the following criteria:

- 11 (1) The applicant was the owner, principal, or affiliate of a licensable facility  
12 under Chapter 122C, Chapter 131D, or Article 7 of Chapter 110 of the General  
13 Statutes that had its license revoked until 60 months after the date of the  
14 revocation.
- 15 (2) The applicant is the owner, principal, or affiliate of a licensable facility that  
16 was assessed a penalty for a Type A or Type B violation under Article 3 of  
17 this Chapter, or any combination thereof, and any one of the following  
18 conditions exist:
  - 19 a. A single violation has been assessed in the six months prior to the  
20 application.
  - 21 b. Two violations have been assessed in the 18 months prior to the  
22 application and 18 months have not passed from the date of the most  
23 recent violation.
  - 24 c. Three violations have been assessed in the 36 months prior to the  
25 application and 36 months have not passed from the date of the most  
26 recent violation.
  - 27 d. Four or more violations have been assessed in the 60 months prior to  
28 application and 60 months have not passed from the date of the most  
29 recent violation.
- 30 (3) The applicant is the owner, principal, or affiliate of a licensable facility that  
31 had its license summarily suspended or downgraded to provisional status as a  
32 result of violations under G.S. 122C-24.1(a) until 60 months after the date of  
33 reinstatement or restoration of the license.
- 34 (4) The applicant is the owner, principal, or affiliate of a licensable facility that  
35 had its license summarily suspended or downgraded to provisional status as a  
36 result of violations under Article 1A of Chapter 131D of the General Statutes  
37 until 60 months after the date of reinstatement or restoration of the license.

38 ...

39 (e3) ~~For purposes of subdivision (e1)(2), fines assessed prior to October 23, 2002, are not~~  
40 ~~applicable to this provision. However, licensure~~Licensure or enrollment shall be denied if an  
41 applicant's history as a provider under Chapter 131D, Chapter 122C, or Article 7 of Chapter 110  
42 of the General Statutes is such that the Secretary has concluded the applicant will likely be unable  
43 to comply with licensing or enrollment statutes, rules, or regulations. In the event the Secretary  
44 denies licensure or enrollment under this subsection, the reasons for the denial and appeal rights  
45 pursuant to Article 3 of Chapter 150B shall be given to the provider in writing.

46 (f) Upon written application and in accordance with rules of the Commission, the  
47 Secretary may for good cause waive any of the rules implementing this Article, provided so long  
48 as those rules do not affect the health, safety, or welfare of the individuals within the licensable  
49 facility. Decisions made pursuant to this subsection may be appealed to the Commission for a  
50 hearing in accordance with Chapter 150B of the General Statutes.



(g) The Secretary may suspend the admission of any new clients to a facility licensed under this Article where the conditions of the facility are detrimental to the health or safety of the clients. This suspension shall be for the period determined by the Secretary and shall remain in effect until the Secretary is satisfied that conditions or circumstances merit removal of the suspension. In suspending admissions under this subsection, the Secretary shall consider the following factors:

- (1) The degree of sanctions necessary to ensure compliance with this section and rules adopted to implement this ~~subsection, and~~ subsection.
- (2) The character and degree of impact of the conditions at the facility on the health or safety of its clients.

A facility may contest a suspension of admissions under this subsection in accordance with Chapter 150B of the General Statutes. In contesting the suspension of admissions, the facility must file a petition for a contested case within 20 days after the Department mails notice of suspension of admissions to the licensee.

(h) The Department shall charge facilities licensed under this Chapter a nonrefundable annual base license fee plus a nonrefundable annual per-bed fee as follows:

Type of Facility	Number of Beds	Base Fee	Per-Bed Fee
Facilities <del>(non-ICF/MR):</del>			
<u>(non-ICF/IID):</u>	0 beds	\$215.00	\$0
	1 to 6 beds	\$305.00	\$0
	More than 6 beds	\$475.00	\$17.50
<del>ICF/MR-ICF/IID</del> Only:	1 to 6 beds	\$845.00	\$0
	More than 6 beds	\$800.00	\$17.50

...."

**SECTION 9.(i)** G.S. 131E-267 reads as rewritten:

**"§ 131E-267. Fees for departmental review of licensed health care facility or Medical Care Commission bond-financed construction projects.**

(a) The Department of Health and Human Services shall charge a fee for the review of each health care facility construction project to ensure that project plans and construction are in compliance with State law. The fee shall be charged on a one-time, per-project basis as provided in this section. In no event ~~may~~ shall a fee imposed under this section exceed two hundred thousand dollars (\$200,000) for any single project. The first seven hundred twelve thousand six hundred twenty-six dollars (\$712,626) in fees collected under this section shall remain in the Division of Health Service Regulation. Additional fees collected shall be credited to the General Fund as nontax revenue and are intended to offset rather than replace appropriations made for this purpose.

...

(g) The fee imposed for the review of the following residential construction projects is:

<b>Residential Project</b>	<b>Project Fee</b>
Family Care Homes	\$225.00 flat fee
<del>ICF/MR-ICF/IID</del> Group Homes	\$350.00 flat fee
Group Homes: 1-3 beds	\$125.00 flat fee
Group Homes: 4-6 beds	\$225.00 flat fee
Group Homes: 7-9 beds	\$275.00 flat fee
Adult Day Care	
Overnight Respite Facility	\$225.00 flat fee
Adult Day Health	
Overnight Respite Facility	\$225.00 flat fee
Other residential:	

1 More than 9 beds \$275.00 plus \$0.15 per square foot of  
 2 project space."

3 **SECTION 9.(j)** G.S. 131E-272 reads as rewritten:

4 **"§ 131E-272. Initial licensure fees for new facilities.**

5 The following fees are initial licensure fees for new facilities and are applicable as follows:

6 Facility Type	7 Number of Beds	8 Initial License Fee	9 Initial Bed Fee
10 Adult Care Licensure	11 More than 6	12 \$400.00	13 \$19.00
	14 6 or Fewer	15 \$350.00	16 \$ -
17 Acute and Home Care			
18 General Acute Hospitals	19 1-49	20 \$550.00	21 \$19.00
	22 50-99	23 \$750.00	24 \$19.00
	25 100-199	26 \$950.00	27 \$19.00
	28 200-399	29 \$1150.00	30 \$19.00
	31 400-699	32 \$1550.00	33 \$19.00
	34 700+	35 \$1950.00	36 \$19.00
37 Other Hospitals		38 \$1050.00	39 \$19.00
40 Home Care	41 -	42 \$560.00	43 \$ -
44 Ambulatory Surgical Ctrs.	45 -	46 \$900.00	47 \$85.00
48 Hospice (Free Standing)	49 -	50 \$450.00	51 \$ -
52 Abortion Clinics	53 -	54 \$750.00	55 \$ -
56 Cardiac Rehab. Centers	57 -	58 \$425.00	59 \$ -
60 Nursing Home & L&C			
61 Nursing Homes		62 \$470.00	63 \$19.00
64 All Others		65 \$ -	66 \$19.00
67 Mental Health Facilities			
68 Nonresidential		69 \$265.00	70 \$ -
71 <del>Non-ICF-MR</del> <u>Non ICF/IID</u>	72 6 or fewer	73 \$350.00	74 \$ -
75 <del>ICF-MR</del> <u>ICF/IID only</u>	76 6 or fewer	77 \$900.00	78 \$ -
79 <del>Non-ICF-MR</del> <u>Non ICF/IID</u>	80 More than 6	81 \$525.00	82 \$19.00
83 <del>ICF-MR</del> <u>ICF/IID only</u>	84 More than 6	85 \$850.00	86 \$19.00."

87 **SECTION 9.(k)** G.S. 160D-907 reads as rewritten:

88 **"§ 160D-907. Family care homes.**

89 (a) The General Assembly finds it is the public policy of this State to provide persons  
 90 with disabilities with the opportunity to live in a normal residential environment.

91 (b) As used in this section, the following definitions apply:

92 (1) Family care home. – A home with support and supervisory personnel that  
 93 provides room and board, personal care, and habilitation services in a family  
 94 environment for not more than six resident persons with disabilities.

95 (2) Person with disabilities. – A person with a temporary or permanent physical,  
 96 emotional, or mental disability, including, but not limited to, ~~mental~~  
 97 ~~retardation~~, an intellectual or other developmental disability, cerebral palsy,  
 98 epilepsy, autism, hearing and sight impairments, emotional disturbances, and  
 99 orthopedic impairments but not including ~~mentally ill~~ persons with a mental  
 100 illness who are dangerous to others as defined in G.S. 122C-3(11)b.

101 (c) A family care home ~~shall be~~ is deemed a residential use of property for zoning  
 102 purposes and ~~shall be~~ is a permissible use in all residential districts. No local government ~~may~~  
 103 shall require that a family care home, its owner, or operator obtain, because of the use, a special

1 use permit or variance from any such zoning regulation; ~~provided, however, that~~ a local  
2 government may prohibit a family care home from being located within a one-half mile radius  
3 of an existing family care home.

4 (d) A family care home ~~shall be~~ is deemed a residential use of property for the purposes  
5 of determining charges or assessments imposed by local governments or businesses for water,  
6 sewer, power, telephone service, cable television, garbage and trash collection, repairs or  
7 improvements to roads, streets, and sidewalks, and other services, utilities, and improvements."

8 **SECTION 10.** G.S. 113-276 reads as rewritten:

9 **"§ 113-276. Exemptions and exceptions to license and permit requirements.**

10 (a), (b) Repealed by Session Laws 1979, c. 830, s. 1.

11 (c) Except as otherwise provided in this Subchapter, every landholder, ~~his~~ landholder's  
12 spouse, and dependents under 18 years of age residing with ~~him~~ the landholder may take wildlife  
13 upon the land held by the landholder without any license required by G.S. 113-270.1B or  
14 G.S. 113-270.3(a), except that ~~such~~ these persons are not exempt from the American alligator  
15 licenses established in G.S. 113-270.3(b)(6) and G.S. 113-270.3(b)(7), elk licenses established  
16 in G.S. 113-270.3(b)(8) and G.S. 113-270.3(b)(9), bear management stamp established in  
17 G.S. 113-270.3(b)(1b), and the falconry license described in G.S. 113-270.3(b)(4).

18 (d) Except as otherwise provided in this Subchapter, individuals under 16 years of age  
19 are exempt from the hunting and trapping license requirements of G.S. 113-270.1B(a) and  
20 G.S. 113-270.3, except that ~~such~~ these individuals are not exempt from the American alligator  
21 licenses established in G.S. 113-270.3(b)(6) and G.S. 113-270.3(b)(7), elk licenses established  
22 in G.S. 113-270.3(b)(8) and G.S. 113-270.3(b)(9), and the falconry license described in  
23 G.S. 113-270.3(b)(4). Individuals under 16 years of age may hunt under this exemption, ~~provided~~  
24 ~~that so long as~~ the hunter is accompanied by an adult of at least 18 years of age who is licensed  
25 to hunt in this State. For purposes of this section, "accompanied" means that the licensed adult  
26 maintains a proximity that enables the adult to monitor the activities of the hunter by remaining  
27 within sight and hearing distance at all times without use of electronic devices. Upon successfully  
28 obtaining the hunter education certificate of competency required by G.S. 113-270.1A(a), a  
29 hunter may hunt under the license exemption until age 16 without adult accompaniment.  
30 Individuals under 16 years of age are exempt from the fishing license requirements of  
31 ~~G.S. 113-270.1B(a), 113-272, G.S. 113.270.1B(a) and 113-271.~~ G.S. 113-271.

32 (e) Repealed by Session Laws 2005-455, s. 1.11.

33 (f) A special device license is not required when a landing net is ~~used~~ used in any of the  
34 following applications:

35 (1) To take nongame fish in inland fishing ~~waters; or~~ waters.

36 (2) To assist in taking fish in inland fishing waters when the initial and primary  
37 method of taking is by the use of hook and line – so long as applicable  
38 hook-and-line fishing-license requirements are met.

39 As used in this subsection, a "landing net" is a net with a handle not exceeding eight feet in length  
40 and with a hoop or frame to which the net is attached not exceeding 60 inches along its outer  
41 perimeter.

42 (g) Bow nets covered by a special device license may be used in waters and during the  
43 seasons authorized in the rules of the Wildlife Resources Commission by an individual other than  
44 the licensee with the permission of the licensee. The individual using another's bow net must also  
45 secure the net owner's special device license and keep it on or about ~~his~~ the individual's person  
46 while fishing in inland fishing waters.

47 (h) Repealed by Session Laws 1979, c. 830, s. 1.

48 (i) A food server may prepare edible wildlife lawfully taken and possessed by a patron  
49 for serving to the patron and any guest ~~he~~ the patron may have. The Executive Director may  
50 provide for the keeping of records by the food server necessary for administrative control and  
51 supervision with respect to wildlife brought in by patrons.

1 ...  
2 (k) Box-trapped rabbits may be released for the purpose of training dogs on an area of  
3 private land ~~which that~~ is completely enclosed with a metal fence through which rabbits may not  
4 escape or enter at any time. The Wildlife Resources Commission may establish rules to set  
5 standards for areas on which rabbits are released. A person may participate in a field trial for  
6 beagles without a hunting license if approved in advance by the Executive Director, conducted  
7 without the use or possession of firearms, and on an area of not more than 100 acres of private  
8 land ~~which that~~ is completely and permanently enclosed with a metal fence through which rabbits  
9 may not escape or enter at any time.

10 ...  
11 (l2) A resident of this State who is a member of the Armed Forces of the United States  
12 serving outside the State, or who is serving on full-time active military duty outside the State in  
13 a reserve component of the Armed Forces of the United States as defined in 10 U.S.C. § 10101,  
14 is exempt from the hunting and fishing license requirements of G.S. 113-270.1B,  
15 G.S. 113-270.3(b)(1), G.S. 113-270.3(b)(3), G.S. 113-270.3(b)(5), G.S. 113-271,  
16 ~~G.S. 113-272.2(e)(1)~~,—and the Coastal Recreational Fishing License requirements of  
17 G.S. 113-174.2 while that person is on leave in this State for 30 days or less. In order to qualify  
18 for the exemption provided under this subsection, the person shall have on his or her person at  
19 all times during the hunting or fishing activity the person's military identification card and a copy  
20 of the official document issued by the person's service unit confirming that the person is on  
21 authorized leave from a duty station outside this State.

22 A person exempted from licensing requirements under this subsection is responsible for  
23 complying with any reporting requirements prescribed by rule of the Wildlife Resources  
24 Commission, complying with the hunter education requirements of G.S. 113-270.1A, purchasing  
25 any federal migratory waterfowl stamps as a result of waterfowl hunting activity, and complying  
26 with any other requirements that apply to the holder of a North Carolina ~~license is subject~~  
27 ~~to license~~.

28 (m) The fourth day of July of each year is declared a free fishing day to promote the sport  
29 of fishing and no hook-and-line fishing license is required to fish in any of the public waters of  
30 the State on that day. All other laws and rules pertaining to hook-and-line fishing apply.

31 (n) The Wildlife Resources Commission may adopt rules to exempt individuals from the  
32 hunting and fishing license requirements of G.S. 113-270.1B, 113-270.3(b)(1),  
33 113-270.3(b)(1a), 113-270.3(b)(1b), 113-270.3(b)(2), 113-270.3(b)(3), 113-270.3(b)(5),  
34 ~~113-271, and 113-272.2(e)(1)~~ and 113-271 who participate in organized hunting and fishing  
35 events for the specified time and place of the event when the purpose of the event is consistent  
36 with the conservation objectives of the Commission. A person exempted from licensing  
37 requirements under this subsection is responsible for complying with any reporting requirements  
38 prescribed by rule of the Wildlife Resources Commission, purchasing any federal migratory  
39 waterfowl stamps as a result of waterfowl hunting activity, and complying with any other  
40 requirements that apply to the holder of a North Carolina ~~license is subject to~~ license. Those  
41 exempted persons shall comply with the hunter safety requirements of G.S. 113-270.1A or shall  
42 be accompanied by a properly licensed adult who maintains a proximity to the ~~license-exempt~~  
43 individual ~~which that~~ enables the adult to monitor the activities of, and communicate with, the  
44 individual at all times.

45 ...."

46 **SECTION 11.** G.S. 115C-218.75 reads as rewritten:

47 "**§ 115C-218.75. General operating requirements.**

48 (a) Health and Safety Standards. – A charter school shall meet the same health and safety  
49 requirements required of a local school administrative unit. The Department of Public Instruction  
50 shall ensure that charter schools provide parents and guardians with information about  
51 meningococcal meningitis and influenza and their vaccines at the beginning of every school year.

1 This information shall include the causes, symptoms, and how meningococcal meningitis and  
2 influenza are spread and the places where parents and guardians may obtain additional  
3 information and vaccinations for their children.

4 The Department of Public Instruction shall also ensure that charter schools provide parents  
5 and guardians with information about cervical cancer, cervical dysplasia, human papillomavirus,  
6 and the vaccines available to prevent these diseases. This information shall be provided at the  
7 beginning of the school year to parents of children entering grades five through 12. This  
8 information shall include the causes and symptoms of these diseases, how they are transmitted,  
9 how they may be prevented by vaccination, including the benefits and possible side effects of  
10 vaccination, and the places where parents and guardians may obtain additional information and  
11 vaccinations for their children.

12 The Department of Public Instruction shall also ensure that charter schools provide students  
13 in grades seven through 12 with information annually on the preventable risks for preterm birth  
14 in subsequent pregnancies, including induced abortion, smoking, alcohol consumption, the use  
15 of illicit drugs, and inadequate prenatal care.

16 The Department of Public Instruction shall also ensure that charter schools provide students  
17 in grades nine through 12 with information annually on the manner in which a parent may  
18 lawfully abandon a newborn baby with a responsible person, in accordance with G.S. 7B-500.

19 The Department of Public Instruction shall also ensure that the guidelines for individual  
20 diabetes care plans adopted by the State Board of Education under G.S. 115C-12(31) are  
21 implemented in charter schools in which students with diabetes are enrolled and that charter  
22 schools otherwise comply with ~~the provisions of~~ G.S. 115C-375.3.

23 The Department of Public Instruction shall ensure that charter schools comply with  
24 G.S. 115C-375.2A. The board of directors of a charter school shall provide the school with a  
25 supply of emergency epinephrine auto-injectors necessary to ~~carry out~~ meet the ~~provisions~~  
26 requirements of G.S. 115C-375.2A.

27 (b) School Risk Management Plan. – Each charter school, in coordination with local law  
28 enforcement and emergency management agencies, is encouraged to adopt a School Risk  
29 Management Plan (SRMP) relating to incidents of school violence. In constructing and  
30 maintaining these plans, charter schools may utilize the School Risk and Response Management  
31 System (SRRMS) established pursuant to G.S. 115C-105.49A. These plans are not considered a  
32 public record as the term "public record" is defined under G.S. 132-1 and ~~shall not be~~ are not  
33 subject to inspection and examination under G.S. 132-6.

34 Charter schools are encouraged to provide schematic diagrams and keys to the main entrance  
35 of school facilities to local law enforcement agencies, in addition to implementing ~~the provisions~~  
36 in G.S. 115C-105.52.

37 ...

38 (e) School Safety Information Provided to Division of Emergency Management. – A  
39 charter school is encouraged to provide the following: (i) schematic diagrams, including digital  
40 schematic diagrams, and (ii) emergency response information requested by the Division for the  
41 SRMP. The schematic diagrams and emergency response information are not considered public  
42 records as the term "public record" is defined under G.S. 132-1 and ~~shall not be~~ are not subject  
43 to inspection and examination under G.S. 132-6.

44 ...

45 (h) School-Based Mental Health Plan Required. – A charter school shall adopt a  
46 school-based mental health plan, including a mental health training program and suicide risk  
47 referral protocol, in accordance with G.S. 115C-376.5."

48 **SECTION 12.** The title of Article 36 of Chapter 120 of the General Statutes reads  
49 as rewritten:

50 "Article 36.

51 "Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources."

1           **SECTION 13.** G.S. 143-318.18 reads as rewritten:

2   "**§ 143-318.18. Exceptions.**

3       This Article does not apply ~~to~~ to any of the following:

4       ...

5       (4c) A caucus by members of the General Assembly; however, no member of the  
6       General Assembly shall participate in a caucus ~~which~~ that is called for the  
7       purpose of evading or subverting this Article.

8       (5) Law enforcement agencies.

9       (6) A public body authorized to investigate, examine, or determine the character  
10       and other qualifications of applicants for professional or occupational licenses  
11       or certificates or to take disciplinary actions against persons holding ~~such~~  
12       these licenses or certificates, (i) while preparing, approving, administering, or  
13       grading examinations or (ii) while meeting with respect to an individual  
14       applicant for or holder of ~~such a~~ the license or certificate. This exception does  
15       not amend, repeal, or supersede any other statute that requires a public hearing  
16       or other practice and procedure in a proceeding before ~~such a~~ the public body.

17       (7) Any public body subject to the State Budget Act, Chapter 143C of the General  
18       ~~Statutes~~ Statutes, and exercising quasi-judicial functions, during a meeting or  
19       session held solely for the purpose of making a decision in an adjudicatory  
20       action or proceeding.

21       (8) The boards of trustees of endowment funds authorized by ~~G.S. 116-36 or G.S.~~  
22       ~~116-238.~~ G.S. 116-36.

23       ...."

24   **SECTION 14.(a)** G.S. 143A-96.1 is repealed.

25   **SECTION 14.(b)** G.S. 144-9 reads as rewritten:

26   "**§ 144-9. Retirement of a flag of the United States of America or the State of North**  
27   **Carolina.**

28       (a) A State institution or a political subdivision of the State in possession of a flag of the  
29       United States of America or the State of North Carolina that is no longer a fitting emblem for  
30       display because it is worn, tattered, or otherwise damaged shall make arrangements for its  
31       respectful disposal and may deliver the flag to the ~~Division of Veterans Affairs in the Department~~  
32       ~~of Administration~~ Department of Military and Veterans Affairs for disposal. The ~~Division~~  
33       Department shall accept a flag delivered to it and shall make arrangements for its respectful  
34       disposal.

35       (b) The ~~Division of Veterans Affairs~~ Department of Military and Veterans Affairs shall  
36       accept, at no charge, a worn, tattered, or otherwise damaged flag of the United States of America  
37       or the State of North Carolina from a citizen of the State and shall make arrangements for its  
38       respectful disposal. The ~~Division~~ Department shall establish a flag retirement program to  
39       encourage citizens to send in or drop off ~~such worn, tattered, or otherwise damaged~~  
40       ~~Division's~~ Department's office in Raleigh and at any Veterans Home or Veterans Cemetery in the  
41       State and may establish other locations for flag drop-off as it deems appropriate. The ~~Division~~  
42       Department shall advertise the flag retirement program on its ~~Web site~~ website and by printed  
43       posters placed at all flag drop-off locations. On or before December 31, 2016, and annually  
44       ~~thereafter,~~ 31 annually, the ~~Division~~ Department shall report the number of flags received under  
45       the program to the Joint Legislative Committee on Governmental Operations.

46       (c) An official flag of the State that is no longer a fitting emblem for display because it  
47       is worn, tattered, or otherwise damaged may be respectfully retired by fire."

48   **SECTION 15.** G.S. 143B-1413(b) reads as rewritten:

49       "(b) In any civil action by a user of 911 services or next generation 911 services arising  
50       from an act or an omission by a PSAP, and the officers, directors, employees, vendors, agents,  
51       and authorizing government entity of the PSAP, in the performance of any lawful and prescribed

1 actions pertaining to their assigned job duties as a telecommunicator. ~~The telecommunicator, the~~  
2 plaintiff's burden of proof shall be ~~is~~ by clear and convincing evidence."

3 **SECTION 16.(a)** Subdivisions (1b) and (7) of G.S. 150B-2 are recodified as  
4 subdivisions (1a) and (5a) of G.S. 150B-2, respectively.

5 **SECTION 16.(b)** G.S. 150B-2, as amended by subsection (a) of this section, reads  
6 as rewritten:

7 **"§ 150B-2. Definitions.**

8 As used in this Chapter, ~~the following definitions apply:~~

9 (1) ~~"Administrative law judge" means a~~ Administrative law judge. – A person  
10 appointed under G.S. 7A-752, 7A-753, or 7A-757.

11 (1a) ~~"Adopt" means to~~ Adopt. – To take final action to create, amend, or repeal a  
12 rule.

13 ~~(1a)(1b)"Agency" means an~~ Agency. – An agency or an officer in the executive  
14 branch of the government of this State ~~and~~ State. The term includes the  
15 Council of State, the Governor's Office, a board, a commission, a department,  
16 a division, a council, and any other unit of government in the executive branch.  
17 A local unit of government is not an agency.

18 (1c) ~~"Codifier of Rules" means the~~ Codifier of Rules. – The person appointed by  
19 the Chief Administrative Law Judge of the Office of Administrative Hearings  
20 pursuant to G.S. 7A-760(b).

21 (1d) ~~"Commission" means the~~ Commission. – The Rules Review Commission.

22 (2) ~~"Contested case" means an~~ Contested case. – An administrative proceeding  
23 pursuant to this Chapter to resolve a dispute between an agency and another  
24 person that involves the person's rights, duties, or privileges, including  
25 licensing or the levy of a monetary penalty. ~~"Contested case"~~ The term does  
26 not include rulemaking, declaratory rulings, or the award or denial of a  
27 scholarship, a grant, or a loan.

28 (2a) Repealed by Session Laws 1991, c. 418, s. 3.

29 (2b) ~~"Hearing officer" means a~~ Hearing officer. – A person or group of persons  
30 designated by an agency that is subject to Article 3A of this Chapter to preside  
31 in a contested case hearing conducted under that Article.

32 (3) ~~"License" means any~~ License. – Any certificate, ~~permit~~ permit, or other  
33 evidence, by whatever name called, of a right or privilege to engage in any  
34 activity, except licenses issued under Chapter 20 and Subchapter I of Chapter  
35 105 of the General Statutes, occupational licenses, and certifications of  
36 electronic poll books, ballot duplication systems, or voting systems under  
37 G.S. 163-165.7.

38 (4) ~~"Licensing" means any~~ Licensing. – Any administrative action issuing, failing  
39 to issue, suspending, or revoking a license or occupational license.  
40 ~~"Licensing"~~ The term does not include controversies over whether an  
41 examination was fair or whether the applicant passed the examination.

42 (4a) ~~"Occupational license" means any~~ Occupational license. – Any certificate,  
43 permit, or other evidence, by whatever name called, of a right or privilege to  
44 engage in a profession, occupation, or field of endeavor that is issued by an  
45 occupational licensing agency.

46 (4b) ~~"Occupational licensing agency" means any~~ Occupational licensing agency. –  
47 Any board, commission, ~~committee~~ committee, or other agency of the State  
48 of North Carolina ~~which~~ that is established for the primary purpose of  
49 regulating the entry of persons into, ~~and/or~~ or the conduct of persons within a  
50 particular profession, ~~occupation~~ occupation, or field of endeavor, and ~~which~~  
51 that is authorized to issue and revoke licenses. ~~"Occupational licensing~~

agency" ~~The term~~ does not include State agencies or departments ~~which that~~ may as only a part of their regular function issue permits or licenses.

(5) ~~"Party" means any Party.~~ – Any person or agency named or admitted as a party or properly seeking as of right to be admitted as a party and includes the agency as appropriate.

(5a) ~~"Person" means any Person.~~ – Any natural person, partnership, corporation, body ~~politic~~ politic, and any unincorporated association, organization, or society ~~which that~~ may sue or be sued under a common name.

(6) ~~"Person aggrieved" means any Person aggrieved.~~ – Any person or group of persons of common interest directly or indirectly affected substantially in ~~his~~ his, her, or its person, property, or employment by an administrative decision.

(7a) ~~"Policy" means any Policy.~~ – Any nonbinding interpretive statement within the delegated authority of an agency that merely defines, interprets, or explains the meaning of a statute or rule. The term includes any document issued by an agency ~~which that~~ is intended and used purely to assist a person to comply with the law, such as a guidance document.

(8) ~~"Residence" means domicile~~ Residence. – Domicile or principal place of business.

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

...

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

...

l. Standards adopted by the ~~Department of Information Technology~~ State Chief Information Officer and applied to information technology as defined by ~~G.S. 147-33.81~~ in G.S. 143B-1320.

(8b) Repealed by Session Laws 2011-398, s. 61.2, effective July 25, 2011.

(8c) ~~"Substantial evidence" means relevant~~ Substantial evidence. – Relevant evidence a reasonable mind might accept as adequate to support a conclusion.

(9) Repealed by Session Laws 1991, c. 418, s. 3."

**SECTION 16.(c)** G.S. 150B-38 reads as rewritten:

**"§ 150B-38. Scope; hearing required; notice; venue.**

(a) The provisions of this Article shall apply to:

(1) Occupational licensing agencies.

(2) The State Banking Commission, the Commissioner of Banks, and the Credit Union Division of the Department of Commerce.

(3) The Department of Insurance and the Commissioner of Insurance.

(4) The State Chief Information Officer in the administration of the provisions of Article 15 of Chapter 143B of the General Statutes.

(5) The North Carolina State Building Code Council.

(6) Repealed by Session Laws 2018-146, s. 4.4(b), effective December 27, 2018.

(b) Prior to any agency action in a contested case, the agency shall give the parties in the case an opportunity for a hearing without undue delay and notice not less than 15 days before the hearing. Notice to the parties shall ~~include~~ include all of the following:



- 1 (1) A statement of the date, hour, place, and nature of the ~~hearing~~hearing.
- 2 (2) A reference to the particular sections of the statutes and rules ~~involved~~;  
3 ~~and involved~~.
- 4 (3) A short and plain statement of the facts alleged.

5 (c) Notice shall be given by one of the methods for service of process under G.S. 1A-1,  
6 Rule 4(j) or Rule 4(j3). If given by registered or certified mail, by signature confirmation as  
7 provided by the United States Postal Service, or by designated delivery service authorized  
8 pursuant to 26 U.S.C. § 7502(f)(2) with delivery receipt, notice shall be deemed to have been  
9 given on the delivery date appearing on the return receipt, copy of proof of delivery provided by  
10 the United States Postal Service, or delivery receipt. If notice cannot be given by one of the  
11 methods for service of process under G.S. 1A-1, Rule 4(j) or Rule 4(j3), then notice shall be  
12 given in the manner provided in G.S. 1A-1, Rule 4(j1).

13 (d) A party ~~who~~that has been served with a notice of hearing may file a written response  
14 with the agency. If a written response is filed, a copy of the response ~~must~~shall be mailed to all  
15 other parties not less than 10 days before the date set for the hearing.

16 (e) All hearings conducted under this Article shall be open to the public. A hearing  
17 conducted by the agency shall be held in the county where the agency maintains its principal  
18 office. A hearing conducted for the agency by an administrative law judge requested under  
19 G.S. 150B-40 shall be held in a county in this State where any person whose property or rights  
20 are the subject matter of the hearing resides. If a different venue would promote the ends of  
21 justice or better serve the convenience of witnesses, the agency or the administrative law judge  
22 may designate another county. A person whose property or rights are the subject matter of the  
23 hearing waives ~~his~~an objection to venue ~~if he proceeds by~~proceeding in the hearing.

24 (f) Any person may petition to become a party by filing with the agency or hearing officer  
25 a motion to intervene in the manner provided by G.S. 1A-1, Rule 24. In addition, any person  
26 interested in a contested case under this Article may intervene and participate to the extent  
27 deemed appropriate by the agency hearing officer.

28 (g) When contested cases involving a common question of law or fact or multiple  
29 proceedings involving the same or related parties are pending before an agency, the agency may  
30 order a joint hearing of any matters at issue in the cases, order the cases consolidated, or make  
31 other orders to reduce costs or delay in the proceedings.

32 (h) Every agency shall adopt rules governing the conduct of hearings that are consistent  
33 with the provisions of this Article.

34 (i) ~~Standards adopted by the State Chief Information Officer and applied to information~~  
35 ~~technology as defined in G.S. 143B-1320."~~

36 **SECTION 16.(d)** G.S. 122C-151.4 reads as rewritten:

37 **"§ 122C-151.4. Appeal to State MH/DD/SA Appeals Panel.**

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

- 39 (1) ~~"Appeals Panel" means the State MH/DD/SA Appeals Panel established under~~  
40 ~~this section.~~
- 41 (1a) ~~"Client" means an Client.~~ – An individual who is admitted to or receiving  
42 public services from an area facility. ~~"Client"~~The term includes the client's  
43 personal representative or designee.
- 44 (1b) ~~"Contract" means a Contract.~~ – A contract with an area authority or county  
45 program to provide services, other than personal services, to clients and other  
46 recipients of services.
- 47 (2) ~~"Contractor" means a Contractor.~~ – A person ~~who~~that has a contract or ~~who~~  
48 that had a contract during the current fiscal year.
- 49 (3) ~~"Former contractor" means a Former contractor.~~ – A person ~~who~~that had a  
50 contract during the previous fiscal year.
- 51 (4) Panel. – The State MH/DD/SA Appeals Panel established under this section.

1 (b) Appeals Panel. – The State MH/DD/SA Appeals Panel is established. The Panel shall  
2 consist of three members appointed by the Secretary. The Secretary shall determine the  
3 qualifications of the Panel members. Panel members serve at the pleasure of the Secretary.

4 (c) ~~Who Can Persons That May Appeal.~~ – The following persons may appeal to the State  
5 ~~MH/DD/SA Appeals Panel~~ after having exhausted the appeals process at the appropriate area  
6 authority or county program:

7 (1) A contractor or a former contractor ~~who~~that claims that an area authority or  
8 county program is not acting or has not acted within applicable State law or  
9 rules in denying the contractor's application for endorsement or in imposing a  
10 particular requirement on the contractor on fulfillment of the  
11 ~~contract;~~contract.

12 (2) A contractor or a former contractor ~~who~~that claims that a requirement of the  
13 contract substantially compromises the ability of the contractor to fulfill the  
14 ~~contract;~~contract.

15 (3) A contractor or former contractor ~~who~~that claims that an area authority or  
16 county program has acted arbitrarily and capriciously in reducing funding for  
17 the type of services provided or formerly provided by the contractor or former  
18 ~~contractor;~~contractor.

19 (4) A client or a person who was a client in the previous fiscal year, who claims  
20 that an area authority or county program has acted arbitrarily and capriciously  
21 in reducing funding for the type of services provided or formerly provided to  
22 the client directly by the area authority or county ~~program;~~ and program.

23 (5) A person ~~who~~that claims that an area authority or county program did not  
24 comply with a State law or a rule adopted by the Secretary or the Commission  
25 in developing the plans and budgets of the area authority or county program  
26 and that the failure to comply has adversely affected the ability of the person  
27 to participate in the development of the plans and budgets.

28 (d) Hearing. – All members of the ~~State MH/DD/SA Appeals Panel~~ shall hear an appeal  
29 to the Panel. An appeal shall be filed with the Panel within the time required by the Secretary  
30 and shall be heard by the Panel within the time required by the Secretary. A hearing shall be  
31 conducted at the place determined in accordance with the rules adopted by the Secretary. A  
32 hearing before the Panel shall be informal; no sworn testimony shall be taken and the rules of  
33 evidence do not apply. The person ~~who~~that appeals to the Panel has the burden of proof. The  
34 Panel shall not stay a decision of an area authority during an appeal to the Panel.

35 (e) Decision. – The ~~State MH/DD/SA Appeals Panel~~ shall make a written decision on  
36 each appeal to the Panel within the time set by the Secretary. A decision may direct a contractor,  
37 an area authority, or a county program to take an action or to refrain from taking an action, but it  
38 shall not require a party to the appeal to pay any amount except payment due under the contract.  
39 In making a decision, the Panel shall determine the course of action that best protects or benefits  
40 the clients of the area authority or county program. If a party to an appeal fails to comply with a  
41 decision of the Panel and the Secretary determines that the failure deprives clients of the area  
42 authority or county program of a type of needed service, the Secretary may use funds previously  
43 allocated to the area authority or county program to provide the service.

44 (f) Chapter 150B Appeal. – A person ~~who~~that is dissatisfied with a decision of the Panel  
45 may commence a contested case under Article 3 of Chapter 150B of the General Statutes.  
46 Notwithstanding ~~G.S. 150B-2(1a),~~ G.S. 150B-2(1b), an area authority or county program is  
47 considered an agency for purposes of the limited appeal authorized by this section. If the need to  
48 first appeal to the ~~State MH/DD/SA Appeals Panel~~ is waived by the Secretary, a contractor may  
49 appeal directly to the Office of Administrative Hearings after having exhausted the appeals  
50 process at the appropriate area authority or county program.

1 (g) Limitation of Applicability. – This section does not apply to LME/MCOs, enrollees,  
2 applicants, providers of emergency services, or network providers subject to Chapter 108D of  
3 the General Statutes."

4 **SECTION 16.(e)** G.S. 150B-23 reads as rewritten:

5 "**§ 150B-23. Commencement; assignment of administrative law judge; hearing required;  
6 notice; intervention.**

7 (a) A contested case shall be commenced by paying a fee in an amount established in  
8 G.S. 150B-23.2 and by filing a petition with the Office of Administrative Hearings and, except  
9 as provided in Article 3A of this Chapter, shall be conducted by that Office. The party ~~who~~that  
10 files the petition shall serve a copy of the petition on all other parties and, if the dispute concerns  
11 a license, the person ~~who~~that holds the license. A party ~~who~~that files a petition shall file a  
12 certificate of service together with the petition. A petition shall be signed by a party, an attorney  
13 representing a party, or other representative of the party as may specifically be authorized by law,  
14 and, if filed by a party other than an agency, shall state facts tending to establish that the agency  
15 named as the respondent has deprived the petitioner of property, has ordered the petitioner to pay  
16 a fine or civil penalty, or has otherwise substantially prejudiced the petitioner's rights and that  
17 the ~~agency~~agency did any of the following:

- 18 (1) Exceeded its authority or ~~jurisdiction~~jurisdiction.
- 19 (2) Acted ~~erroneously~~erroneously.
- 20 (3) Failed to use proper ~~procedure~~procedure.
- 21 (4) Acted arbitrarily or ~~capriciously~~capriciously.
- 22 (5) Failed to act as required by law or rule.

23 The parties in a contested case shall be given an opportunity for a hearing without undue  
24 delay. Any person aggrieved may commence a contested case ~~hereunder~~under this section.

25 A local government employee, applicant for employment, or former employee to whom  
26 Chapter 126 of the General Statutes applies may commence a contested case under this Article  
27 in the same manner as any other petitioner. The case shall be conducted in the same manner as  
28 other contested cases under this Article.

29 A business entity may represent itself using a nonattorney representative who is one or more  
30 of the following of the business entity: (i) officer, (ii) manager or member-manager, if the  
31 business entity is a limited liability company, (iii) employee whose income is reported on IRS  
32 Form W-2, if the business entity authorizes the representation in writing, or (iv) owner of the  
33 business entity, if the business entity authorizes the representation in writing and if the owner's  
34 interest in the business entity is at least twenty-five percent (25%). Authority for and prior notice  
35 of nonattorney representation shall be made in writing, under penalty of perjury, to the Office on  
36 a form provided by the Office.

37 (a1) Repealed by Session Laws 1985 (Regular Session, 1986), c. 1022, s. 1(9).

38 (a2) An administrative law judge assigned to a contested case may require a party to the  
39 case to file a prehearing statement. A party's prehearing statement ~~must~~shall be served on all  
40 other parties to the contested case.

41 (a3) A Medicaid or NC Health Choice enrollee, or the enrollee's authorized representative,  
42 who appeals a notice of resolution issued by a managed care entity under Chapter 108D of the  
43 General Statutes may commence a contested case under this Article in the same manner as any  
44 other petitioner. The case shall be conducted in the same manner as other contested cases initiated  
45 by Medicaid or NC Health Choice enrollees under this Article. Solely and only for the purposes  
46 of contested cases commenced pursuant to G.S. 108D-15 by enrollees of LME/MCOs to appeal  
47 a notice of resolution issued by the LME/MCO, an LME/MCO is considered an agency as defined  
48 in ~~G.S. 150B-2(1a)~~G.S. 150B-2. The LME/MCO ~~shall not be~~is not considered an agency for  
49 any other purpose. When a prepaid health plan, as defined in G.S. 108D-1, other than an  
50 LME/MCO, is under contract with the Department of Health and Human Services to issue notices  
51 of resolution under Article 2 of Chapter 108D of the General Statutes, then solely and only for

1 the purposes of contested cases commenced pursuant to G.S. 108D-15 to appeal a notice of  
2 resolution issued by the prepaid health plan, the prepaid health plan ~~shall be~~ is considered an  
3 agency as defined in ~~G.S. 150B-2(1a)~~. G.S. 150B-2. The prepaid health plan ~~shall not be~~ is not  
4 considered an agency for any other purpose.

5 ...

6 (c) Notice shall be given by one of the methods for service of process under G.S. 1A-1,  
7 Rule 4(j) or Rule 4(j3). If given by registered or certified mail, by signature confirmation as  
8 provided by the United States Postal Service, or by designated delivery service authorized  
9 pursuant to 26 U.S.C. § 7502(f)(2) with delivery receipt, notice ~~shall be~~ is deemed to have been  
10 given on the delivery date appearing on the return receipt, copy of the proof of delivery provided  
11 by the United States Postal Service, or delivery receipt. If giving of notice cannot be  
12 accomplished by a method under G.S. 1A-1, Rule 4(j) or Rule 4(j3), notice shall then be given  
13 in the manner provided in G.S. 1A-1, Rule 4(j1).

14 ...

15 (f) Unless another statute or a federal statute or regulation sets a time limitation for the  
16 filing of a petition in contested cases against a specified agency, the general limitation for the  
17 filing of a petition in a contested case is 60 days. The time limitation, whether established by  
18 another statute, federal statute, or federal regulation, or this section, ~~shall commence~~ commences  
19 when notice is given of the agency decision to all persons aggrieved ~~who that~~ are known to the  
20 agency by personal delivery, electronic delivery, or by the placing of the notice in an official  
21 depository of the United States Postal Service wrapped in a wrapper addressed to the person at  
22 the latest address given by the person to the agency. The notice shall be in writing, ~~and~~ shall set  
23 forth the agency action, and shall inform the persons of the right, the procedure, and the time  
24 limit to file a contested case petition. When no informal settlement request has been received by  
25 the agency prior to issuance of the notice, any subsequent informal settlement request shall not  
26 suspend the time limitation for the filing of a petition for a contested case hearing. When the  
27 Chief Justice of the North Carolina Supreme Court determines and declares that catastrophic  
28 conditions exist or have existed in one or more counties of the State and issues an order pursuant  
29 to G.S. 7A-39(b), the chief administrative law judge may by order entered pursuant to this  
30 subsection extend, to a date certain no fewer than 10 days after the effective date of the order,  
31 the time or period of limitation, whether established by another statute or this section, for the  
32 filing of a petition for a contested case. The order shall be in writing and ~~shall become~~ becomes  
33 effective for each affected county upon the date set forth in the order, and if no date is set forth  
34 in the order, then upon the date the order is signed by the chief administrative law judge. The  
35 order shall provide that it ~~shall expire~~ expires upon the expiration of the Chief Justice's order.

36 ...."

37 **SECTION 17.** G.S. 150B-21.2 reads as rewritten:

38 "**§ 150B-21.2. Procedure for adopting a permanent rule.**

39 ...

40 (c) Notice of Text. – A notice of the proposed text of a rule must include all of the  
41 following:

- 42 (1) The text of the proposed rule, unless the rule is a readoption without  
43 substantive changes to the existing rule proposed in accordance with  
44 G.S. 150B-21.3A.
- 45 (2) A short explanation of the reason for the proposed rule.
- 46 (2a) A link to the agency's ~~Web site~~ website containing the information required  
47 by G.S. 150B-19.1(c).
- 48 (3) A citation to the law that gives the agency the authority to adopt the rule.
- 49 (4) The proposed effective date of the rule.
- 50 (5) The date, time, and place of any public hearing scheduled on the rule.

1 (6) Instructions on how a person may demand a public hearing on a proposed rule  
2 if the notice does not schedule a public hearing on the proposed rule and  
3 subsection (e) of this section requires the agency to hold a public hearing on  
4 the proposed rule when requested to do so.

5 (7) The (i) period of time during which and ~~the~~ (ii) person within the agency to  
6 whom written comments may be submitted on the proposed rule.

7 (8) If a fiscal note has been prepared for the rule, a statement that a copy of the  
8 fiscal note can be obtained from the agency.

9 (9) Repealed by Session Laws 2013-143, s. 1, effective June 19, 2013.

10 (d) Mailing List. – An agency must maintain a mailing list of persons ~~who~~ that have  
11 requested notice of ~~rule-making~~ rulemaking. When an agency publishes in the North Carolina  
12 Register a notice of text of a proposed rule, it must mail a copy of the notice ~~or~~ of text to each  
13 person on the mailing list ~~who~~ that has requested notice on the subject matter described in the  
14 notice or the rule affected. An agency may charge an annual fee to each person on the agency's  
15 mailing list to cover copying and mailing costs.

16 (e) Hearing. – An agency must hold a public hearing on a rule it proposes to adopt if the  
17 agency publishes the text of the proposed rule in the North Carolina Register and the agency  
18 receives a written request for a public hearing on the proposed rule within 15 days after the notice  
19 of text is published. The agency must accept comments at the public hearing on both the proposed  
20 rule and any fiscal note that has been prepared in connection with the proposed rule.

21 An agency may hold a public hearing on a proposed rule and fiscal note in other  
22 circumstances. When an agency is required to hold a public hearing on a proposed rule or decides  
23 to hold a public hearing on a proposed rule when it is not required to do so, the agency must  
24 publish in the North Carolina Register a notice of the date, time, and place of the public hearing.  
25 The hearing date of a public hearing held after the agency publishes notice of the hearing in the  
26 North Carolina Register must be at least 15 days after the date the notice is published. If notice  
27 of a public hearing has been published in the North Carolina Register and that public hearing has  
28 been cancelled, the agency ~~shall~~ must publish notice in the North Carolina Register at least 15  
29 days prior to the date of any rescheduled hearing.

30 ...

31 (g) Adoption. – An agency shall not adopt a rule until the time for commenting on the  
32 proposed text of the rule has elapsed and shall not adopt a rule if more than 12 months have  
33 elapsed since the end of the time for commenting on the proposed text of the rule. Prior to  
34 adoption, an agency ~~shall~~ must review any fiscal note that has been prepared for the proposed  
35 rule and consider any public comments received in connection with the proposed rule or the fiscal  
36 note. An agency shall not adopt a rule that differs substantially from the text of a proposed rule  
37 published in the North Carolina Register unless the agency publishes the text of the proposed  
38 different rule in the North Carolina Register and accepts comments on the proposed different rule  
39 for the time set in subsection (f) of this section.

40 An adopted rule differs substantially from a proposed rule if it does one or more of the  
41 following:

42 (1) Affects the interests of persons ~~who~~ that, based on the proposed text of the  
43 rule published in the North Carolina Register, could not reasonably have  
44 determined that the rule would affect their interests.

45 (2) Addresses a subject matter or an issue that is not addressed in the proposed  
46 text of the rule.

47 (3) Produces an effect that could not reasonably have been expected based on the  
48 proposed text of the rule.

49 When an agency adopts a rule, it shall not take subsequent action on the rule without following  
50 the procedures in this Part. An agency must submit an adopted rule to the Rules Review  
51 Commission within 30 days of the agency's adoption of the rule.

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...  
(i) Record. – An agency must keep a record of a ~~rule-making~~rulemaking proceeding. The record must include all written comments received, a transcript or recording of any public hearing held on the rule, any fiscal note that has been prepared for the rule, and any written explanation made by the agency for adopting the rule."

**SECTION 18.** Section 5 of S.L. 2020-90 is repealed.

**SECTION 19.** This act is effective when it becomes law.