

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 382
House Committee Substitute Favorable 6/14/23
Proposed Conference Committee Substitute S382-PCCS25006-TC-8

Short Title: Disaster Relief-3/Budget/Various Law Changes.

(Public)

Sponsors:

Referred to:

March 29, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE MODIFICATIONS TO AND PROVIDE ADDITIONAL
3 APPROPRIATIONS FOR DISASTER RECOVERY; TO MAKE TECHNICAL,
4 CLARIFYING, AND OTHER MODIFICATIONS TO THE CURRENT OPERATIONS
5 APPROPRIATIONS ACT OF 2023; AND TO MAKE VARIOUS CHANGES TO THE
6 LAW.

7 The General Assembly of North Carolina enacts:

8
9 **PART I. DISASTER RELIEF**

10
11 **SUBPART I-A. GENERAL PROVISIONS**

12 **SECTION 1A.1.** Title. – This Part shall be known as "The Disaster Recovery Act of
13 2024 – Part III."

14 **SECTION 1A.2.** Maximum Amounts; Effectuate Savings. – The appropriations and
15 allocations made in this Part are for maximum amounts necessary to implement this Part. Savings
16 shall be effected where the total amounts appropriated or allocated are not required to implement
17 this Part.

18 **SECTION 1A.3.** Scope. – Unless otherwise provided, this Part applies to the North
19 Carolina counties in the affected area, as defined in Section 1A.4 of this Part.

20 **SECTION 1A.4.** Definitions. – Unless otherwise provided, the following definitions
21 apply in this Part:

- 22 (1) Affected area. – The counties designated before, on, or after the effective date
23 of this act under a major disaster declaration by the President of the United
24 States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene.
25 (2) FEMA. – The Federal Emergency Management Agency.
26 (3) Helene Fund. – The Hurricane Helene Disaster Recovery Fund established in
27 Section 4.1 of S.L. 2024-51.
28 (4) OSBM. – The Office of State Budget and Management.
29 (5) Recipient. – A State agency or a non-State entity, as those terms are defined
30 in G.S. 143C-1-1.
31 (6) Savings Reserve. – The Savings Reserve established in G.S. 143C-4-2.
32 (7) SERDRF. – The State Emergency Response and Disaster Relief Fund
33 established in G.S. 166A-19.42.

34 **SECTION 1A.5.** Transfer of Additional Disaster Relief Funds. – Notwithstanding
35 G.S. 143C-4-2, the State Controller shall transfer the sum of two hundred twenty-seven million



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1 dollars (\$227,000,000) from the Savings Reserve to the Helene Fund and, except as otherwise
2 provided in this act, the funds shall remain unspent until appropriated by an act of the General
3 Assembly. It is the intent of the General Assembly to review funding and to consider actions
4 needed to address remaining unmet needs.

5 6 **SUBPART I-B. EDUCATION**

7 8 **CLARIFY EMPLOYEE COMPENSATION DURING INSTRUCTIONAL DAYS** 9 **DEEMED COMPLETED IN NOVEMBER OF 2024 DUE TO HURRICANE HELENE**

10 **SECTION 1B.1.** Section 8.1 of S.L. 2024-51, as amended by Section 4A.1 of S.L.
11 2024-53, reads as rewritten:

12 "SECTION 8.1.(a) School Calendar Flexibility. – Notwithstanding G.S. 115C-84.2(a)(1),
13 115C-150.12C(3), 115C-218.85(a)(1), 115C-238.53(d), 115C-238.66(1)d., 116-239.8(b)(2)c.,
14 Section 6(e) of S.L. 2018-32, and any other provision of State law to the contrary, if the governing
15 body of a public school unit closed any school under its control due to unusual and extraordinary
16 inclement weather conditions related to Hurricane Helene or PTC8, calendar flexibility for
17 missed instructional time from September 2024 through November 2024 shall be provided as
18 follows:

19 ...

20 "SECTION 8.1.(c) Employee Compensation. – Except in the case of a charter school, all
21 employees and contractors of a public school unit shall be deemed to have worked for any
22 scheduled instructional days missed due to Hurricane Helene ~~during the months of from~~
23 September 2024 and October 2024 through November 2024 that a public school unit has deemed
24 completed and is not required to make up. Employees and contractors shall be compensated in
25 the same manner they would have if they had worked on the scheduled instructional days missed.
26 The board of directors of a charter school may, but is not required to, provide such compensation
27 for its employees and contractors.

28"

29 30 **ALLOW CHANCELLOR OF THE UNIVERSITY OF NORTH CAROLINA AT** 31 **ASHEVILLE TO USE REMAINING TUITION GRANT FUNDS TO HELP UNCA**

32 **SECTION 1B.2.** Section 4A.4 of S.L. 2024-53 is amended by adding a new
33 subsection to read:

34 "SECTION 4A.4.(f) Remaining Grant Funds. – In the event there are funds remaining in
35 the 2024-2025 fiscal year after providing tuition grants to all eligible students, as provided by
36 this section, the Chancellor of UNCA may use those remaining funds in the Chancellor's
37 discretion to help UNCA."

38 39 **SUBPART I-C. HEALTH AND HUMAN SERVICES**

40 41 **EXTENSION OF MH/DD/SUS FACILITY LICENSES AND LICENSE RENEWAL** 42 **DEADLINES**

43 **SECTION 1C.1.(a)** Notwithstanding G.S. 122C-23(e) or any other law to the
44 contrary, both of the following apply to each licensable facility located in the affected area that
45 holds a valid, regular license for the 2024 calendar year to provide services for the care, treatment,
46 habilitation, or rehabilitation of individuals with mental illness, intellectual or developmental
47 disabilities, or substance use disorders:

- 48 (1) The validity of the facility's license is extended from December 31, 2024, to
49 March 1, 2025.

- 1 (2) The deadline for the facility to submit a renewal application and pay the
2 applicable fee for renewal of its license for the 2025 calendar year is March 1,
3 2025.

4 **SECTION 1C.1.(b)** As used in this section, "licensable facility" has the same
5 meaning as in G.S. 122C-3.

6
7 **AUTHORIZATION FOR THE DIVISION OF HEALTH SERVICE REGULATION TO**
8 **TEMPORARILY WAIVE RULES PERTAINING TO LOCAL CONFINEMENT**
9 **FACILITIES DURING CERTAIN EMERGENCIES**

10 **SECTION 1C.2.** G.S. 153A-221 reads as rewritten:

11 "**§ 153A-221. Minimum standards; waiver of rules during an emergency.**

12 ...

13 (f) The Division of Health Service Regulation of the North Carolina Department of
14 Health and Human Services may temporarily waive any rules applicable to local confinement
15 facilities upon any of the following:

- 16 (1) A declaration of a state of emergency by the Governor in accordance with
17 Article 1A of Chapter 166A of the General Statutes.
18 (2) A declaration of a national emergency by the President of the United States.
19 (3) A declaration of a public health emergency by the Secretary of the United
20 States Department of Health and Human Services.
21 (4) A temporary waiver or modification issued by the Secretary of the United
22 States Department of Health and Human Services, to the extent necessary to
23 allow for consistency between the State and the federal government.
24 (5) When the Division of Health Service Regulation determines the existence of
25 an emergency that poses a risk to the health or safety of prisoners or local
26 confinement facility staff."

27
28 **EXTENSION OF REGISTRATIONS AND REGISTRATION RENEWAL DEADLINES**
29 **FOR MULTIUNIT ASSISTED HOUSING WITH SERVICES FACILITIES**

30 **SECTION 1C.3.** Notwithstanding Article 1 of Chapter 131D of the General Statutes,
31 G.S. 143B-165(14), or any other law to the contrary, both of the following apply to each facility
32 located in the affected area that holds a valid, current registration issued by the Department of
33 Health and Human Services, Division of Health Service Regulation (DHSR), for multiunit
34 assisted housing with services, as defined in G.S. 131D-2.1(10):

- 35 (1) The validity of the facility's registration for multiunit assisted housing with
36 services for calendar year 2024 is extended from December 31, 2024, to
37 March 1, 2025.
38 (2) The deadline for the facility to submit a registration application and pay the
39 applicable registration fee to the DHSR to renew its registration for multiunit
40 assisted housing with services for the 2025 calendar year is March 1, 2025.

41
42 **EXTENSION OF ADULT CARE HOME AND FAMILY CARE HOME LICENSES AND**
43 **LICENSE RENEWAL DEADLINES**

44 **SECTION 1C.4.(a)** Notwithstanding G.S. 131D-2.4(d) or any other law to the
45 contrary, both of the following apply to each facility located in the affected area that holds a valid
46 adult care home or family care home license issued by the Department of Health and Human
47 Services, Division of Health Service Regulation (DHSR), which is due to expire on December
48 31, 2024:

- 49 (1) The validity of the facility's license as an adult care home or a family care
50 home is extended to March 1, 2025.

- 1 (2) The deadline for the facility to submit a renewal application and pay the
2 applicable fee to the DHSR for renewal of its adult care home or a family care
3 home license for the 2025 calendar year is March 1, 2025.

4 **SECTION 1C.4.(b)** As used in this section, the terms "adult care home" and "family
5 care home" are as defined in G.S. 131D-2.1.

6
7 **EXTENSION OF DEADLINE FOR RENEWAL OF ADULT CARE HOME**
8 **ADMINISTRATOR CERTIFICATION AND COMPLETION OF CONTINUING**
9 **EDUCATION REQUIREMENTS**

10 **SECTION 1C.5.(a)** Notwithstanding Article 20A of Chapter 90 of the General
11 Statutes or any other law to the contrary, all of the following apply with respect to certified
12 administrators of adult care homes who either work as administrators or reside in the affected
13 area:

- 14 (1) The validity of the administrator certification is extended from December 31,
15 2024, to March 1, 2025.
16 (2) The December 31, 2024, deadline for completing the annual continuing
17 education requirements of G.S. 90-288.15 and any rules adopted pursuant to
18 that section is extended to March 1, 2025.
19 (3) For the 2025-2027 fiscal biennium, the deadline for certified administrators
20 of adult care homes to submit applications for renewal and pay renewal fees
21 is March 1, 2025.

22 **SECTION 1C.5.(b)** As used in this section, the terms "administrator" and "adult care
23 home" are as defined in G.S. 131D-2.1.

24 **SECTION 1C.5.(c)** Consistent with G.S. 90-288.12(b), this section does not apply
25 to administrators of family care homes, as defined in G.S. 131D-2.1.

26
27 **SUBPART I-D. AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES**

28
29 **FUNDS FOR SOIL AND WATER CONSERVATION**

30 **SECTION 1D.1.** Of the funds transferred pursuant to Section 1A.5 of this act, there
31 is appropriated from the Helene Fund the sum of two million dollars (\$2,000,000) in nonrecurring
32 funds for the 2024-2025 fiscal year to the Department of Agriculture and Consumer Services for
33 the provision of technical support to soil and water conservation districts in the affected area,
34 including the creation of time-limited positions.

35
36 **DEBRIS REMOVAL FUNDS**

37 **SECTION 1D.2.** The State Controller shall transfer the sum of twenty-five million
38 dollars (\$25,000,000) from the SERDRF to the Helene Fund. The funds transferred pursuant to
39 this section are appropriated for the 2024-2025 fiscal year to the Department of Agriculture and
40 Consumer Services for purposes in the affected area authorized under the Streamflow
41 Rehabilitation Assistance Program created by Article 6 of Chapter 139 of the General Statutes.
42 The Department shall not expend funds appropriated by this section on any activities that will
43 be, or likely will be, covered by federal funds.

44
45 **EXTENDING CERTAIN GOVERNMENT APPROVALS AFFECTING THE**
46 **DEVELOPMENT OF REAL PROPERTY WITHIN THE AFFECTED AREA**

47 **SECTION 1D.3.(a)** Definitions. – As used in this section, the following definitions
48 apply:

- 49 (1) Development. – The division of a parcel of land into two or more parcels; the
50 construction, reconstruction, conversion, structural alteration, relocation, or
51 enlargement of any building or other structure or facility; or any grading, soil

- 1 removal or relocation, excavation or landfill, or any use or change in the use
2 of any building or other structure or land or extension of the use of land.
- 3 (2) Development approval. – Any of the following approvals issued by the State,
4 any agency or subdivision of the State, or any unit of local government,
5 regardless of the form of the approval, that are for the development of land or
6 for the provision of water or wastewater services by a government entity:
- 7 a. Any detailed statement by a State agency under G.S. 113A-4.
8 b. Any detailed statement submitted by a special purpose unit of
9 government or a private developer of a major development project
10 under G.S. 113A-8.
11 c. Any finding of no significant impact prepared by a State agency under
12 Article 1 of Chapter 113A of the General Statutes.
13 d. Any approval of an erosion and sedimentation control plan granted by
14 a local government or by the North Carolina Sedimentation Control
15 Commission under Article 4 of Chapter 113A of the General Statutes.
16 e. Any water or wastewater permit issued under Article 10 or Article 11
17 of Chapter 130A of the General Statutes.
18 f. Any building permit issued under Article 9 of Chapter 143 of the
19 General Statutes.
20 g. Any nondischarge or extension permit issued under Part 1 of Article
21 21 of Chapter 143 of the General Statutes.
22 h. Any stream origination certifications issued under Article 21 of
23 Chapter 143 of the General Statutes.
24 i. Any water quality certification issued under Article 21 of Chapter 143
25 of the General Statutes.
26 j. Any air quality permit issued by the Environmental Management
27 Commission under Article 21B of Chapter 143 of the General Statutes.
28 k. Any approval by a local government of sketch plans, preliminary plats,
29 plats regarding a subdivision of land, a site specific development plan
30 or a phased development plan, a development permit, a development
31 agreement, or a building permit under Chapter 160D of the General
32 Statutes.
33 l. Any certificate of appropriateness issued by a preservation
34 commission of a local government under Part 4 of Article 9 of Chapter
35 160D of the General Statutes.

36 **SECTION 1D.3.(b)** For any development approval that is current and valid at any
37 point during the period beginning January 1, 2024, and ending December 31, 2027, the running
38 of the period of the development approval and any associated vested right under G.S. 160D-108
39 or G.S. 160D-108.1 is suspended within the affected area during the period beginning January 1,
40 2024, and ending December 31, 2027.

41 **SECTION 1D.3.(c)** This section shall not be construed or implemented to:

- 42 (1) Extend any permit or approval issued by the United States or any of its
43 agencies or instrumentalities.
44 (2) Extend any permit or approval for which the term or duration of the permit or
45 approval is specified or determined pursuant to federal law.
46 (3) Shorten the duration that any development approval would have had in the
47 absence of this section.
48 (4) Prohibit the granting of such additional extensions as are provided by law.
49 (5) Affect any administrative consent order issued by the Department of
50 Environmental Quality in effect or issued at any time from the effective date
51 of this section to December 31, 2027.

- 1 (6) Affect the ability of a government entity to revoke or modify a development
2 approval pursuant to law.
- 3 (7) Modify any requirement of law that is necessary to retain federal delegation
4 by the State of the authority to implement a federal law or program.

5 **SECTION 1D.3.(d)** When a development approval that is contingent upon
6 connection to a water supply system or a sanitary sewer system is suspended under subsection
7 (b) of this section and there is not sufficient supply or treatment capacity to accommodate
8 requests for additional allocation, the local government that granted the allocation may reallocate
9 reserved capacity from projects whose approvals are suspended but are not ready to proceed if
10 the local government meets all of the following requirements:

- 11 (1) Establishes an allocation plan for existing capacity that determines actual
12 capacity and provides for a fair and equitable process to distribute the
13 remaining capacity.
- 14 (2) Establishes a reallocation plan to meet requests for capacity above permitted
15 capacity that is fair and equitable and requires the following:
- 16 a. That an applicant for a new or additional allocation demonstrates the
17 ability to begin construction.
- 18 b. That the holder of a development permit suspended under subsection
19 (b) of this section demonstrates the ability or intent to begin
20 construction in no less than 120 days in order to retain the reserved
21 capacity.
- 22 (3) Does not reallocate capacity to exceed the amount of the reserved capacity.

23 **SECTION 1D.3.(e)** This section does not reduce the original period of a
24 development permit.

25 **SECTION 1D.3.(f)** Within 30 days after the effective date of this section, each
26 agency or subdivision of the State to which this section applies shall place a notice in the North
27 Carolina Register listing the types of development approvals that the agency or subdivision issues
28 and noting the extension provided in this section. This section does not apply to units of local
29 government.

30 **SECTION 1D.3.(g)** The provisions of this section shall be liberally construed to
31 effectuate the purposes of this section.

32 33 **EXTEND THE VALIDITY OF CERTAIN SEPTIC SYSTEM PERMITS WITHIN THE** 34 **AFFECTED AREA**

35 **SECTION 1D.4.(a)** Notwithstanding any other provision of law, any Improvement
36 Permits, Construction Authorizations, Operations Permits, or Notices of Intent submitted under
37 G.S. 130A-336.1 or G.S. 130A-336.2 issued for on-site wastewater systems located in the
38 affected area that would otherwise expire shall remain valid and unexpired for 10 years from the
39 date of original permit issuance. Notwithstanding any extension granted pursuant to this section,
40 all other provisions of Article 11 of Chapter 130A of the General Statutes and rules adopted
41 thereunder apply, including required inspections and enforcement authority for noncompliance.

42 **SECTION 1D.4.(b)** This section is effective when it becomes law and applies to
43 permits or authorizations valid in the affected area that were current or valid at any point during
44 the period beginning January 1, 2024, through the effective date of this section.

45 46 **TEMPORARY PUBLIC WATER SYSTEM APPROVAL IN DISASTER AREAS**

47 **SECTION 1D.5.(a)** For purposes of this section, the following definitions apply:

- 48 (1) The definitions set forth in G.S. 130A-313.
- 49 (2) Transient non-community public water system. – As defined in 40 C.F.R. §
50 141.2.

1 **SECTION 1D.5.(b)** Notwithstanding any provision of Article 10 of Chapter 130A
2 of the General Statutes to the contrary, a supplier of water may temporarily operate a transient
3 non-community public water system in the affected area, without having been issued an operating
4 permit by the Department of Environmental Quality, for up to 59 days if necessary to address an
5 immediate public health or safety need.

6 **SECTION 1D.5.(c)** Prior to commencing the operation of any treatment that alters
7 the physical, chemical, or microbiological characteristics of the water at a transient
8 non-community public water system in the affected area without an operating permit, a supplier
9 of water shall submit a temporary operation notice to the Department that includes: the supplier's
10 contact information; the location and capacity of the water system; the intended duration of
11 operation; and information regarding the water source and the treatment techniques to be
12 employed. The Department may conduct inspections of the public water system and any required
13 records to verify compliance with basic public health standards. The supplier may commence
14 operation of treatment on the next business day not sooner than 24 hours after submitting a
15 temporary operation notice to the Department, except that the supplier shall not commence
16 operation if the Department objects during this period.

17 **SECTION 1D.5.(d)** A supplier of water operating a transient non-community public
18 water system pursuant to this section shall comply with the following operating standards, unless
19 waived by the Department:

- 20 (1) Ensure the water source is free of contamination to the extent possible.
- 21 (2) Apply basic treatment methods.
- 22 (3) Conduct daily testing for chlorine residuals, pH, and any other parameter as
23 directed by the Department. Indicator test strips may be used as an alternative
24 test method.
- 25 (4) At a minimum, conduct weekly testing for total coliform bacteria.

26 **SECTION 1D.5.(e)** A supplier of water operating any treatment at a transient
27 non-community public water system pursuant to this section shall notify users if any water quality
28 risks are identified.

29 **SECTION 1D.5.(f)** A supplier of water operating any treatment at a transient
30 non-community public water system pursuant to this section that has not been issued an operating
31 permit by the Department pursuant to G.S. 130A-328 shall cease operations within 59 days of
32 commencing service, or upon receiving written notice from the Department citing a public health
33 risk, whichever is earlier. The supplier shall notify the Department within seven days of ceasing
34 operations.

35 **SECTION 1D.5.(g)** Nothing in this section shall be construed to limit the authority
36 of the Department to revoke a supplier's temporary authorization under this section upon
37 determining that a public water system poses an imminent threat to public health or safety.

38 **TEMPORARY PUMP AND HAUL WASTEWATER PERMITS**

39 **SECTION 1D.6.(a)** Notwithstanding any other provision of law, wastewater pump
40 and haul system permits issued by the Department of Environmental Quality (the Department)
41 shall be valid for a period of 12 months if the permit holder complies with all of the following:

- 42 (1) The permit holder is a temporary housing unit located in the affected area.
- 43 (2) The permit holder has demonstrated that there is no feasible alternative
44 wastewater management solution immediately available.
- 45 (3) The permit holder contracts with one or more licensed septage management
46 firms to pump and haul the wastewater collected by the permitted system.
- 47 (4) The permit holder maintains compliance with all applicable public health and
48 environmental protection standards.
- 49 (5) The application for a temporary permit issued pursuant to this section shall
50 include a letter from the facility accepting the wastewater, agreeing to accept
51

1 both the type and quantity of wastewater from the applicant for the proposed
2 activity.

3 (6) Pump and haul facilities shall include at a minimum 24 hours storage equipped
4 with high water alarms.

5 (7) The permit holder submits quarterly reports to the Department that include the
6 name of the licensed septage management firm or firms servicing the
7 permitted system, the quantity of wastewater pumped and hauled from the
8 system, and the final disposition of the wastewater, including the name of the
9 facility accepting the wastewater, as applicable.

10 **SECTION 1D.6.(b)** A holder of a wastewater pump and haul system permit issued
11 pursuant to subsection (a) of this section may apply for a one-time extension of no more than 12
12 months. The Department shall grant a permit extension if the permit holder demonstrates that
13 extraordinary circumstances prevent the establishment of permanent wastewater management
14 within the initial permit period and the permit holder is in compliance with subsection (a) of this
15 section at the time of the permit extension application.

16 **SECTION 1D.6.(c)** The Department may conduct inspections of temporary housing
17 units holding wastewater pump and haul system permits issued pursuant to subsection (a) of this
18 section and may revoke a wastewater pump and haul system permit for noncompliance with
19 applicable statutes or rules.

20 **SECTION 1D.6.(d)** This section is effective when it becomes law and applies to
21 permits issued on or after that date through March 1, 2025.

22
23 **AUTHORIZE WAIVER OF SUBMISSION AND APPROVAL OF SEDIMENTATION**
24 **POLLUTION CONTROL PLAN PRIOR TO INITIATION OF LAND-DISTURBING**
25 **ACTIVITIES IN CERTAIN CIRCUMSTANCES**

26 **SECTION 1D.7.(a)** Notwithstanding any requirement of Article 4 of Chapter 113A
27 of the General Statutes or rules adopted thereunder, to the extent authorized by federal law, the
28 Sedimentation Control Commission, Department of Environmental Quality, or a local
29 government that administers a delegated erosion and sedimentation control program, as
30 applicable, shall waive the requirement that persons conducting land-disturbing activity in the
31 affected area file an erosion and sedimentation control plan (Plan) for approval of the agency
32 with jurisdiction, and obtain a General Permit NCG01000 (NCG01), prior to initiating
33 land-disturbing activity. If the applicable agency with jurisdiction waives the requirement for an
34 approved Plan prior to initiation of activities, persons conducting such land-disturbing activities
35 shall: (i) install all erosion control measures required prior to initiation of land-disturbing
36 activities; (ii) notify the agency with jurisdiction of the date on which land disturbing activity
37 will be initiated; and (iii) submit a Plan to the agency with jurisdiction, for the agency's approval,
38 within 30 days of initiation of the land-disturbing activity, and apply for a NCG01 after receipt
39 of Plan approval. Notwithstanding a waiver for a submittal and approval of a Plan authorized
40 pursuant to this section, all other provisions of Article 4 of Chapter 113A of the General Statutes
41 and rules adopted thereunder apply, including required inspections and enforcement authority for
42 noncompliance. In addition to the definitions applicable to this Part, the definitions set forth in
43 Article 4 of Chapter 113A of the General Statutes apply in this section.

44 **SECTION 1D.7.(b)** This section expires March 1, 2025.

45
46 **TREE ORDINANCE RESTRICTION IN DISASTER DECLARED COUNTIES**

47 **SECTION 1D.8.(a)** Notwithstanding the provisions of Chapter 160D, Article 6 of
48 Chapter 153A, or Article 8 of Chapter 160A of the General Statutes or any local act of the General
49 Assembly, no local government in the affected area may enforce any ordinance regulating the
50 removal, replacement, and preservation of trees on private property, including tree removal,

1 trimming, or maintenance activities, or require a permit for those activities, on the portion of any
2 private property that is more than 10 feet from the property boundary.

3 **SECTION 1D.8.(b)** This section shall not apply to any of the following:

- 4 (1) An imminent threat to public safety, as determined by a certified arborist or
5 other local authority.
- 6 (2) Areas where tree removal or maintenance activities are prohibited by State or
7 federal law, including endangered species habitats, riparian buffers, and
8 wetlands.

9 **SECTION 1D.8.(c)** This section expires March 1, 2025.

10 11 **RIGHT TO CONNECT TEMPORARY HOUSING TO WASTEWATER TREATMENT** 12 **SYSTEM**

13 **SECTION 1D.9.(a)** No local health department shall deny a homeowner in the
14 affected area the right to connect temporary housing to an existing subsurface wastewater
15 treatment and dispersal system, provided that the homeowner signs an affidavit developed by the
16 Department of Health and Human Services authorizing the use of the wastewater system with
17 temporary housing for up to 12 months or until permanent housing is established, whichever
18 occurs first. Any homeowner that executes an affidavit pursuant to this section, or any individual
19 who visits, lives in, or resides at the property subject to the affidavit, shall have no cause of action
20 of any kind in any forum of this State against the Department, its employees, agents, or
21 contractors arising from or related to the homeowner's decision to connect to an existing
22 subsurface wastewater treatment and dispersal system.

23 **SECTION 1D.9.(b)** This section expires June 1, 2025.

24 25 **MODIFY DEQ WATER INFRASTRUCTURE BRIDGE LOAN PROGRAM**

26 **SECTION 1D.10.** Section 4C.7 of S.L. 2024-53 reads as rewritten:

27 "**SECTION 4C.7.(a)** Allocation. – Of the funds appropriated from the Helene Fund to the
28 Department of Environmental Quality by Section 2.1(a) of this act, the sum of one hundred
29 million dollars (\$100,000,000) in nonrecurring funds shall be used by the Department of
30 Environmental Quality, Division of Water Infrastructure, for purposes consistent with the loan
31 program established by this ~~section~~ section and cognizant of the emergency relief related
32 objectives underlying G.S. 159G-33(a)(4) and G.S. 159G-34(a)(4). Funds allocated by this
33 section that have not been expended or encumbered by October 31, 2028, shall revert to the
34 Savings Reserve established in G.S. 143C-4-2. Repayments of all loans made under the program
35 shall be remitted by the Division of Water Infrastructure to the Office of State Budget and
36 Management to be placed into the Savings Reserve.

37 "**SECTION 4C.7.(b)** Definitions. – The following definitions apply in this section:

- 38 (1) Department. – The Department of Environmental Quality.
- 39 (2) Division. – Division of Water Infrastructure.
- 40 (3) Emergency repairs. – Repairs, including temporary measures that allow the
41 preservation or restoration of drinking water and wastewater services,
42 performed by or on behalf of a ~~local government unit provider~~, on public water
43 or wastewater systems that are intended to restore those systems to operational
44 capacity following damage incurred by Hurricane Helene.
- 45 (4) Federal or State disaster relief. – Grant or loan funding provided by a federal
46 or State agency to a ~~local government unit provider~~ for water or wastewater
47 utility repairs or improvements, including emergency repairs, precipitated by
48 Hurricane Helene.
- 49 (5) Local government unit. – Defined in G.S. 159G-20.
- 50 (5a) Nonprofit water corporation. – Defined in G.S. 159G-20.

1 (5b) Operational capacity. – The general operative condition of a public water or
2 wastewater system prior to damages incurred by Hurricane Helene, up to the
3 permitted capacity for treatment plants and design flow for distribution and
4 collection lines, with only necessary modifications to ensure that the restored
5 system is functional and resilient against future flood events.

6 (6) Program. – The loan program established by this section.

7 (6a) Provider. – A local government unit or nonprofit water corporation, as those
8 terms are defined in this section.

9 (7) Public water system. – Defined in G.S. 130A-313.

10 (8) Wastewater system. – Defined in G.S. 159G-20.

11 **"SECTION 4C.7.(c) Purpose.** – The purpose of this section is to establish a program that
12 enables the Division to rapidly distribute emergency financial assistance, in the form of bridge
13 loans, to ~~local government units providers~~ located in the affected area and thereby supply those
14 ~~units providers~~ with the short-term financial liquidity necessary to immediately conduct
15 emergency repairs in the affected area, pending federal or State disaster relief.

16 **"SECTION 4C.7.(d) Administration.** – The Division shall be responsible for administering
17 loans from the program.

18 **"SECTION 4C.7.(e) Eligibility; Use.** – A ~~local government unit provider~~ is eligible to apply
19 for a loan under the program. Loans from the program may only be used by ~~local government~~
20 ~~units providers~~ for (i) temporary financial liquidity as necessary to immediately conduct
21 emergency repairs until receipt of federal or State disaster relief and (ii) any other purpose
22 specifically provided by an act of the General Assembly.

23 **"SECTION 4C.7.(f) Limitations.** ~~The following limitations apply to the~~
24 ~~program:~~ Limitation. – The

25 (1) ~~The amount of a loan from the program may not exceed the amount necessary~~
26 ~~to restore a public water or wastewater system to operational capacity.~~

27 (2) ~~A loan from the program is available only to the extent that other funding~~
28 ~~sources for emergency repairs are not reasonably available to the local~~
29 ~~government unit.~~

30 **"SECTION 4C.7.(g) Application.** – An application for a loan from the program must be
31 filed with, submitted on a form prescribed by, and contain the information required by, the
32 Division. An applicant must submit any additional information requested by the Division to
33 enable the Division to make a determination on the application.

34 **"SECTION 4C.7.(h) Review.** – The Division must review all applications filed for a loan
35 under this section on a rolling basis and shall prioritize those applications that the Division
36 determines demonstrate the most immediate need. The Division's determination of need is
37 conclusive.

38 **"SECTION 4C.7.(i) Award.** – When the Division determines that an applicant is eligible
39 for an award of a loan, the Division must send the applicant a letter of intent to award the loan.
40 The letter of intent must set out any conditions the applicant must meet to receive the award.
41 When the applicant satisfies the conditions set out in the letter of intent, the Division must send
42 the applicant an offer to award the loan. The applicant must give the Division written notice of
43 whether it accepts or rejects the offer. A loan is considered awarded when an offer to award the
44 loan is issued.

45 **"SECTION 4C.7.(j) Terms.** – A loan from the program is subject to all of the following:

46 (1) Interest rate. – The loan does not bear interest.

47 (2) Maturity. – The loan matures upon the earlier of (i) receipt of federal or State
48 disaster relief by the local government unit provider or (ii) June 30, 2030.

49 **"SECTION 4C.7.(k) Report.** – The Division shall provide ~~a~~ an initial report to the Joint
50 Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the
51 Fiscal Research Division no later than April 1, ~~2025, and~~ 2025. The Division shall provide a

1 report annually thereafter until all funds have been allocated, at which time the Division shall
2 report annually until all allocated funds have been repaid or otherwise accounted for by the
3 Division. The annual report required by this subsection shall be included in the report published
4 by the Department on November 1 of each year, as required by G.S. 159G-26. The report required
5 by this subsection shall contain, at a minimum, the following information concerning loans made
6 under the program:

7 (1) The total amount of loans awarded from the program.

8 (2) The recipient of each loan awarded, and the total amount awarded to each
9 recipient.

10 (3) The total amount of loan funding that has been repaid.

11 "**SECTION 4C.7.(I)** Rulemaking Exemption. – The Department ~~shall~~ may adopt emergency
12 rules to implement the provisions of this section. Temporary and permanent rules adopted to
13 replace emergency rules adopted pursuant to this section are not subject to Part 3 of Article 2A
14 of Chapter 150B of the General Statutes."

15 16 **SUBPART I-E. JUSTICE AND PUBLIC SAFETY**

17 18 **EXTEND CERTAIN CONCEALED HANDGUN PERMITS**

19 **SECTION 1E.1.** Any concealed handgun permit issued pursuant to Article 54B of
20 Chapter 14 of the General Statutes to a resident of the affected area with an expiration date on or
21 after September 25, 2024, but no later than December 31, 2024, shall remain valid until March
22 1, 2025.

23 24 **SUBPART I-F. GENERAL GOVERNMENT**

25 26 **MODIFY CASHFLOW LOAN PROGRAM**

27 **SECTION 1F.1.** Section 4E.5 of S.L. 2024-53 reads as rewritten:

28 "**SECTION 4E.5.(a)** Of the funds appropriated to the Department of State Treasurer
29 (Department) from the Helene Fund, the sum of one hundred million dollars (\$100,000,000) shall
30 be used by the ~~Local Government Commission~~ Department to provide cashflow loans to local
31 governments in the affected area. The following shall apply to the loans made under this section:

32 (1) The ~~Local Government Commission~~ Department is authorized to administer
33 the loan program and to develop an application process for the loans.

34 (1a) Notwithstanding any other provision of law, in applying for a cashflow loan
35 under this section, local governments are not required to get approval from the
36 Local Government Commission.

37 (2) Loans shall be used for disaster response activities only.

38 (3) Loan recipients will not be assessed any interest on the loans.

39 (4) Repayment of each loan made under this section begins one year after that
40 loan's initiation.

41 (5) Loans must be repaid within five years of initiation or by June 30, 2030,
42 whichever is earlier.

43 "...

44 "**SECTION 4E.5.(c)** The Department of State Treasurer ~~and the Local Government~~
45 ~~Commission~~ shall be exempt from the rulemaking requirements in administering this section."

46 47 **OFFICE OF RECOVERY AND RESILIENCY FUNDS, AUDIT, FINANCIAL** 48 **MONITORING, AND SUBRECIPIENT AGREEMENTS**

49 **SECTION 1F.2.(a)** Transfer, Appropriation. – The State Controller shall transfer the
50 sum of fifty million dollars (\$50,000,000) from the SERDRF to the OSBM Disaster Relief
51 Reserve (Budget Code 23009) for allocation to the Office of Recovery and Resiliency (Office)

1 to support homeowner recovery projects under the Rebuild NC program for the 2024-2025 fiscal
2 year. Funds are hereby appropriated for this purpose.

3 **SECTION 1F.2.(b)** Audit. – The State Auditor shall conduct a financial and
4 performance audit of the Office no later than July 1, 2025. The State Auditor shall conduct
5 additional periodic financial and performance audits of the Office and additional financial and
6 performance audits as requested by the Director of the Budget and the General Assembly. The
7 audits shall include, at a minimum, all areas of examination as prescribed by G.S. 147-64.6.

8 **SECTION 1F.2.(c)** OSBM Monitoring. – OSBM shall perform ongoing financial
9 monitoring of the Office for the duration of the Office's operations, including funding for
10 previous, current, and future storm recovery programs. OSBM shall oversee and track the
11 Office's budget, expenditures, and obligations through OSBM's Office of Internal Audit or
12 appropriate combination of OSBM staff.

13 **SECTION 1F.2.(d)** Reporting. – In addition to the requirements of G.S. 147-64.5(a),
14 the State Auditor shall furnish copies of any and all audits performed under this section to the
15 Joint Legislative Commission on Governmental Operations and the Fiscal Research Division
16 within 30 days of the completion of each audit. OSBM shall submit a quarterly report on the
17 ongoing financial monitoring of the Office to the Joint Legislative Commission on Governmental
18 Operations and the Fiscal Research Division in each quarter that the Office is expending State or
19 federal funds for storm recovery efforts.

20 **SECTION 1F.2.(e)** Subrecipient Agreements. – By December 31, 2024, the Office
21 shall enter into and sign the Subrecipient Agreements and proceed with the associated projects
22 obligated in Round 3 of the Affordable Housing Development Fund program to (i) the Lumbee
23 Tribe of North Carolina, (ii) Pamlico County, (iii) Scotland County, (iv) the Town of Maysville,
24 and (v) the Town of Beulaville.

25 **DELAY 2024 NORTH CAROLINA STATE BUILDING CODE EFFECTIVE DATE**

26 **SECTION 1F.3.(a)** Definitions. – For purposes of this section, "2024 North Carolina
27 State Building Code" means the North Carolina State Building Code collection, and amendments
28 to the Code, as adopted by the Council, effective January 1, 2025. As used in this section,
29 "Council" means the Building Code Council. On or after January 1, 2025, "Council" means the
30 Building Code Council and Residential Code Council.

31 **SECTION 1F.3.(b)** Effective Date Delay. – Notwithstanding G.S. 143-138(d),
32 Section 2 of S.L. 2013-118, or any rule to the contrary, the 2024 North Carolina State Building
33 Code shall become effective July 1, 2025. Nothing in this section should be construed to abrogate
34 the duties of the Council during this delay, including finalizing its publication, providing
35 technical assistance, and educating the public regarding changes to the North Carolina State
36 Building Code.

37 **SECTION 1F.3.(c)** Expiration. – This section expires July 1, 2025.

38 **AUTHORIZE THE OFFICE OF THE STATE FIRE MARSHAL TO PROMULGATE** 39 **RULES FOR TEMPORARY MANUFACTURED AND MODULAR DWELLINGS**

40 **SECTION 1F.4.(a)** Notwithstanding G.S. 143-139.1, G.S. 160D-911, or any other
41 law to the contrary, the Office of the State Fire Marshal may adopt rules, and prepare guidance
42 for local governments enforcing the North Carolina State Building Code and the State of North
43 Carolina Regulations for Manufactured Homes, that relate to the placement, construction,
44 installation, and connection of temporary manufactured and modular dwellings. Approval of
45 temporary manufactured and modular dwellings shall be evidenced by labels or seals acceptable
46 to the Office of the State Fire Marshal. All temporary manufactured and modular dwellings
47 bearing labels or seals shall be deemed to meet the requirements of the North Carolina State
48 Building Code, except as may be required for the enforcement of the Code relative to utility
49 service connections to temporary manufactured and modular dwellings and enforcement of local
50
51

1 ordinances governing zoning, utility service connections, and foundation permits. The Office of
2 the State Fire Marshal may also adopt rules to ensure that any person that places, constructs,
3 installs, and connects a temporary manufactured and modular dwelling meets the manufacturer's
4 installation instructions and applicable provisions of the North Carolina State Building Code and
5 the State of North Carolina Regulations for Manufactured Homes. For the purposes of this
6 section, a "temporary manufactured and modular dwelling" is a manufactured housing unit that
7 is designed for utilization as a temporary dwelling in the affected area.

8 **SECTION 1F.4.(b)** Rulemaking. – The Office of the State Fire Marshal shall adopt
9 emergency rules to implement the provisions of this section.

10 **SECTION 1F.4.(c)** Expiration. – This section expires on March 1, 2025.

11 **SUBPART I-G. STATEWIDE**

12 **DACS CAPITAL PROJECT ACCOUNTS CONSOLIDATION**

13
14 **SECTION 1G.1.** Notwithstanding any provision of law to the contrary, the
15 Department of Agriculture and Consumer Services may consolidate old capital project accounts
16 into a single fund totaling no more than two hundred ten thousand dollars (\$210,000) to be used
17 for facility repairs located in the affected area and the funds are hereby appropriated for that
18 purpose.
19

20 **SUBPART I-H. TRANSPORTATION**

21 **SUSPENSION OF TRANSFER OF FUNDS TO TRANSPORTATION EMERGENCY** 22 **RESERVE**

23 **SECTION 1H.1.** Of the funds appropriated to the Department of Transportation, the
24 sum of one hundred twenty-five million dollars (\$125,000,000) from the Transportation
25 Emergency Reserve shall be used for repair and reconstruction of transportation infrastructure in
26 the affected area. Notwithstanding G.S. 136-44.2E(b), in the discretion of the Secretary of
27 Transportation, the required transfer of funds from the Highway Fund to the Transportation
28 Reserve may be delayed or suspended until July 30, 2027. No other provision of G.S. 136-44.2E
29 is affected by this section.
30
31

32 **PART II. BUDGET AND VARIOUS TECHNICAL CORRECTIONS**

33 **SUBPART II-A. EDUCATION**

34 **FUNDS FOR LEGAL AND ADMINISTRATIVE SERVICES FOR THE NORTH** 35 **CAROLINA SCHOOL FOR THE DEAF**

36
37 **SECTION 2A.1.** There is appropriated from the General Fund to the Department of
38 Public Instruction the sum of one hundred twenty thousand dollars (\$120,000) in recurring funds
39 for the 2024-2025 fiscal year to be allocated to the North Carolina School for the Deaf for legal
40 and administrative services.
41
42

43 **UNC PERFORMANCE FUNDING**

44 **SECTION 2A.2.** There is appropriated from the General Fund to the Board of
45 Governors of The University of North Carolina for the 2024-2025 fiscal year the sum of thirteen
46 million sixty-eight thousand two hundred sixty-seven dollars (\$13,068,267) in nonrecurring
47 funds to adjust funds provided to constituent institutions, as determined by the enrollment
48 funding model for performance outcomes related to student success, affordability, and
49 productivity.
50
51

UNC STUDENT CREDIT HOUR ENROLLMENT CHANGES

SECTION 2A.3. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina for the 2024-2025 fiscal year the sum of five hundred seventy-four thousand five hundred seventy-eight dollars (\$574,578) in recurring funds to adjust funds provided to constituent institutions, as determined by the enrollment funding model for changes in resident student credit hours.

UNC ENROLLMENT LOSS MITIGATION

SECTION 2A.4. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina for the 2024-2025 fiscal year the sum of seven million eight hundred thirty-seven thousand six hundred forty-six dollars (\$7,837,646) in nonrecurring funds to be allocated to offset enrollment-related funding losses experienced by certain constituent institutions of The University of North Carolina, as follows:

Allocation	Constituent Institution
\$1,364,971	East Carolina University
\$1,500,000	University of North Carolina at Asheville
\$19,687	University of North Carolina at Greensboro
\$3,701,653	University of North Carolina at Pembroke
\$1,251,335	Winston-Salem State University

UNC BUILDING RESERVES

SECTION 2A.5.(a) Notwithstanding any provision of law or the Committee Report described in Section 43.2 of S.L. 2023-134 to the contrary, the sum of two million seven hundred eighty-six thousand six hundred seventy-three dollars (\$2,786,673) in recurring funds for the 2024-2025 fiscal year and the sum of four hundred seventy thousand four hundred four dollars (\$470,404) in nonrecurring funds for the 2024-2025 fiscal year for the Future Building Reserves are reduced.

SECTION 2A.5.(b) There is appropriated from the General Fund to the Board of Governors of The University of North Carolina for the 2024-2025 fiscal year the sum of two million seven hundred eighty-six thousand six hundred seventy-three dollars (\$2,786,673) in recurring funds and the sum of four hundred seventy thousand four hundred four dollars (\$470,404) in nonrecurring funds to operate and maintain Randall Library at the University of North Carolina at Wilmington and Joiner Hall and other buildings at the North Carolina School of Science and Mathematics Morganton campus.

PERMIT CHAIR OF BOARD OF GOVERNORS TO DESIGNATE A MEMBER OF BOARD OF DIRECTORS FOR PROJECT KITTY HAWK

SECTION 2A.6. Section 8.24(c) of S.L. 2021-180 reads as rewritten:

"SECTION 8.24.(c) Project Kitty Hawk shall be conducted by a nonprofit corporation created in accordance with this section and G.S. 116-30.20. The nonprofit corporation shall include in its corporate bylaws that the organization will be governed by a board of directors consisting of nine members, as follows:

- (1) Two ex officio voting members as follows:
 - a. The President of The University of North Carolina.
 - b. The Chair of the Board of Governors of The University of North Carolina, ~~Carolina, or the Chair's designee.~~
- (2) Seven voting members appointed by the Board of Governors, in consultation with the President of The University of North Carolina, as follows:
 - a. Three members who shall be chancellors or chief academic officers of constituent institutions of The University of North Carolina.

- 1 b. Four members who shall be individuals having experience in business
2 management, higher education, or both."
3

4 **CAMPUS LAW ENFORCEMENT TEACHING HOSPITAL CLARIFICATION**

5 **SECTION 2A.7.** G.S. 116-40.5 reads as rewritten:

6 "**§ 116-40.5. Campus law enforcement agencies.**

7 (a) The Board of Trustees of any constituent institution of The University of North
8 Carolina, the governing board of any teaching hospital affiliated with but not part of any
9 constituent institution of The University of North Carolina, the Board of Directors of the
10 University of North Carolina Health Care System, or the Board of Directors of the North Carolina
11 Arboretum, may establish a campus law enforcement agency and employ campus police officers.
12 Such officers shall meet the requirements of Article 1 of Chapter 17C of the General Statutes,
13 shall take the oath of office prescribed by Article VI, Section 7 of the Constitution, and shall have
14 all the powers of law enforcement officers generally. The territorial jurisdiction of a campus
15 police officer shall include all property owned, leased to, managed, or controlled by the
16 institution employing the campus police officer and that portion of any public road or highway
17 passing through such property or immediately adjoining it, wherever located.

18 (a1) ~~The~~ Any teaching hospital or the Board of Directors of the University of North
19 Carolina Health Care System, having established a campus law enforcement agency pursuant to
20 subsection (a) of this section, may assign its campus police officers to any other facility within
21 ~~the System's~~ its healthcare system's network. Campus police officers assigned to any other
22 facility within ~~the System's~~ its healthcare system's network pursuant to this subsection shall have
23 the same authority and jurisdiction exclusively upon the premises of the assigned facility, but not
24 upon any portion of any public road or highway passing through the property of the facility or
25 immediately adjoining it, as a campus police officer assigned under subsection (a) of this section.

26 (b) The Board of Trustees of any constituent institution of The University of North
27 Carolina, the governing board of any teaching hospital affiliated with but not part of any
28 constituent institution of The University of North Carolina, the Board of Directors of the
29 University of North Carolina Health Care System, or the Board of Directors of the North Carolina
30 Arboretum, having established a campus law enforcement agency pursuant to subsection (a) of
31 this section, may enter into joint agreements with the governing board of any municipality to
32 extend the law enforcement authority of campus police officers into any or all of the
33 municipality's jurisdiction and to determine the circumstances in which this extension of
34 authority may be granted.

35 (c) The Board of Trustees of any constituent institution of The University of North
36 Carolina, the governing board of any teaching hospital affiliated with but not part of any
37 constituent institution of The University of North Carolina, the Board of Directors of the
38 University of North Carolina Health Care System, or the Board of Directors of the North Carolina
39 Arboretum, having established a campus law enforcement agency pursuant to subsection (a) of
40 this section, may enter into joint agreements with the governing board of any county, and with
41 the consent of the sheriff, to extend the law enforcement authority of campus police officers into
42 any or all of the county's jurisdiction and to determine the circumstances in which this extension
43 of authority may be granted.

44 (d) The Board of Trustees of any constituent institution of The University of North
45 Carolina, the Board of Directors of the University of North Carolina Health Care System, or the
46 Board of Directors of the North Carolina Arboretum, having established a campus law
47 enforcement agency pursuant to subsection (a) of this section, may enter into joint agreements
48 with the governing board of any other constituent institution of The University of North Carolina
49 to extend the law enforcement authority of its campus police officers into any or all of the other
50 institution's jurisdiction and to determine the circumstances in which this extension of authority
51 may be granted."

1
2 **NORTH CAROLINA COLLABORATORY TO ESTABLISH AND OPERATE THE**
3 **OFFICE OF LEARNING RESEARCH**

4 **SECTION 2A.8.(a)** OLR Established. – There is appropriated from the General
5 Fund to the Board of Governors of The University of North Carolina the sum of one million five
6 hundred thousand dollars (\$1,500,000) in recurring funds for the 2024-2025 fiscal year to be
7 allocated to the North Carolina Collaboratory to establish and operate the Office of Learning
8 Research (OLR), beginning in the 2024-2025 fiscal year. The purpose of OLR is to identify and
9 evaluate the efficacy and efficiency of programs, activities, initiatives, procedures, and any other
10 factors related to elementary and secondary education in the State.

11 **SECTION 2A.8.(b)** Funding and Duties of OLR. – Funding allocated to the
12 Collaboratory for OLR shall be administered by the Collaboratory pursuant to the provisions of
13 G.S. 116-255(c). These funds shall be used to do at least the following:

- 14 (1) Provide information and support needed by elementary and secondary public
15 schools, university leaders, and elected officials to make evidence-based
16 decisions.
- 17 (2) Collaborate with constituent institutions of The University of North Carolina
18 and other stakeholders to implement innovative policies and programs to
19 accelerate learning for all students.
- 20 (3) Work with external research resources and partners to evaluate local, State,
21 and federal programs in order to establish metrics and assess return on
22 investment.
- 23 (4) Support the operations of OLR.

24 **SECTION 2A.8.(c)** Collaboratory May Relocate OLR. – After the Collaboratory
25 establishes OLR, the Collaboratory may, in consultation with The University of North Carolina
26 System Office and the Provost at the University of North Carolina at Chapel Hill, relocate OLR
27 within the University of North Carolina at Chapel Hill. If the Collaboratory relocates OLR
28 pursuant to this section, the Collaboratory shall do the following:

- 29 (1) Continue to administer funds appropriated in this act for OLR for the
30 operations of OLR, as described in subsection (b) of this section.
- 31 (2) Continue to determine, fund, manage, and oversee the research portfolio of
32 OLR. The entity to which OLR is relocated shall otherwise oversee the
33 operations of OLR.
- 34 (3) Within 60 days of the relocation, report to the Joint Legislative Education
35 Oversight Committee on where OLR was relocated and any other information
36 the Collaboratory deems relevant to the relocation.

37 **SECTION 2A.8.(d)** Access to Information. – All units of State and local
38 government, including the State Board of Education, the Department of Public Instruction, and
39 public school units, shall provide reasonable access to records, data, processes, personnel, and
40 any other information deemed relevant by the Office or the Collaboratory, to the extent otherwise
41 permitted under State and federal law, to carry out the provisions of this section.

42 **SECTION 2A.8.(e)** Report. – No later than July 1, 2025, the Collaboratory shall
43 report to the Joint Legislative Education Oversight Committee on the progress made in
44 establishing and operating OLR pursuant to this section. For each fiscal year OLR is in operation,
45 the Collaboratory shall include in the annual report required by G.S. 116-256 information on the
46 activities of OLR from the prior fiscal year.

47
48 **REVISE STATE EDUCATION ASSISTANCE AUTHORITY BOARD OF DIRECTORS**
49 **MEMBER REQUIREMENTS**

50 **SECTION 2A.9.(a)** G.S. 116-203(b) reads as rewritten:

1 "(b) Membership. – The Authority shall be governed by a board of directors consisting of
2 nine members, seven of whom shall be appointed and two of whom shall be ex officio as follows:

3 (1) Seven members appointed according to the following:

4 a. The Board of Governors of The University of North Carolina shall
5 appoint the following members:

6 1. One member who shall have expertise in secondary or higher
7 education.

8 2. One member who shall be or have experience as a chief
9 financial officer or chief administrative officer from a
10 nonpublic school that enrolls students receiving scholarship
11 funds pursuant to Part 2A of Article 39 of Chapter 115C of the
12 General Statutes.

13 3. One member who shall have expertise in finance.

14 b. The Governor shall appoint the following members:

15 1. One member who shall have expertise in finance.

16 2. One member who shall have expertise in secondary or higher
17 education.

18 3. One member who shall be a member of the public at large with
19 an interest in higher education.

20 4. One member who shall be a chief financial officer from a
21 college or university that is a member of North Carolina
22 Independent Colleges and Universities, Inc., appointed upon
23 the recommendation of North Carolina Independent Colleges
24 and Universities, Inc.

25 (2) The chief financial officer of The University of North Carolina shall serve as
26 an ex officio member.

27 (3) The chief financial officer of the North Carolina Community College System
28 shall serve as an ex officio member."

29 **SECTION 2A.9.(b)** Any current member of the board of directors of the State
30 Education Assistance Authority holding a seat pursuant to G.S. 116-203(b)(1)a.2. may continue
31 to serve the remainder of that member's unexpired term as long as the member meets the
32 qualifications of G.S. 116-203(b)(1)a.2., as amended by subsection (a) of this section.

33 **SECTION 2A.9.(c)** This section is effective July 1, 2024.

34
35 **EXTEND CERTAIN OPPORTUNITY SCHOLARSHIP DOMICILE VERIFICATION**
36 **REQUIREMENTS**

37 **SECTION 2A.10.** Section 8A.6(h) of S.L. 2023-134 reads as rewritten:

38 "**SECTION 8A.6.(h)** Notwithstanding G.S. 115C-562.3(a), as enacted by this act, as part of
39 a student's application for a scholarship grant pursuant to Part 2A of Article 39 of Chapter 115C
40 of the General Statutes for the 2024-2025 school year, and 2025-2026 school years, a parent shall
41 certify to the State Education Assistance Authority that the domicile requirements of
42 G.S. 115C-562.1(3a), as enacted by this act, are met for eligibility purposes in lieu of submitting
43 evidence electronically to the State Education Assistance Authority through a domicile
44 determination system. The State Education Assistance Authority shall select six percent (6%) of
45 the applications for the 2024-2025 school year and 2025-2026 school years to verify the domicile
46 requirements are met for the award of a scholarship grant to an eligible student. As evidence of
47 domicile, the State Education Assistance Authority may accept the submission of any of the
48 documents set forth under G.S. 115C-562.3(a). If a parent fails to cooperate with verification
49 efforts under this section, the State Education Assistance Authority shall revoke the award of the
50 scholarship grant to the eligible student. In addition, if the State Education Assistance Authority
51 determines that the certification of the parent contains falsified information, the parent may be

1 subject to administrative, civil, or criminal penalties. The State Education Assistance Authority
2 shall include a notice of the potential for the imposition of penalties when requesting certification
3 as part of the application process."
4

5 **SUBPART II-B. HEALTH AND HUMAN SERVICES**

6 **CONTINUE FUNDING FOR CHILD CARE STABILIZATION GRANTS**

7 **SECTION 2B.1.** There is appropriated from the General Fund to the Department of
8 Health and Human Services, Division of Child Development and Early Education (Division), the
9 sum of thirty-three million seven hundred fifty thousand dollars (\$33,750,000) in nonrecurring
10 funds for the 2024-2025 fiscal year to continue the compensation grants portion of the child care
11 stabilization grants. The Division shall continue the compensation grants portion of the child care
12 stabilization grants through the third quarter at the current 2024-2025 fiscal year level.
13
14

15 **SIX-MONTH EXTENSION FOR FULL IMPLEMENTATION OF CHILD FATALITY 16 PREVENTION SYSTEM CHANGES**

17 **SECTION 2B.2.(a)** Section 9H.15(e)(2) of S.L. 2023-134 reads as rewritten:

18 "(2) Not later than ~~January 1, 2025~~, July 1, 2025, the Department shall ensure all
19 of the following:

- 20 a. That the State Office of Child Fatality Prevention is sufficiently staffed
21 and prepared to carry out the powers and duties of the State Office, as
22 described in G.S. 143B-150.27, to support a restructured Child
23 Fatality Prevention System as set forth in subsections (f) through (i) of
24 this section.
25 b. That any contractual agreements and interagency data sharing
26 agreements necessary for participation in the NFR-CRS, as required in
27 G.S. 7B-1413.5, have been executed."

28 **SECTION 2B.2.(b)** Section 9H.15(e)(3) of S.L. 2023-134 reads as rewritten:

29 "(3) Not later than ~~July 1, 2025~~, January 1, 2026, the Department shall ensure
30 through its State Office of Child Fatality Prevention that all Local Teams have
31 been provided guidelines and training addressing their participation in the
32 NFR-CRS, and Local Teams shall begin utilizing the System for case
33 reporting as specified in G.S. 7B-1413.5."

34 **SECTION 2B.2.(c)** Section 9H.15(h) of S.L. 2023-134 reads as rewritten:

35 "**SECTION 9H.15.(h)** Effective ~~January 1, 2025~~, July 1, 2025, G.S. 7B-1404, 7B-1405,
36 7B-1406, 7B-1408, 7B-1409, 7B-1411, and 143B-150.20 are repealed."

37 **SECTION 2B.2.(d)** Section 9H.15(i) of S.L. 2023-134, as amended by Section
38 3.6(a) of S.L. 2024-1, reads as rewritten:

39 "**SECTION 9H.15.(i)** G.S. 7B-1413.5, as enacted by subsection (f) of this section, becomes
40 effective ~~July 1, 2025~~. January 1, 2026. The remainder of subsection (f) and subsection (g) of
41 this section become effective ~~January 1, 2025~~. July 1, 2025."

42 **SECTION 2B.2.(e)** Section 9H.15(k) of S.L. 2023-134 reads as rewritten:

43 "**SECTION 9H.15.(k)** Subsection (j) of this section becomes effective ~~January 1, 2025~~. July
44 1, 2025."
45

46 **FOSTER CARE TRAUMA-INFORMED ASSESSMENT**

47 **SECTION 2B.3.(a)** Section 9J.12(c) of S.L. 2023-134 reads as rewritten:

48 "**SECTION 9J.12.(c)** Plan Development. – In developing the trauma-informed, standardized
49 assessment, the partnership shall develop a rollout plan with a goal of implementing the
50 trauma-informed, standardized assessment statewide in all 100 counties. The rollout plan shall
51 include all of the following:

- 1 (1) The development of the trauma-informed, standardized assessment template
- 2 by March 31, 2024.
- 3 (2) The finalized trauma-informed, standardized assessment template by
- 4 ~~September 30, 2024, August 30, 2025,~~ including the standardized training
- 5 curriculum, methodology for training, the selection of a vendor to manage and
- 6 conduct the training and determine the process for the statewide rollout, and
- 7 coordination with tribal jurisdictions.
- 8 (3) The phased-in approach of the trauma-informed, standardized assessment
- 9 beginning on ~~October 1, 2024, January 30, 2026,~~ and operating statewide by
- 10 ~~September 30, 2025-December 31, 2026.~~

11"

12 **SECTION 2B.3.(b)** The funds appropriated for trauma-informed standardized

13 assessments under Section 9J.12(a) of S.L. 2023-134 shall not revert at the end of the 2023-2025

14 fiscal biennium but instead shall remain available to expend for the same purpose until June 30,

15 2026.

17 **SUBPART II-C. AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES**

18 **WATER AND SEWER INFRASTRUCTURE CORRECTIONS AND**

19 **CLARIFICATIONS**

20 **SECTION 2C.1.(a)** Three million dollars (\$3,000,000) of the funds allocated to the

21 Town of Midland by Section 12.13(f)(39) of S.L. 2021-180 shall, notwithstanding that

22 subdivision, instead be allocated to the Town of Mount Pleasant for water and wastewater

23 infrastructure projects.

24 **SECTION 2C.1.(b)** Funds allocated to Union County by Section 12.13(f)(63) of

25 S.L. 2021-180 may, notwithstanding that subdivision, also be used by the county for an expansion

26 of the 12-Mile Creek water reclamation facility.

27 **SECTION 2C.1.(c)** Section 12.9(e)(87) of S.L. 2022-74 reads as rewritten:

28 "(87) Seven million five hundred thousand dollars (\$7,500,000) to the Town of

29 ~~Warsaw for wastewater capacity expansion.~~ Warsaw."

30 **SECTION 2C.1.(d)** Funds allocated to the Town of Connelly Springs by Section

31 12.2(e)(45) of S.L. 2023-134 shall, notwithstanding that subdivision, instead be allocated to

32 Burke County for any water or wastewater project.

33 **SECTION 2C.1.(e)** Section 4.2(j) of S.L. 2024-1 reads as rewritten:

34 **"SECTION 4.2.(j)** Funds provided to Rockingham County and to the Town of Stoneville

35 by Section 12.2(e) of S.L. 2023-134 shall, notwithstanding any provision of law to the contrary,

36 be transferred to the Office of State Budget and Management to provide grants to those local

37 governments for the following water and wastewater projects:

38 ...

39 (2) ~~Twenty three million five hundred fifty thousand dollars (\$23,550,000)~~

40 Forty-four million five hundred fifty thousand dollars (\$44,550,000) to

41 Rockingham County for water and wastewater projects.

42 (3) ~~Twenty one million dollars (\$21,000,000) to Rockingham County for the~~

43 ~~extension of water services from Reidsville toward the unincorporated~~

44 ~~community of Ruffin.~~

45"

46 **SECTION 2C.1.(f)** Funds allocated to the City of Saluda and the Towns of

47 Columbus and Tryon (the recipients) by Section 4.2(h) of S.L. 2024-1, as amended by Section 3

48 of S.L. 2024-38, shall, notwithstanding any provision of those acts to the contrary, be used by

49 the recipients for either of the following purposes, apportioned among those purposes as the

50 recipients may specify:

- 1 (1) The repayment of debt incurred by any of the recipients for the construction
2 of a water or wastewater project.
3 (2) Any water or wastewater infrastructure project.
4

5 INCREASE ADMINISTRATIVE CAP FOR THE TOBACCO TRUST FUND

6 SECTION 2C.2. G.S. 143-717(i) reads as rewritten:

7 "(i) Limit on Operating and Administrative Expenses. – All administrative expenses of
8 the Commission shall be paid from the Fund. No more than ~~three hundred seventy five thousand~~
9 ~~dollars (\$375,000)~~ four hundred eighty-five thousand dollars (\$485,000) may be used each fiscal
10 year for administrative and operating expenses of the Commission and its staff, provided that the
11 Commission may annually adjust the administrative expense cap imposed by this subsection, so
12 long as that any cap increase does not exceed the amount necessary to provide for statewide
13 salary and benefit adjustments enacted by the General Assembly."
14

15 DELAY EFFECTIVE DATE OF ENTERTAINMENT EVENT TICKET SALE/RESALE 16 TRANSPARENCY

17 SECTION 2C.3. Section 24(b) of S.L. 2024-45 reads as rewritten:

18 "SECTION 24.(b) This section becomes effective ~~January 1, 2025,~~ April 1, 2025, and
19 applies to tickets listed for sale or resale on or after that date."
20

21 EXPEDITE EFFECTIVE DATES FOR CAMA PROVISIONS REQUIRING NOAA 22 APPROVAL

23 SECTION 2C.4.(a) Section 4C.11(d) of S.L. 2024-53 reads as rewritten:

24 "SECTION 4C.11.(d) ~~Subsection (b) of this section becomes effective on the later of the~~
25 ~~following dates and applies to applications for permits pending or filed on or after that date:~~

26 ~~(1) January 1, 2025.~~

27 ~~(2) The first day of the month following the date the Secretary of the Department~~
28 ~~of Environmental Quality certifies to the Revisor of Statutes that the National~~
29 ~~Oceanic and Atmospheric Administration has approved the change made to~~
30 ~~G.S. 113A-118, as enacted by subsection (b) of this section, as required by~~
31 ~~subsection (c) of this section. The Secretary shall provide this notice along~~
32 ~~with the effective date of this act on its website. This section is effective when~~
33 ~~it becomes law.~~"

34 SECTION 2C.4.(b) Section 4C.12(d) of S.L. 2024-53 reads as rewritten:

35 "SECTION 4C.12.(d) ~~Subsection (b) of this section becomes effective on the later of the~~
36 ~~following dates and applies to applications for permits pending or filed on or after that date:~~

37 ~~(1) January 1, 2025.~~

38 ~~(2) The first day of the month following the date that the Secretary of the~~
39 ~~Department of Environmental Quality certifies to the Revisor of Statutes that~~
40 ~~the National Oceanic and Atmospheric Administration has approved the~~
41 ~~change made to G.S. 113A-115.1, as enacted by subsection (b) of this section,~~
42 ~~as required by subsection (c) of this section. The Secretary shall provide this~~
43 ~~notice along with the effective date of this act on its website. This section is~~
44 ~~effective when it becomes law.~~"

45 SECTION 2C.4.(c) This section is retroactively effective October 25, 2024.
46

47 REPURPOSE CERTAIN FUNDS FROM COLUMBUS COUNTY TO TOWN OF LAKE 48 WACCAMAW

49 SECTION 2C.5. Notwithstanding any provision of S.L. 2021-180, of the Committee
50 Report referenced in Section 43.2 of that act, and of S.L. 2022-6 to the contrary, funds reallocated
51 from the Town of Lake Waccamaw to Columbus County for pedestrian and bike trails by Section

1 18.1 of S.L. 2022-6 shall instead be provided to the Town of Lake Waccamaw for dam
2 construction and associated activities.

3
4 **SUBPART II-D. JUSTICE AND PUBLIC SAFETY**

5
6 **MODIFY STATUTE SHIELDING INDIVIDUALS FROM PROSECUTION RELATED**
7 **TO CERTAIN LOCAL ORDINANCES**

8 **SECTION 2D.1.(a)** G.S. 14-4(c) reads as rewritten:

9 "(c) A person may not be found responsible or guilty of a local ordinance violation
10 punishable pursuant to subsection (a) of this section if, when tried for that violation, the person
11 produces proof of compliance with the local ordinance through any of the following:

- 12 (1) No new alleged violations of the local ordinance within ~~30 days~~ 12 months
13 from the date of the initial alleged violation.
14 (2) The person provides documented proof of a good-faith effort to seek
15 assistance to address any underlying factors related to unemployment,
16 homelessness, mental health, or substance abuse that might relate to the
17 person's ability to comply with the local ordinance."

18 **SECTION 2D.1.(b)** This section becomes effective January 1, 2025, and applies to
19 offenses committed on or after that date.

20
21 **FUNDING TO MAKE TIME-LIMITED ECOURTS TECHNOLOGY POSITIONS INTO**
22 **PERMANENT POSITIONS**

23 **SECTION 2D.2.(a)** Notwithstanding any law to the contrary, the funds appropriated
24 to the Administrative Office of the Courts for the 2024-2025 fiscal year in Section 2.2(d) of S.L.
25 2023-134 shall be reduced by two million five hundred thousand dollars (\$2,500,000). Funds
26 reduced pursuant to this subsection shall revert to the Information Technology Reserve
27 established in Section 2.2(h) of S.L. 2021-180 and shall remain unspent until appropriated by an
28 act of the General Assembly.

29 **SECTION 2D.2.(b)** There is appropriated from the General Fund to the
30 Administrative Office of the Courts the sum of two million five hundred thousand dollars
31 (\$2,500,000) in recurring funds for the 2024-2025 fiscal year to be used to convert time-limited
32 eCourts technology positions into permanent positions.

33
34 **FUNDING FOR TIMELY PAYMENTS TO PRIVATE ASSIGNED COUNSEL**
35 **REPRESENTING INDIGENT DEFENDANTS**

36 **SECTION 2D.3.** There is appropriated from the General Fund to the Administrative
37 Office of the Courts, Office of Indigent Defense Services, Budget Code 12001, Budget Fund
38 100151, the sum of eight million two hundred thousand dollars (\$8,200,000) in nonrecurring
39 funds for the 2024-2025 fiscal year to be used to provide timely payments to private assigned
40 counsel representing indigent defendants.

41
42 **CREATE TWO SPECIAL SUPERIOR COURT JUDGE POSITIONS**

43 **SECTION 2D.4.(a)** G.S. 7A-45.1 is amended by adding a new subsection to read:

44 "(a13) In addition to any other special superior court judges authorized by law, effective
45 January 1, 2025, the General Assembly may appoint by enactment of a bill two special superior
46 court judges to serve terms expiring at the earlier of (i) eight years from the date that each judge
47 takes office or (ii) the date of the judge's death, retirement, resignation, or removal from office.
48 A bill appointing a special superior court judge under this subsection shall state the name of the
49 person being appointed, the office to which the appointment is being made, and the judicial
50 division of residence of the appointee. One of the judges shall be nominated by the Speaker of

1 the House of Representatives and one shall be nominated by the President Pro Tempore of the
2 Senate.

3 Upon the natural expiration of the term of a special superior court judge appointed pursuant
4 to this subsection, or upon the expiration of a term due to a judge's death, retirement, resignation,
5 or removal from office, a successor shall be appointed to a new term in the same manner and for
6 the same length as other judges appointed pursuant to this subsection. The legislative officer who
7 nominated the special superior court judge whose term has ended shall nominate the new special
8 superior court judge.

9 A special superior court judge takes the same oath of office and is subject to the same
10 requirements and disabilities as are or may be prescribed by law for regular judges of the superior
11 court, save the requirement of residence in a particular district."

12 **SECTION 2D.4.(b)** There is appropriated from the General Fund to the
13 Administrative Office of the Courts the sum of two hundred eighty-seven thousand eight hundred
14 forty-six dollars (\$287,846) in recurring funds and fourteen thousand four hundred fifty-two
15 dollars (\$14,452) in nonrecurring funds for the 2024-2025 fiscal year to be used to hire two
16 full-time special superior court judge positions pursuant to the judgeships created by subsection
17 (a) of this section.

18
19 **REPEAL VARIOUS SUPERIOR COURT DISTRICTS**

20 **SECTION 2D.5.(a)** G.S. 7A-41 reads as rewritten:

21 "**§ 7A-41. Superior court divisions and districts; judges.**

22 (a) The counties of the State are organized into judicial divisions and superior court
23 districts, and each superior court district has the counties, and the number of regular resident
24 superior court judges set forth in the following table, and for districts of less than a whole county,
25 as set out in subsection (b) of this section:

Judicial Division	Superior Court District	Counties	No. of Resident Judges
...			
Third	10E	(part of Wake, see subsection (b))	1
...			
Fourth	31D	(part of Forsyth, see subsection (b))	1
...			

36 (b) For superior court districts of less than a whole county, or with part of one county
37 with part of another, the composition of the district and the number of judges is as follows:

- 38 ...
- 39 (10) ~~Superior Court District 10E consists of Wake County Precincts: VTD: 01-28,~~
40 ~~VTD: 01-42, VTD: 01-44, VTD: 01-47, VTD: 09-01, VTD: 09-02, VTD:~~
41 ~~09-03, VTD: 10-01, VTD: 10-02, VTD: 10-03, VTD: 10-04, VTD: 13-01:~~
42 ~~Block(s) — 1830541041000, — 1830541041001, — 1830541041002,~~
43 ~~1830541041003, — 1830541041004, — 1830541041005, — 1830541041006,~~
44 ~~1830541041007, — 1830541041008, — 1830541041009, — 1830541041010,~~
45 ~~1830541041011, — 1830541041012, — 1830541041013, — 1830541041014,~~
46 ~~1830541041015, — 1830541041016, — 1830541041017, — 1830541041018,~~
47 ~~1830541041019, 1830541041020, 1830541041021, 1830541042028; VTD:~~
48 ~~13-02, VTD: 13-06, VTD: 13-08, VTD: 13-09, VTD: 15-01, VTD: 15-03,~~
49 ~~VTD: 15-04, VTD: 16-01, VTD: 16-04, VTD: 16-05, VTD: 16-07, VTD:~~
50 ~~16-09, VTD: 17-01, VTD: 17-02, VTD: 17-03, VTD: 17-04, VTD: 17-05,~~
51 ~~VTD: 19-16, VTD: 19-17. It has one judge.~~

...
(25) ~~District 31D: Forsyth County: VTD: 081, VTD: 082, VTD: 083, VTD: 201, VTD: 203, VTD: 204, VTD: 205, VTD: 206, VTD: 207, VTD: 301, VTD: 302, VTD: 303, VTD: 304, VTD: 305, VTD: 306, VTD: 401, VTD: 402, VTD: 403, VTD: 404, VTD: 405. It has one judge.~~

...."

SECTION 2D.5.(b) In a future act of the General Assembly, the voters assigned to superior court districts repealed by this section will be reassigned to other superior court districts located within the same county, respectively, of the repealed districts.

SECTION 2D.5.(c) Subsection (a) of this section becomes effective January 1, 2029, and elections conducted in 2028 shall be held accordingly.

SUBPART II-E. GENERAL GOVERNMENT

OSBM GRANT CHANGES

SECTION 2E.1.(a) Section 6.1(a) of S.L. 2024-1 reads as rewritten:

"SECTION 6.1.(a) Notwithstanding any provision of S.L. 2023-134 or the Committee Report referenced in Section 43.2 of that act to the contrary, the following directed grants to be allocated by the Office of State Budget and Management – Special Appropriations for the 2023-2024 fiscal year are amended as follows:

- ...
(38) The directed grant to the Town of Yanceyville in the sum of two hundred fifty thousand dollars (\$250,000) in nonrecurring funds for the fire department to construct a substation at the municipal airport shall instead be used for general water and sewer needs.
- (39) The directed grant to the Town of Waxhaw in the sum of one hundred fifty thousand dollars (\$150,000) in nonrecurring funds for crosswalk construction and related equipment needs for Cuthbertson High and Middle Schools may also be used for sidewalk construction on Kensington Drive between the new town hall and Kensington Elementary School.
- (40) The directed grant to Place of Refuge of Gaston County, Inc., in the sum of one hundred thousand dollars (\$100,000) in nonrecurring funds shall instead be provided to the Gaston County Sheriff's Office.
- (41) The directed grant to the North American Mission Board of the Southern Baptist Convention, Inc., in the sum of fifty thousand dollars (\$50,000) in nonrecurring funds shall instead be provided to The Oar Foundation, Inc.
- (42) The budgeted receipts from the ARPA Temporary Savings Fund to provide funds to the Lincoln Community Health Center, Incorporated, in the sum of five hundred thousand dollars (\$500,000) in nonrecurring funds to be used for operational needs, including staff.
- (43) The directed grant to The Salvation Army in the sum of fifty thousand dollars (\$50,000) in nonrecurring funds shall be provided to the location in Winston-Salem.
- (44) Funding provided to Fayetteville State University in the sum of two million five hundred thousand dollars (\$2,500,000) in nonrecurring funds for a risk management school shall not revert on December 31, 2024, but shall remain available until June 30, 2026.
- (45) The directed grant to Life Choices Rowan in the sum of two hundred fifty thousand dollars (\$250,000) in nonrecurring funds for the 2023-2024 fiscal year for medical equipment and products for clients may also be used for renovation.

1 (46) The directed grant to the Town of Red Springs in the sum of two million
2 dollars (\$2,000,000) in nonrecurring funds to support the Emerging
3 Technology Institute shall instead be provided to the Emerging Technologies
4 Institute.

5 (47) The directed grant to The Arc/Alamance County, Inc., in the sum of
6 twenty-thousand dollars (\$20,000) in nonrecurring funds for playground
7 equipment shall instead be provided to the City of Burlington."

8 **SECTION 2E.1.(b)** Section 24.7 of S.L. 2023-134 reads as rewritten:

9 **"SECTION 24.7.** Of the funds appropriated in this act to the Office of State Budget and
10 Management, Special Appropriations, from the Regional Economic Development Reserve
11 (Reserve), the sum of two hundred fifty thousand dollars (\$250,000) in nonrecurring funds for
12 the 2023-2024 fiscal year shall be used to provide a directed grant to ~~Person County~~
13 Person-Caswell Lake Authority for the treatment and removal of native and noxious aquatic
14 weeds in Hyco Lake, including Brittle Naiad, Creeping Water Primrose, Nitella, Hydrilla,
15 Alligator Weed, Watermilfoil, Salvinia, and Chara. Any unexpended funds in the Reserve after
16 the effective treatment of native and noxious aquatic weeds in Hyco Lake may be used for other
17 surface bodies in Person County, including Mayo Lake. Funds appropriated for the purposes
18 authorized in this section shall not revert to the Reserve on June 30, 2024, but shall remain
19 available to Person County to use as provided in this section. For purposes of this section, native
20 and noxious aquatic weeds in Hyco Lake, including Brittle Naiad, Creeping Water Primrose,
21 Nitella, Hydrilla, Alligator Weed, Watermilfoil, Salvinia, and Chara shall be considered a
22 "noxious aquatic weed" under Article 15 of Chapter 113A of the General Statutes."
23

24 **APPROPRIATION FOR RRC LITIGATION EXPENSES**

25 **SECTION 2E.2** There is appropriated from the General Fund to the Office of
26 Administrative Hearings the sum of two hundred fifty thousand dollars (\$250,000) in
27 nonrecurring funds for the 2024-2025 fiscal year to offset litigation expenses incurred by the
28 Rules Review Commission, created by G.S. 143B-30.1, in the Commission's retention of private
29 counsel.
30

31 **BURKE COUNTY BUSINESS PARK SITE DEVELOPMENT**

32 **SECTION 2E.3.(a)** Appropriation. – Notwithstanding any provision of S.L.
33 2023-134 or the Committee Report referenced in Section 43.2 of that act to the contrary, of the
34 twenty-three million five hundred twenty thousand dollars (\$23,520,000) in nonrecurring funds
35 for the 2023-2024 fiscal year appropriated to the Office of State Budget and Management –
36 Special Appropriations to provide a directed grant to Burke Partnership for Economic
37 Development, Inc. (Burke Partnership), a nonprofit corporation, for acquisition and capital costs
38 associated with constructing a megasite in western North Carolina, the sum of twenty million
39 dollars (\$20,000,000) shall not be used for that purpose but shall instead be used for purposes
40 consistent with this section.

41 **SECTION 2E.3.(b)** Purpose. – The purpose of this section is to establish a
42 framework whereby the State may provide funding to Burke Partnership, who shall, in
43 consultation with the Department of Commerce (Commerce), use that funding for site
44 development and pre-construction and construction activities at the Burke Business Park located
45 in Burke County. All funds provided to Burke Partnership under this section shall be recouped
46 by Burke Partnership, in their entirety, in accordance with the provisions of this section.

47 **SECTION 2E.3.(c)** Contract Required. – As a necessary precondition to using funds
48 for construction activities as provided by this section, Burke Partnership shall execute a project
49 design and management agreement with Burke County Government and a contract with the
50 Department that, at a minimum, provides for (i) acceptable uses of funds, which shall only
51 include site development and pre-construction and construction activities at the Burke Business

1 Park, (ii) fund recoupment requirements, in accordance with subsection (d) of this section, (iii)
2 Burke Partnership's liability in the event of any fund recoupment deficiencies, (iv) acceptable
3 contract termination provisions in the event Burke Partnership no longer requires funding under
4 this section, and (v) clawback provisions in the event Burke Partnership does not fulfill its
5 responsibilities under this section.

6 **SECTION 2E.3.(d)** Recoupment of Funds/Liability. – Burke Partnership shall
7 recoup all funds used by it under this section within 36 months of the date that the funds are used
8 or otherwise obligated. No funds shall be used or obligated by Burke Partnership after December
9 31, 2027, and all funds shall be recouped upon the occurrence of the earlier of (i) December 31,
10 2027, or (ii) termination by Burke Partnership of the contract required by section (c) of this
11 section. Proceeds derived from the sale or lease of any buildings created with funds provided by
12 this section shall first be used to recoup State funds provided by this section. Burke Partnership
13 shall maintain financial and accounting records detailing the use of all funds used by it under this
14 section in accordance with generally accepted accounting principles. Burke Partnership shall be
15 liable for any deficiency in the recoupment of funds used or otherwise obligated by it under this
16 section.

17 **SECTION 2E.3.(e)** Reporting. – No later than December 1, 2024, and quarterly
18 thereafter until December 31, 2027, Burke Partnership shall report on the use of funds provided
19 to it under this section to the chairs of the Joint Legislative Oversight Committee on Agriculture
20 and Natural and Economic Resources and the Joint Legislative Economic Development and
21 Global Engagement Oversight Committee and to the Fiscal Research Division. In the event a
22 clawback is triggered under this section, the Department shall report in the manner provided by
23 G.S. 143B-435.1.

24 **SECTION 2E.3.(f)** Repurposing/Reversion. – Upon the occurrence of the earlier of
25 (i) December 31, 2027, or (ii) termination by Burke Partnership of the contract required by
26 subsection (c) of this section, the twenty million dollars (\$20,000,000) repurposed under
27 subsection (a) of this section shall no longer be available for purposes consistent with this section
28 but shall instead be used by Burke Partnership for acquisition and capital costs associated with
29 constructing a megasite in western North Carolina. Funds repurposed by this subsection that are
30 not expended or encumbered by December 31, 2030, shall revert to the Regional Economic
31 Development Reserve. This subsection supersedes the reversion dates for directed grants
32 specified elsewhere, including in Section 5.3(b)(4) of S.L. 2023-134, but nothing in this section
33 shall be construed or is intended to waive or supersede any other requirement for directed grants
34 set forth in Section 5.3 of S.L. 2023-134.

35 36 **CLARIFY AUTHORITY TO MODIFY LOAN AND TECHNICAL CORRECTION TO** 37 **CONSUMER FINANCE ACT**

38 **SECTION 2E.4.(a)** G.S. 53-180 is amended by adding a new subsection to read:

39 "(l) Loan Modification or Restructuring. – A loan contract may be modified or
40 restructured so long as the interest rate after the original maturity date does not exceed the eight
41 percent (8%) per annum limitation set forth in G.S. 53-173(d). A modification or restructuring
42 may provide for a reduction of interest rate, reduction of principal, reduction in the amount of
43 accrued interest, suspension of or modification of payment amounts, extension of the term of the
44 loan, or any combination of these terms. A modification of payment amounts for the term of a
45 loan modification or restructuring is not subject to subsection (a) of this section but shall not
46 provide for a balloon payment. A licensee shall document the terms of any agreement to modify
47 or restructure an existing loan contract by setting forth the terms of the modified or restructured
48 loan in its loan records and shall provide to the borrower a written notice of the changes. A
49 licensee shall not charge a borrower a fee to modify or restructure a loan unless authorized by
50 G.S. 53-177(c). A licensee shall not require additional collateral as a condition for a loan
51 modification or restructuring."

1 **SECTION 2E.4.(b)** G.S. 53-178 reads as rewritten:

2 "**§ 53-178. No further charges; no splitting contracts; certain contracts void.**

3 No further or other charges or insurance commissions shall be directly or indirectly
4 contracted for or received by any licensee, affiliate, parent, subsidiary, or licensee under the same
5 ownership, management, or control, whether partial or complete, except those specifically
6 authorized by this Article, by the Commissioner under G.S. 53-172 or any other statute. No
7 licensee shall divide into separate parts any contract made for the purpose of or with the effect
8 of obtaining interest or charges in excess of those authorized by this Article. All balances due to
9 a licensee from any person as a borrower or as an endorser, guarantor or surety for any borrower
10 or otherwise jointly or severally, shall be considered a part of any loan being made by a licensee
11 to such person for the purpose of computing interest or charges, or exceeding the maximum loan
12 amount of ~~fifteen thousand dollars (\$15,000)~~ established in G.S. 53-176(a)."

13 **SECTION 2E.4.(c)** Subsection (a) of this section is effective when it becomes law
14 and applies to loan contracts modified or restructured on or after that date. Nothing in this section
15 shall invalidate or impair a loan modification or restructuring that occurred prior to the effective
16 date of this section.

17 18 **CERTAIN NOTARY MODIFICATIONS**

19 **SECTION 2E.5.** Part 9 of Article 1 of Chapter 10B of the General Statutes is
20 amended by adding a new section to read:

21 "**§ 10B-73. Certain emergency video and remote notarizations validated.**

22 (a) Any emergency video notarization performed in accordance with G.S. 10B-25, as
23 codified on June 30, 2024, is validated.

24 (b) Any emergency video witnessing performed in accordance with Article 3 of this
25 Chapter, as codified on June 30, 2024, is validated.

26 (c) This section applies to notarial acts performed July 1, 2024, through September 8,
27 2024."

28 29 **COMMERCIAL BUILDING CODE COUNCIL REVISION**

30 **SECTION 2E.6.(a)** G.S. 143-136(a), as amended by Section 5.1(a) of S.L. 2024-49,
31 reads as rewritten:

32 "(a) Creation. – There is hereby created a Building Code Council, which shall be
33 composed of 13 members appointed as follows:

34 ...

35 (5) One member appointed by the General Assembly upon the recommendation
36 of the Speaker of the House of Representatives who shall ~~hold a license as an~~
37 ~~attorney at law under Chapter 84 of the General Statutes and specializes in~~
38 construction law; be a design professional licensed in North Carolina with
39 expertise and experience in the design of structures or buildings subject to the
40 North Carolina Building Code.

41 "

42 **SECTION 2E.6.(b)** This section becomes effective January 1, 2025.

43 44 **SUBPART II-F. INFORMATION TECHNOLOGY [RESERVED]**

45 46 **SUBPART II-G. SALARIES AND BENEFITS**

47 48 **CORRECT IMPROPER STATUTORY REFERENCE IN SESSION LAW 2024-42**

49 **SECTION 2G.1.** Effective retroactively to August 7, 2024, the introductory
50 language of Section 2(b) of S.L. 2024-42 reads as rewritten:

51 "**SECTION 2.(b)** ~~G.S. 135-1(11)~~ G.S. 135-48.1(11) reads as rewritten:"

SUBPART II-H. CAPITAL

SCIF GRANT CHANGES

SECTION 2H.1.(a) Notwithstanding the Committee Report described in Section 43.2 of S.L. 2021-180 or any other provision of law to the contrary, the following grants allocated from the State Capital and Infrastructure Fund are amended as follows:

- (1) The grant to Fayetteville Technical Community College for a new regional fire training center in the amount of ten million dollars (\$10,000,000) for the 2022-2023 fiscal year shall instead be used as follows:
 - a. Three million dollars (\$3,000,000) shall be used for the new Fayetteville Technical Community College Regional Fire Training Center.
 - b. Seven million dollars (\$7,000,000) shall be used for the Fayetteville Technical Community College Regional Truck Driver Training Center.
- (2) The grant to Burke County for a regional substance abuse treatment facility in the sum of three million two hundred fifty thousand dollars (\$3,250,000) in nonrecurring funds for the 2021-2022 fiscal year shall instead be provided as a grant to Partners Health Management, a local management entity/managed care organization, for the construction, planning, and operation of a substance abuse facility in Burke County.

SECTION 2H.1.(b) Notwithstanding the Committee Report described in Section 43.2 of S.L. 2023-134 or any other provision of law to the contrary, the grant allocated from the State Capital and Infrastructure Fund in the sum of one million five hundred thousand dollars (\$1,500,000) in nonrecurring funds for the 2023-2024 fiscal year to Montgomery Community College for capital improvements related to its new dental hygienist program shall instead be used for capital improvements or equipment for the dental and nursing programs at Montgomery Community College.

OSFM BUILDING RESERVE

SECTION 2H.2.(a) Notwithstanding any provision of law or the Committee Report described in Section 43.2 of S.L. 2023-134 to the contrary, the sum of two million three hundred thousand dollars (\$2,300,000) in recurring funds for the 2024-2025 fiscal year for the Future Building Reserves are reduced.

SECTION 2H.2.(b) There is appropriated from the General Fund to the Office of State Fire Marshal for the 2024-2025 fiscal year the sum of two million three hundred thousand dollars (\$2,300,000) in recurring funds to operate and maintain a training center facility.

UNC-WILMINGTON I.S.A.T. BUILDING CLARIFICATION

SECTION 2H.3.(a) Section 40.1(a) of S.L. 2023-134 reads as rewritten:

"SECTION 40.1.(a) The following agency capital improvement projects have been assigned a project code for reference to allocations in this Part, past allocations, and for intended project support by the General Assembly for future fiscal years:

Agency Capital Improvement Project	Project Code
...	
University of North Carolina at Wilmington–	
Cameron Hall–Comprehensive Renovation/Expansion	UNC/WIL23-1
Kenan Auditorium–Comprehensive Renovation/Expansion	UNC/WIL23-2
DeLoach Hall–Modernization	UNC/WIL23-3

1 ~~Health Education Bldg-Integrated Science and Technology (I.S.A.T.) Bldg.~~

2 UNC/WIL23-4

3"

4 **SECTION 2H.3.(b)** Notwithstanding the Committee Report described in Section
5 43.2 of S.L. 2023-134 or any provision of law to the contrary, the funding allocated from the
6 State Capital and Infrastructure Fund to the University of North Carolina at Wilmington in the
7 sum of eight million dollars (\$8,000,000) in nonrecurring funds for the 2023-2024 fiscal year
8 shall be used for the planning and design of the I.S.A.T. Building and related capital
9 improvements or equipment.

10 **NORTHERN REGIONAL HOSPITAL FUNDS**

11 **SECTION 2H.4.** Notwithstanding Item 239 on page C78 and Item 159 on page H15
12 of the Committee Report described in Section 43.2 of S.L. 2023-134, funds transferred from the
13 ARPA Temporary Savings Fund to the State Capital and Infrastructure Fund to provide funds to
14 the Northern Regional Foundation for capital improvements or equipment at Northern Regional
15 Hospital may also be used for the retirement of debt incurred for capital projects by the
16 Foundation or the Hospital between January 1, 2020, and October 3, 2023.

17 **GLOBAL TRANSPARK AIRCRAFT MAINTENANCE FACILITY MODIFICATION**

18 **SECTION 2H.5.** Section 40.1(s) of S.L. 2023-134 reads as rewritten:

19 **"SECTION 40.1.(s)** For project code TRAN23-1, the North Carolina Global TransPark
20 Authority (Authority) shall be considered the funded agency, pursuant to G.S. 143-135.26(1),
21 and, notwithstanding G.S. 143-341 or any other provision of law to the contrary, shall have final
22 authority over any aspect of the project. The Authority shall use up to five million dollars
23 (\$5,000,000) allocated in this Part for the 2023-2024 fiscal year for project planning. The Office
24 of State Budget and Management shall disburse additional funding that has been allocated by the
25 General Assembly for the project during the 2023-2025 fiscal biennium and subsequent fiscal
26 years contingent upon the Authority entering into an intergovernmental services agreement with
27 an agency of the United States for the use of the facility being constructed under this project
28 code. The Authority shall repay the total amount of three hundred fifty million dollars
29 (\$350,000,000) intended to be allocated from the State Capital and Infrastructure Fund for the
30 project in an amount of no less than one million dollars (\$1,000,000) and up to fifteen million
31 dollars (\$15,000,000) annually, commencing on the first year the federal government agency
32 takes occupancy of the facility under the terms of the intergovernmental services agreement with
33 the 2026-2027 fiscal year. Beginning with the 2034-2035 fiscal year, the Authority shall repay
34 the balance of funding allocated for the project in an amount of no less than fifteen million dollars
35 (\$15,000,000) annually. Reimbursement funds submitted by the Authority pursuant to this
36 subsection shall be credited to the State Capital and Infrastructure Fund."
37
38
39

40 **POE HALL ASSESSMENT FUNDS**

41 **SECTION 2H.6.** There is appropriated from the State Capital and Infrastructure
42 Fund to North Carolina State University the sum of five million dollars (\$5,000,000) in
43 nonrecurring funds for the 2024-2025 fiscal year to be used to assess the costs associated with
44 rehabilitating or replacing Poe Hall.
45

46 **FUNDS FOR TRAILS**

47 **SECTION 2H.7.** Funding. – There is appropriated from the State Capital and
48 Infrastructure Fund to the Department of Natural and Cultural Resources (Department) the sum
49 of five million two hundred thousand dollars (\$5,200,000) in nonrecurring funds for the
50 2024-2025 fiscal year. These funds shall be used for the following purposes:

- 1 (1) Four million two hundred fifty thousand dollars (\$4,250,000) to provide a
2 grant to the Saluda Grade Trails Conservancy (Conservancy), a nonprofit
3 corporation, for the purchase of the Saluda Grade rail corridor in Henderson
4 and Polk Counties and related assessment, due diligence, and transaction
5 costs. The Department shall provide the funds allocated by this subdivision to
6 the Conservancy upon the earlier of (i) January 1, 2025, or (ii) the date the
7 Department completes the study required by subdivision (c)(4) of Section 14.7
8 of S.L. 2023-134 and notifies the Office of State Budget and Management that
9 it has done so.
- 10 (2) Seven hundred fifty thousand dollars (\$750,000) to be divided equally
11 between the 15 eligible entities previously funded for capacity-building grants
12 pursuant to Section 14.7(c)(1) of S.L. 2023-134.
- 13 (3) Two hundred thousand dollars (\$200,000) to the Great Trails State Coalition,
14 a nonprofit corporation, for (i) a time-limited position to assist and coordinate
15 trail planning and implementation for the nonprofit organizations in the State,
16 (ii) marketing for trail events, and (iii) promoting outdoor trail recreation.
17

18 **SUBPART II-I. TRANSPORTATION**

19 **AIRPORT IMPROVEMENT FUNDS SHALL NOT REVERT**

20 **SECTION 2I.1.** Notwithstanding G.S. 143C-1-2(b), G.S. 63-74(d), Section 41.4 of
21 S.L. 2022-74, or any other provision of law to the contrary, funds allocated for airport
22 improvements on or after July 1, 2019, by Section 4.7 of S.L. 2019-231, Section 2.2(j) of S.L.
23 2023-134, or any other act of the General Assembly for projects that are active as of November
24 18, 2024, shall not revert but shall remain available to expend until completion of the
25 improvement.
26

27 **REALLOCATE ROCKINGHAM SPEEDWAY PEDESTRIAN BRIDGE FUNDS**

28 **SECTION 2I.2.** Notwithstanding the Committee Report described in Section 43.2
29 of S.L. 2023-134 or any provision of law to the contrary, of the sum of two million dollars
30 (\$2,000,000) in nonrecurring funds for the 2023-2024 fiscal year allocated for the construction
31 of a pedestrian bridge over Highway 1 at the Rockingham Speedway in Richmond County, one
32 million seven hundred thousand dollars (\$1,700,000) shall be allocated as a grant to the
33 Rockingham Dragway and three hundred thousand dollars (\$300,000) shall be allocated as a
34 grant to the Rockingham Speedway. The funds reallocated in this section shall be used for facility
35 improvements.
36

37 **SUBPART II-J. FINANCE**

38 **ELIMINATE ADDITIONAL MEANS OF NOTICE TO ADVERTISE PROPERTY TAX** 39 **LIENS CURRENTLY REQUIRED BY LAW**

40 **SECTION 2J.1.** Section 22 of S.L. 2024-45 is repealed.
41

42 **SUBPART II-K. GENERAL PROVISIONS**

43 **STORMWATER AND STREAM REHABILITATION ALLOCATION CHANGE**

44 **SECTION 2K.1.** The funds allocated by Section 5.6(f)(16)a. of S.L. 2023-134 to the
45 Office of State Budget and Management to provide a directed grant to Pilot View Resource
46 Conservation and Development, Inc., for stormwater and stream rehabilitation shall instead be
47 allocated to the Davie County Economic Development Commission, Inc., as a directed grant for
48 the same purposes.
49
50
51

1
2 **PART III. VARIOUS LAW CHANGES**

3
4 **SUBPART III-A. ELECTIONS**

5
6 **TRANSFER STATE BOARD OF ELECTIONS TO STATE AUDITOR**

7 **SECTION 3A.1.** Part I of S.L. 2023-139 is repealed.

8 **SECTION 3A.2.(a)** The North Carolina State Board of Elections is transferred
9 administratively to the Department of the State Auditor. This transfer has all of the elements of
10 a Type II transfer, as described in G.S. 143A-6, except that the management functions of the
11 State Board of Elections shall not be performed under the direction and supervision of the State
12 Auditor except as provided in this section. Under this transfer, the State Board of Elections shall
13 exercise all its prescribed statutory powers independently of the State Auditor, except that
14 budgeting functions shall be performed under the direction and supervision of the State Auditor.

15 **SECTION 3A.2.(b)** No action or proceeding pending on July 1, 2025, brought by or
16 against the State Board of Elections shall be affected by any provision of this section. Any
17 business or other matter undertaken or commanded by any State program or office or contract
18 transferred by this section pertaining to or connected with the functions, powers, obligations, and
19 duties set forth herein, which is pending on July 1, 2025, may be conducted and completed in the
20 same manner and under the same terms and conditions and with the same effect as if conducted
21 and completed by the original program, office, or commissioners or directors thereof.

22 **SECTION 3A.2.(c)** The transfer provided for under this section shall not affect any
23 ongoing investigation or audit. Prosecutions for offenses or violations committed before July 1,
24 2025, are not abated or affected by this section.

25 **SECTION 3A.2.(d)** Rules and forms adopted by the State Board of Elections shall
26 remain in effect until amended or repealed.

27 **SECTION 3A.2.(e)** G.S. 163-28 is repealed.

28 **SECTION 3A.2.(f)** This section becomes effective July 1, 2025.

29 **SECTION 3A.3.(a)** Section 2.1, Section 2.2, Section 2.5, Section 4.1, Part V,
30 Section 8.1, Section 8.2, and Section 8.3 of S.L. 2023-139 are repealed.

31 **SECTION 3A.3.(b)** G.S. 147-64.6(c) is amended by adding a new subdivision to
32 read:

33 "(23) The Auditor shall make appointments to the State Board of Elections."

34 **SECTION 3A.3.(c)** G.S. 163-19 reads as rewritten:

35 **"§ 163-19. State Board of Elections; appointment; term of office; vacancies; oath of office.**

36 (a) There is established the State Board of Elections, which may be referred to as the
37 "State Board" in this Chapter.

38 (b) The State Board of Elections shall consist of five registered voters whose terms of
39 office shall begin on ~~May 1, 2019,~~ May 1 of the year following the election of the President of
40 the United States and shall continue for four years, and until their successors are appointed and
41 qualified. The ~~Governor~~ State Auditor shall appoint the members of the State Board and likewise
42 shall appoint their successors ~~every four years~~ at the expiration of each four-year term. Not more
43 than three members of the State Board shall be members of the same political party. The
44 ~~Governor~~ State Auditor shall appoint the members from a list of nominees submitted to the
45 ~~Governor~~ State Auditor by the State party chair of each of the two political parties having the
46 highest number of registered affiliates as reflected by the latest registration statistics published
47 by the State Board. Each State party chair shall submit a list of four nominees who are affiliated
48 with that political party. No person may serve more than two full consecutive four-year terms.

49 (c) Any vacancy occurring in the State Board shall be filled by the ~~Governor,~~ State
50 Auditor, and the person so appointed shall ~~fill~~ serve the remainder of the unexpired term. The
51 ~~Governor~~ State Auditor shall fill the vacancy from a list of three nominees submitted to the

1 ~~Governor~~ State Auditor by the State party chair of the political party that nominated the vacating
2 member as provided in subsection (b) of this section. The State party chair shall submit a list of
3 three nominees ~~must be who are affiliated with that political party.~~

4"

5 **SECTION 3A.3.(d)** G.S. 163-20 reads as rewritten:

6 "**§ 163-20. Meetings of Board; quorum; minutes.**

7 (a) Call of meeting. – The State Board of Elections shall meet at the call of the ~~chairman~~
8 chair whenever necessary to discharge the duties and functions imposed upon it by this Chapter.
9 The ~~chairman~~ chair shall call a meeting of the State Board upon the written application or
10 applications of any two members thereof. If there is no ~~chairman~~ chair, or if the ~~chairman~~ chair
11 does not call a meeting within three days after receiving a written request or requests from two
12 members, any three members of the State Board shall have power to call a meeting of the State
13 Board, and any duties imposed or powers conferred on the State Board by this Chapter may be
14 performed or exercised at that meeting, although the time for performing or exercising the same
15 prescribed by this Chapter may have expired.

16 (b) Place of Meeting. – Except as provided in ~~subsection (c), below, subsection (c) of this~~
17 section, the State Board of Elections shall meet in its offices in the City of Raleigh, or at another
18 place in the City of Raleigh to be designated by the ~~chairman~~ chair. However, subject to the
19 limitation imposed by ~~subsection (c), below, subsection (c) of this section~~ upon the prior written
20 request of any four members, the State Board of Elections shall meet at any other place in the
21 State designated by the four members.

22 (c) Meetings to Investigate Alleged Violations of This Chapter. – When called upon to
23 investigate or hear sworn alleged violations of this Chapter, the State Board of Elections shall
24 meet and hear the matter in the county in which the violations are alleged to have occurred.

25 (d) Quorum. – A majority of the members constitutes a quorum for the transaction of
26 business by the State ~~Board of Elections~~ Board. If any member of the State Board fails to attend
27 a meeting, and by reason thereof there is no quorum, the members present shall adjourn from day
28 to day for not more than three days, by the end of which time, if there is no quorum, the ~~Governor~~
29 State Auditor may summarily remove any member failing to attend and appoint ~~his~~ a successor.

30 (e) Minutes. – The State Board of Elections shall keep minutes recording all proceedings
31 and findings at each of its meetings. The minutes shall be recorded in a book which shall be kept
32 in the office of the State Board in the City of Raleigh."

33 **SECTION 3A.3.(e)** G.S. 163-22(c) reads as rewritten:

34 "(c) The State Board shall advise the county boards of elections as to the proper methods
35 of conducting primaries and elections. The State Board shall require all reports from the county
36 boards of elections and election officers as provided by law, or as are deemed necessary by the
37 State Board, and shall compel observance of the requirements of the election laws by county
38 boards of elections and other election officers. In performing these duties, the State Board shall
39 have the right to hear and act on complaints arising by petition or otherwise, on the failure or
40 neglect of a county board of elections to comply with any part of the election laws imposing
41 duties upon a county ~~board of elections~~ board. The State Board shall have power to remove from
42 office any member of a county board of elections for incompetency, neglect or failure to perform
43 duties, fraud, or for any other satisfactory cause. Before exercising this power, the State Board
44 shall notify the county board of elections member affected and give that member an opportunity
45 to be heard."

46 **SECTION 3A.3.(f)** G.S. 163-30 reads as rewritten:

47 "**§ 163-30. County boards of elections; appointments; terms of office; qualifications;**
48 **vacancies; oath of office; instructional meetings.**

49 (a) In every county of the State there shall be a county board of elections, ~~to which may~~
50 be referred to as "county board" in this Chapter. Each county board shall consist of five persons
51 of good moral character who are registered voters in the county in which they are to act. Members

1 of county boards of elections shall be appointed by the State Board of Elections on the last
2 Tuesday in June, and every two years thereafter, and their terms of office shall continue for two
3 years from the specified date of appointment and until their successors are appointed and
4 qualified. Four members of each county boards of elections board shall be appointed by the State
5 Board on the last Tuesday in June and every two years thereafter, and their terms of office of
6 each odd-numbered year and shall continue for two years from the specified date of appointment
7 and to serve until their successors are appointed and qualified. One member of the each county
8 boards of elections board shall be appointed by the Governor State Auditor to be the chair of the
9 county board on the last Tuesday in June and every two years thereafter, of each odd-numbered
10 year and that member's term of office shall continue for two years from the specified date of
11 appointment and until a successor is appointed and qualified. Of the appointments to each county
12 board of elections by the State Board, two members each shall belong to the two political parties
13 having the highest number of registered affiliates as reflected by the latest registration statistics
14 published by the State Board.

15 (b) No person shall be eligible to serve as a member of a county board of elections who
16 meets any of the following criteria:

- 17 (1) Holds any elective office under the government of the United States, or of the
18 State of North Carolina or any political subdivision thereof.
- 19 (2) Holds any office in a state, congressional district, county or precinct political
20 party or organization. Provided, however, that the position of delegate to a
21 political party convention shall not be considered an office for the purpose of
22 this subdivision.
- 23 (3) Is a campaign manager or treasurer of any candidate or political party in a
24 primary or election.
- 25 (4) Is a candidate for nomination or election.
- 26 (5) Is the wife, husband, son, son in law, daughter, daughter in law, mother,
27 mother in law, father, father in law, sister, sister in law, brother, brother in
28 law, aunt, uncle, niece, or nephew of any candidate for nomination or election.
29 Upon any member of the county board of elections becoming ineligible, that
30 member's seat shall be declared vacant. This subdivision only applies if the
31 county board of elections is conducting the election for which the relative is a
32 candidate.

33 (c) The State chair of the two political parties having the highest number of registered
34 affiliates as reflected by the latest registration statistics published by the State Board shall have
35 the right to recommend to the State Board three registered voters in each county for appointment
36 to the county board of elections for that county. If such recommendations are received by the
37 State Board 15 or more days before the last Tuesday in June 2019, and each two years thereafter,
38 of each odd-numbered year, it shall be the duty of the State Board to appoint the county boards
39 from the names thus recommended.

40 (d) Whenever a vacancy occurs in the membership of a county board of elections for any
41 cause the State chair of the political party of the vacating member shall have the right to
42 recommend two registered voters of the affected county for such office, and it shall be the duty
43 of the State Board to fill the vacancy from the names thus recommended.

44 (e) At the meeting of the county board of elections required by G.S. 163-31 to be held on
45 Tuesday following the third Monday in July in the year of their appointment the members shall
46 take the following oath of office:

47 "I, _____, do solemnly swear (or affirm) that I will support the Constitution of the United
48 States; that I will be faithful and bear true allegiance to the State of North Carolina and to the
49 constitutional powers and authorities which are or may be established for the government thereof;
50 that I will endeavor to support, maintain and defend the Constitution of said State, not
51 inconsistent with the Constitution of the United States; and that I will well and truly execute the

1 duties of the office of member of the ____ County Board of Elections to the best of my knowledge
2 and ability, according to law; so help me God."

3 (f) Each member of the county board of elections shall attend each instructional meeting
4 held pursuant to G.S. 163-46, unless excused for good cause by the chair of the county board,
5 and shall be paid the sum of twenty five dollars (\$25.00) per day for attending each of those
6 meetings."

7 **SECTION 3A.3.(g)** Notwithstanding any other provision of law, the current terms
8 of office of the members of the State Board of Elections shall terminate on April 30, 2025, and
9 members shall be appointed to the State Board of Elections in accordance with G.S. 163-19, as
10 amended by this section, for a term to begin May 1, 2025.

11 **SECTION 3A.3.(h)** Notwithstanding any other provision of law, the current terms
12 of office of the members of the county boards of elections shall terminate on June 24, 2025, and
13 members of each county board of election shall be appointed in accordance with G.S. 163-30, as
14 amended by this section, for a term beginning on June 25, 2025, and expiring on July 19, 2027.

15 VARIOUS ELECTION CHANGES

16 **SECTION 3A.4.(a)** G.S. 163-82.4(f) reads as rewritten:

17
18 "(f) Correcting Registration Forms. – If the voter fails to complete any required item on
19 the voter registration form but provides enough information on the form to enable the county
20 board of elections to identify and contact the voter, the voter shall be notified of the omission
21 and given the opportunity to complete the form at least by 5:00 P.M.–12:00 P.M. on the third
22 business day before the county canvass as set in G.S. 163-182.5(b). after the election. If the voter
23 corrects that omission within that time and is determined by the county board of elections to be
24 eligible to vote, the county board shall permit the voter to vote. If the information is not corrected
25 by election day, the voter shall be allowed to vote a provisional official ballot. If the correct
26 information is provided to the county board of elections by at least 5:00 P.M.–12:00 P.M. on the
27 third business day before the county canvass, after the election, the county board shall count any
28 portion of the provisional official ballot that the voter is eligible to vote."

29 **SECTION 3A.4.(b)** G.S. 163-166.8(d) reads as rewritten:

30
31 "(d) Precinct officials shall maintain a log of any individual, other than a minor child under
32 the age of 18 in the care of a voter, who enters the voting place pursuant to this section and is not
33 seeking to vote in that voting place. The Precinct officials shall use the log provided by the State
34 Board, which shall include the printed name and address of the individual entering the voting
35 place, the time the individual entered the voting place, and a space for that individual's signature.
36 This subsection shall not apply to observers and runners appointed pursuant to G.S. 163-45.1 and
37 G.S. 163-45.2."

38 **SECTION 3A.4.(c)** G.S. 163-166.12 reads as rewritten:

39 **"§ 163-166.12. Requirements for certain voters who register by mail.**

40 ...
41 (d) Voting When Identification Numbers Do Not Match. – Regardless of whether an
42 individual has registered by mail or by another method, if the individual has provided with the
43 registration form a drivers license number or last four digits of a Social Security number but the
44 computer validation of the number as required by G.S. 163-82.12 did not result in a match, and
45 the number has not been otherwise validated by the ~~board of elections,~~ county board, in the first
46 election in which the individual votes that individual shall submit with the ballot the form of
47 identification described in subsection (a) or subsection (b) of this section, depending upon
48 whether the ballot is voted in person or absentee. If that identification is provided no later than
49 12:00 P.M. on the third business day after the election and the ~~county board of elections~~ does not
50 determine that the individual is otherwise ineligible to vote a ballot, the failure of identification
51 numbers to match shall not prevent that individual from registering to vote and having that
individual's vote counted.

1 (e) The Right to Vote Provisionally. – If an individual is required under subsection (a),
2 (b), or (d) of this section to present identification in order to vote, but that individual does not
3 present the required identification, that individual may vote a provisional official ballot. If the
4 voter is at the voting place, the voter may vote provisionally there without unnecessary delay. If
5 the voter is voting by ~~mail-in~~ absentee ballot, the ~~mailed~~ absentee ballot without the required
6 identification shall be treated as a provisional official ballot.

7"

8 **SECTION 3A.4.(d)** G.S. 163-166.16(c) reads as rewritten:

9 "(c) Provisional Ballot Required Without Photo Identification. – If the registered voter
10 cannot produce the identification as required in subsection (a) of this section, the registered voter
11 may cast a provisional ballot that is counted only if the registered voter brings an acceptable form
12 of photograph identification listed in subsection (a) of this section to the county board of elections
13 no later than ~~the end of business on the business day prior to the canvass by the county board of~~
14 ~~elections as provided in G.S. 163-182.5-~~ 12:00 P.M. on the third business day after the election.
15 The State Board shall provide the registered voter casting a provisional ballot due to failure to
16 provide photo identification an information sheet on the deadline to return to the county board of
17 ~~elections~~ to present photo identification, and what forms of photo identification are acceptable,
18 in order for the voter's provisional ballot to be counted."

19 **SECTION 3A.4.(e)** G.S. 163-182.2(a)(4) reads as rewritten:

20 "(4) If the county board of elections finds that an individual voting a provisional
21 official ballot (i) was registered in the county as provided in 163-82.1, (ii)
22 voted in the proper precinct under G.S. 163-55 and G.S. 163-57, and (iii) was
23 otherwise eligible to vote, the provisional official ballots shall be counted by
24 the county board of elections ~~before the canvass-~~ no later than 5:00 P.M. on
25 the third business day after the election. Except as provided in
26 G.S. 163-82.15(e), if the county board finds that an individual voting a
27 provisional official ballot (i) did not vote in the proper precinct under
28 G.S. 163-55 and G.S. 163-57, (ii) is not registered in the county as provided
29 in G.S. 163-82.1, or (iii) is otherwise not eligible to vote, the ballot shall not
30 be counted. If a voter was properly registered to vote in the election by the
31 county board, no mistake of an election official in giving the voter a ballot or
32 in failing to comply with G.S. 163-82.15 or G.S. 163-166.11 shall serve to
33 prevent the counting of the vote on any ballot item the voter was eligible by
34 registration and qualified by residency to vote."

35 **SECTION 3A.4.(f)** G.S. 163-230.1 reads as rewritten:

36 "§ 163-230.1. **Simultaneous issuance of absentee ballots with application.**

37 (a) Written Request. – A qualified voter who is eligible to vote by absentee ballot under
38 G.S. 163-226, or that voter's near relative or verifiable legal guardian, shall complete a request
39 form for an absentee application and absentee ballots so that the county board of elections
40 receives that completed request form not later than 5:00 P.M. on the second Tuesday before the
41 election. That completed written request form shall be in compliance with G.S. 163-230.2. The
42 county board of elections shall enter in the register of absentee requests, applications, and ballots
43 issued the information required in G.S. 163-228 as soon as each item of that information becomes
44 available. Upon receiving the completed request form, the county board of elections shall cause
45 to be mailed to that voter a single package that includes all of the following:

- 46 (1) The official ballots the voter is entitled to vote.
- 47 (2) A container-return envelope for the ballots, printed in accordance with
48 G.S. 163-229.
- 49 (3) An instruction sheet.

1 (4) A clear statement of the requirement for a photocopy of identification
2 described in G.S. 163-166.16(a) or an affidavit as described in
3 G.S. 163-166.16(d)(1), (d)(2), or (d)(3) with the returned ballot.

4 (a1) Mailing of Application and Ballots. – The ballots, envelope, and instructions shall be
5 mailed to the voter by the county board's chair, member, officer, or employee as determined by
6 the county board and entered in the register as provided by this Article.

7 (a2) Publish Deadline for Written Request and Ballot. – At least once per primary or
8 election, each county board ~~of elections~~ and the State Board shall publish on its website or in any
9 mailing sent to voters the following information:

10 (1) The date by which a completed request form as described in subsection (a) of
11 this section must be received by a county ~~board of elections~~ board.

12 (2) The means by which the voter's marked absentee ballot must be returned to
13 the county ~~board of elections~~ board.

14 (3) The date and time the voter's completed absentee ballot must be received by
15 the county board ~~of elections~~ in order to be counted.

16 (b) Absence for Sickness or Physical Disability. – Notwithstanding the provisions of
17 subsection (a) of this section, if a voter expects to be unable to go to the voting place to vote in
18 person on election day because of that voter's sickness or other physical disability, that voter or
19 that voter's near relative or verifiable legal guardian may make the request for absentee ballots in
20 person to the county board ~~of elections~~ of the county in which the voter is registered after 5:00
21 P.M. on the second Tuesday before the election but not later than 5:00 P.M. on the last business
22 day before the election. The county board ~~of elections~~ shall treat that completed request form in
23 the same manner as a request under subsection (a) of this section but may personally deliver the
24 application and ballots to the voter or that voter's near relative or verifiable legal guardian, and
25 shall enter in the register of absentee requests, applications, and ballots issued the information
26 required in G.S. 163-228 as soon as each item of that information becomes available. The county
27 board ~~of elections~~ shall personally deliver to the requester in a single package:

28 (1) The official ballots the voter is entitled to vote.

29 (2) A container-return envelope for the ballots, printed in accordance with
30 G.S. 163-229.

31 (3) An instruction sheet.

32 (4) A clear statement of the requirement for a photocopy of identification
33 described in G.S. 163-166.16(a) or an affidavit as described in
34 G.S. 163-166.16(d)(1), (d)(2), or (d)(3) with the returned application and
35 voted ballots.

36 (c) Delivery of Absentee Ballots and Container-Return Envelope to Applicant. – When
37 the county board ~~of elections~~ receives a completed request form for applications and absentee
38 ballots from the voter, or the near relative or the verifiable legal guardian of that voter, the county
39 board shall promptly issue and transmit them to the voter in accordance with the following
40 instructions:

41 (1) On the top margin of each absentee ballot the applicant is entitled to vote, the
42 chair, a member, officer, or employee of the county board ~~of elections~~ shall
43 write or type the words "Absentee Ballot No. ____ " or an abbreviation
44 approved by the State Board and insert in the blank space the number assigned
45 the applicant's application in the register of absentee requests, applications,
46 and absentee ballots issued. That person shall not write, type, or print any
47 other matter upon the absentee ballots transmitted to the absentee voter.
48 Alternatively, the county board ~~of elections~~ may cause to be barcoded on the
49 absentee ballot the voter's application number, if that barcoding system is
50 approved by the State Board.

- 1 (2) The chair, member, officer, or employee of the county board of elections shall
2 fold and place the absentee ballots (identified in accordance with the
3 preceding instruction) in a container-return envelope and write or type in the
4 appropriate blanks thereon, in accordance with the terms of G.S. 163-229(b),
5 the absentee voter's name, the absentee voter's application number, and the
6 designation of the precinct in which the voter is registered. If the absentee
7 ballot is barcoded under this section, the envelope may be barcoded rather
8 than having the actual number appear. The person placing the absentee ballots
9 in the envelopes shall leave the container-return envelope holding the absentee
10 ballots unsealed.
- 11 (3) The chair, member, officer, or employee of the county board of elections shall
12 then place the unsealed container-return envelope holding the absentee ballots
13 together with printed instructions for voting and returning the absentee ballots,
14 in an envelope addressed to the voter at the post office address stated in the
15 request, seal the envelope, and mail it at the expense of the county board of
16 elections: ~~board~~: Provided, that in case of a request received after 5:00 P.M.
17 on the second Tuesday before the election under the provisions of subsection
18 (b) of this section, in lieu of transmitting the absentee ballots to the voter in
19 person or by mail, the chair, member, officer, or employee of the county board
20 of elections may deliver the sealed envelope containing the instruction sheet
21 and the container-return envelope holding the absentee ballots to a near
22 relative or verifiable legal guardian of the voter.

23 The county board of elections may receive completed written request forms for applications
24 at any time prior to the election but shall not mail applications and absentee ballots to the voter
25 or issue applications and absentee ballots in person earlier than 60 days prior to the statewide
26 general election in an even-numbered year, or earlier than 50 days prior to any other election. No
27 election official shall issue applications for absentee ballots except in compliance with this
28 Article.

29 (d) Voter to Complete. – The application shall be completed and signed by the voter
30 personally, the absentee ballots marked, the absentee ballots sealed in the container-return
31 envelope, and the certificate completed as provided in G.S. 163-231.

32 (e) Approval of Applications. – At its next official meeting prior to election day after the
33 return of the completed container-return envelope with the voter's absentee ballots, the county
34 board of elections shall determine whether the container-return envelope has been properly
35 executed. If the county board determines that the container-return envelope has been properly
36 executed, it shall approve the application and deposit the container-return envelope with other
37 container-return envelopes for the envelope to be opened and the absentee ballots counted at the
38 same time as all other container-return envelopes and absentee ballots.

39 (e1) Curable Deficiencies. – If a container-return envelope contains a curable deficiency,
40 the county board of elections shall promptly notify the voter of the deficiency and the manner in
41 which the voter may cure the deficiency. Curable deficiencies are deficiencies that can be cured
42 with supplemental documentation or attestation provided by the voter, including when any of the
43 following occurs:

- 44 (1) The voter did not sign the voter certification as required by
45 G.S. 163-231(a)(4).
- 46 (2) The voter signed the application in the wrong place on the application.
- 47 (3) The voter failed to include with the container-return envelope a photocopy of
48 identification described in G.S. 163-166.16(a) or an affidavit as described in
49 G.S. 163-166.16(d)(1), (d)(2), or (d)(3), as required by subsection (f1) of this
50 section.

1 The identification of the two persons witnessing the casting of the absentee ballot in
2 accordance with G.S. 163-231(a) is not a curable deficiency. Any container-return envelope with
3 a curable deficiency that is transmitted to the county board shall be considered timely if cure
4 documentation is received no later than ~~the end of business~~ 12:00 P.M. on the third business day
5 ~~before the canvass conducted by the county board of elections held pursuant to G.S. 163-182.5.~~
6 after the election. Cure documentation may be transmitted via ~~e-mail~~ email to the county board
7 ~~of elections~~ if the deficiency is one described in subdivision (3) of this subsection. The
8 notification of voters regarding curable deficiencies is an administrative task that may be
9 performed by county board staff and is not required to be performed at an absentee meeting as
10 provided for in subsection (f) of this section. The voter shall be notified of curable deficiencies
11 by mail, and by telephone or email if the telephone number or email address was provided by the
12 voter on the request form for absentee ballots.

13 (f) Required Meeting of County Board of Elections. – During the period commencing on
14 the fifth Tuesday before an election, in which absentee ballots are authorized, the county board
15 ~~of elections~~ shall hold one or more public meetings each Tuesday at 5:00 P.M. for the purpose
16 of action on applications for absentee ballots. At these meetings, the county board ~~of elections~~
17 shall pass upon applications for absentee ballots.

18 If the county board ~~of elections~~ changes the time of holding its meetings or provides for
19 additional meetings in accordance with the terms of this subsection, notice of the change in hour
20 and notice of the schedule of additional meetings, if any, shall be published in a newspaper
21 circulated in the county at least 30 days prior to the election.

22 At the time the county board ~~of elections~~ makes its decision on an application for absentee
23 ballots, the county board shall enter in the appropriate column in the register of absentee requests,
24 applications, and ballots issued opposite the name of the applicant a notation of whether the
25 applicant's application was "Approved" or "Disapproved".

26 The decision of the county board on the validity of an application for absentee ballots shall
27 be final subject only to such review as may be necessary in the event of an election contest. The
28 county board ~~of elections~~ shall constitute the proper official body to pass upon the validity of all
29 applications for absentee ballots received in the county; this function shall not be performed by
30 the chair or any other member of the county board individually.

31 (f1) Each container-return envelope returned to the county board with application and
32 voted ballots under this section shall be accompanied by a photocopy of identification described
33 in G.S. 163-166.16(a) or an affidavit as described in G.S. 163-166.16(d)(1), (d)(2), or (d)(3).

34 (g) Rules. – The State Board, by rule or by instruction to the county ~~board~~ boards of
35 elections, shall establish procedures to provide appropriate safeguards in the implementation of
36 this section. The State Board shall adopt rules to provide for the forms of identification that shall
37 be included with returned application and voted absentee ballots. At a minimum, the rules shall
38 include the following:

- 39 (1) Acceptable photocopies of forms of readable identification, as described in
40 G.S. 163-166.16(a).
- 41 (2) A process for a voter without acceptable photocopies of forms of readable
42 identification under subdivision (1) of this subsection to complete an
43 alternative affidavit in accordance with G.S. 163-166.16(d)(1), (d)(2), or
44 (d)(3) that includes inability to attach a physical copy of the voter's
45 identification with the returned application and voted ballots as a reasonable
46 impediment to compliance with the identification requirement, provided the
47 reasonable impediment includes one of the following:
 - 48 a. The number of the voter's North Carolina drivers license issued under
49 Article 2 of Chapter 20 of the General Statutes, including a learner's
50 permit or a provisional license.

- 1 b. The number of the voter's special identification card for nonoperators
2 issued under G.S. 20-37.7.
- 3 c. The last four digits of the voter's social security number.
- 4 (h) Recodified as G.S. 163-226(f) by Session Laws 2019-239, s. 1.2(a), effective January
5 1, 2020, and applicable to elections conducted on or after that date."

6 **SECTION 3A.4.(g)** G.S. 163-234 reads as rewritten:

7 "**§ 163-234. Counting absentee ballots by county ~~board of elections.~~board.**

8 All absentee ballots returned to the county board ~~of elections~~ in the container-return
9 envelopes shall be retained by the county board ~~of elections~~ to be counted by the county board
10 ~~of elections~~ as follows:

- 11 (1) Only those absentee ballots returned to the county board ~~of elections~~ in a
12 properly executed container-return envelope and received pursuant to
13 G.S. 163-231 shall be counted. Absentee ballots not received pursuant to all
14 requirements in G.S. 163-231 shall not be deemed to be valid and shall not be
15 counted. ~~Absentee ballots received prior to election day shall be counted on~~
16 ~~election day.~~ An absentee ballot returned in an executed container-return
17 envelope containing a deficiency listed in G.S. 163-230.1(e) shall be counted
18 if documentation curing the deficiency is timely received by the county board
19 ~~of elections~~ in accordance with the requirements of G.S. 163-230.1(e).
- 20 (2) The county board ~~of elections~~ shall meet at 5:00 P.M. on election day in the
21 county board office or other public location in the county courthouse for the
22 purpose of counting all absentee ballots except those which have been
23 challenged before 5:00 P.M. on election ~~day, those received on election day,~~
24 day and those received pursuant to G.S. 163-231(b)(2). Any elector of the
25 county shall be permitted to attend the meeting and allowed to observe the
26 counting process, so long as the elector does not in any manner interfere with
27 the election officials in the discharge of their duties. The count of these
28 absentee ballots shall be continuous until completed, and the members shall
29 not separate or leave the counting place except for unavoidable necessity.

30 The county board ~~of elections~~ may begin counting absentee ballots issued
31 under Article 21A of this Chapter between the hours of 9:00 A.M. and 5:00
32 P.M. and may begin counting all absentee ballots between the hours of 2:00
33 P.M. and 5:00 P.M. upon the adoption of a resolution at least two weeks prior
34 to the election in which the hour and place of counting absentee ballots shall
35 be stated. ~~The resolution also may provide for an additional meeting following~~
36 ~~the day of the election and prior to the day of canvass to count absentee ballots~~
37 ~~received on election day as provided in subdivision (11) of this section.~~ A
38 copy of the resolution shall be published once a week for two weeks prior to
39 the election, in a newspaper having general circulation in the county. Notice
40 may additionally be made on a radio or television station or both, but the
41 notice shall be in addition to the newspaper and other required notice. The
42 count shall be continuous until completed and the members shall not separate
43 or leave the counting place except for unavoidable necessity, except that if the
44 count has been completed prior to the time the polls close, it shall be
45 suspended until that time pending receipt of any additional ballots. Nothing in
46 this section prohibits a county board ~~of elections~~ from taking preparatory steps
47 for the count earlier than the times specified in this section, as long as the
48 preparatory steps do not reveal to any individual not engaged in the actual
49 count election results before the times specified in this subdivision for the
50 count to begin. By way of illustration and not limitation, a preparatory step
51 for the count would be the entry of tally cards from direct record electronic

- 1 voting units into a computer for processing. The county board shall not
2 announce the result of the count before 7:30 P.M.
- 3 (3) Notwithstanding subdivision (2) of this section, a county board of elections
4 may, at each meeting at which it approves absentee ballot applications
5 pursuant to G.S. 163-230.1(e) and (f), remove those absentee ballots from
6 their envelopes and have them read by an optical scanning machine, without
7 printing the totals on the scanner. The county board shall complete the
8 counting of these absentee ballots at the times provided in subdivision (2) of
9 this section. The State Board shall provide instructions to county boards of
10 elections for executing this procedure, and the instructions shall be designed
11 to ensure the accuracy of the count, the participation of county board members
12 of both parties, and the secrecy of the results before election day. This
13 subdivision applies only in counties that use optical scan devices to count
14 absentee ballots.
- 15 (4) The counting of absentee ballots shall not commence until a majority and at
16 least one county board member of each political party represented on the
17 county board is present and that fact is publicly declared and entered in the
18 official minutes of the county board.
- 19 (5) The county board of elections may employ such assistants as deemed
20 necessary to count the absentee ballots, but each county board member present
21 shall be responsible for and observe and supervise the opening and tallying of
22 the absentee ballots.
- 23 (6) As each ballot envelope is opened, the county board shall cause to be entered
24 into a pollbook designated "Pollbook of Absentee Voters" the name of the
25 absentee voter, or if the pollbook is computer-generated, the county board
26 shall check off the name. Preserving secrecy, the absentee ballots shall be
27 placed in the appropriate ballot boxes, at least one of which shall be provided
28 for each type of ballot.
- 29 After all absentee ballots have been placed in the boxes, the counting
30 process shall begin.
- 31 If a challenge transmitted to the county board on canvass day by a chief
32 judge is sustained, the absentee ballots challenged and sustained shall be
33 withdrawn from the appropriate boxes, as provided in G.S. 163-89(e).
- 34 As soon as the absentee ballots have been counted and the names of the
35 absentee voters entered in the pollbook as required in this subdivision, the
36 county board members and assistants employed to count the absentee ballots
37 shall each sign the pollbook immediately beneath the last absentee voter's
38 name entered in the pollbook. The county board of elections is responsible for
39 the safekeeping of the pollbook of absentee voters.
- 40 (7) Upon completion of the counting process the county board members shall
41 cause the results of the tally to be entered on the absentee abstract prescribed
42 by the State Board. The abstract shall be signed by the members of the county
43 board in attendance and the original mailed immediately to the State Board.
- 44 (8) One copy of the absentee abstract shall be retained by the county board of
45 elections and the totals appearing on the absentee abstract shall be added to
46 the final totals of all votes cast in the county for each office as determined on
47 the official canvass.
- 48 (9) In the event a political party does not have a member of the county board of
49 elections present at the meeting to count absentee ballots due to illness or other
50 cause of the member, the counting shall not commence until the county party
51 chair of the absent member, or a member of the party's county executive

1 committee, is in attendance. The person shall act as an official witness to the
 2 counting and shall include his or her printed name and signature on the
 3 absentee ballot abstract, along with the name of who designated him or her to
 4 attend.

5 (10) The county board of elections shall retain all container-return envelopes and
 6 absentee ballots, in a safe place, for at least 22 months, and longer if any
 7 contest is pending concerning the validity of any ballot.

8 (11) ~~The county board of elections shall meet after election day and prior to the~~
 9 ~~date of canvass to determine whether the container return envelopes for~~
 10 ~~absentee ballots received on election day pursuant to G.S. 163-231(b) have~~
 11 ~~been properly executed. The county board of elections shall comply with the~~
 12 ~~requirements of G.S. 163-230.1 for approval of applications. Any absentee~~
 13 ~~ballots received pursuant to G.S. 163-231(b)(2) shall be counted by the county~~
 14 ~~board of elections on the day of canvass. The county board of elections may~~
 15 ~~also shall meet following after the day of the election and prior to the day of~~
 16 ~~canvass to count absentee ballots received pursuant to G.S. 163-231(b)(2)~~
 17 ~~upon the adoption of a resolution pursuant to subdivision (2) of this section.~~
 18 ~~The county board of elections shall comply with all other requirements of this~~
 19 ~~section and G.S. 163-230.1 for the counting of these absentee ballots.~~

20 (12) No later than 5:00 P.M. on the third business day after the election, the county
 21 board shall announce the tally of all absentee ballots, except those subject to
 22 a challenge or those cast in accordance with Article 21A of this Chapter."

23 **SECTION 3A.4.(h)** This section becomes effective January 1, 2025, and applies to
 24 elections conducted on or after that date.

25 **SECTION 3A.5.(a)** G.S. 163-278.19B reads as rewritten:

26 "**§ 163-278.19B. Political party headquarters building funds.**

27 (a) Notwithstanding the provisions of G.S. 163-278.19, a person prohibited by that
 28 section from making a contribution may donate to political ~~parties~~ parties, and affiliated party
 29 committees and political parties and affiliated party committees may accept from such a ~~person~~
 30 person, money and other things of value donated to a political party headquarters building fund.

31 (b) Donations made to the political party headquarters building fund in accordance with
 32 this section shall be subject to all the following rules:

33 (1) The donations solicited and accepted are designated to the political party
 34 headquarters building fund.

35 (2) Potential donors to ~~that the political party headquarters building fund~~ are
 36 advised that all donations will be exclusively for the political party
 37 headquarters building fund.

38 (3) The political party or affiliated party committee establishes a separate
 39 segregated bank account into which shall be deposited only donations for the
 40 political party headquarters building fund from persons prohibited by
 41 G.S. 163-278.19 from making contributions.

42 (4) The donations deposited in the separate segregated bank account for the
 43 political party headquarters building fund ~~will~~ shall be spent only as follows:

44 a. ~~to~~ To purchase a principal headquarters building, to construct a
 45 principal headquarters building, to renovate a principal headquarters
 46 building, or to pay a mortgage on a principal headquarters ~~building, to~~
 47 ~~repay donors if a principal headquarters building is not purchased,~~
 48 ~~constructed, or renovated, or building.~~

49 b. ~~to~~ To pay building rent or monthly or bimonthly utility expenses
 50 incurred to operate the principal headquarters building. ~~Donations~~
 51 ~~deposited into that account shall be used solely for the purposes set~~

1 forth in the preceding sentence, and specifically shall not be used for
2 headquarters equipment other than fixtures, personnel compensation,
3 or travel or fundraising expenses or requirements of any kind.

4 c. ~~Notwithstanding the above, To compensate personnel compensation~~
5 ~~and including in-kind benefits may be paid to for~~ no more than three
6 personnel whose functions are primarily administrative in nature, such
7 as providing accounting, payroll, or campaign finance reporting
8 services, for the party and whose job functions require no more than
9 ten percent (10%) of work time to be spent on political advocacy each
10 calendar year.

11 d. To repay donors if a principal headquarters building is not purchased,
12 constructed, renovated, or rented.

13 e. To fund legal actions as defined in G.S. 163-278.300(4).

14 f. To make a legal expense donation to a legal expense fund under
15 Article 22M of this Chapter.

16 (5) The political party executive committee or affiliated party committee shall
17 report donations to and spending by a political party headquarters building
18 fund on every report required to be made by G.S. 163-278.9. If a committee
19 is excused from making general campaign finance reports under
20 G.S. 163-278.10A, that committee shall nonetheless report donations in any
21 amount to and spending in any amount by the political party headquarters
22 building fund at the times required for reports in G.S. 163-278.9.

23 (c) Donations deposited into a political party headquarters building fund shall be used
24 solely for the purposes set forth in this section. Except as otherwise provided in this section, the
25 political party headquarters building fund shall not be used for headquarters equipment other than
26 fixtures, personnel compensation, travel, fundraising expenses, or other expenses of any kind.

27 (d) ~~If all the criteria set forth in subdivisions (1) through (5) of this section are complied~~
28 ~~with, then donations to~~ Donations made to, and spending ~~by~~ by, a political party headquarters
29 building ~~fund do~~ fund in accordance with this section shall not constitute contributions or
30 expenditures as defined in G.S. 163-278.6. ~~If those criteria are complied with, then donations~~
31 ~~may be made to a political party headquarters building fund."~~

32 **SECTION 3A.5.(b)** G.S. 163-278.316 is amended by adding a new subsection to
33 read:

34 "(f) A legal expense fund may accept a legal expense donation from a political party
35 headquarters building fund."

36 **SECTION 3A.5.(c)** This section becomes effective January 1, 2025, and applies to
37 donations made and expenses paid on or after that date.

38 39 **SUBPART III-B. GENERAL GOVERNMENT**

40 41 **MODIFY CERTAIN PROCEDURES RELATED TO APPOINTMENTS**

42 **SECTION 3B.1.(a)** G.S. 120-122 reads as rewritten:

43 **"§ 120-122. Vacancies in legislative appointments.**

44 When a vacancy occurs in any office subject to appointment by the General Assembly upon
45 the recommendation of the Speaker of the House of Representatives, upon the recommendation
46 of the President Pro Tempore of the Senate, or upon the recommendation of the President of the
47 Senate, and the vacancy occurs either: (i) after election of the General Assembly but before
48 convening of the regular session; (ii) when the General Assembly has adjourned to a date certain,
49 which date is more than 20 days after the date of adjournment; (iii) after sine die adjournment of
50 the regular session; or (iv) when the term of office expires and a successor has not been appointed,
51 then the Governor may appoint a person to serve until the expiration of the term or until the

1 General Assembly fills the vacancy, whichever occurs first. The General Assembly may fill the
2 vacancy in accordance with G.S. 120-121 during a regular or extra session. When a person is
3 holding over in office after the expiration of the term, for the purpose of this section that office
4 may be filled as if it were vacant. Before making an ~~appointment,~~ appointment in accordance
5 with this section, the Governor shall consult the officer who recommended the original
6 appointment to the General Assembly (the Speaker of the House of Representatives, the President
7 Pro Tempore of the Senate, or the President of the Senate), and ask for a written recommendation.
8 After receiving the written recommendation, the Governor ~~must shall~~ within ~~30-15~~ days ~~either~~
9 appoint the person recommended ~~or inform the officer who made the recommendation that he is~~
10 ~~rejecting the recommendation.~~ recommended. Failure to act within ~~30-15~~ days as required under
11 the provisions of the preceding sentence shall be deemed to be ~~approval of the candidate,~~ and the
12 candidate shall be eligible to enter the office in as full and ample extent as if the Governor had
13 ~~executed the~~ an execution of the appointment. The Governor shall not appoint a person other
14 than the person so recommended. Any position subject to initial appointment by the General
15 Assembly but not filled prior to sine die adjournment of the Session at which the position was
16 created or adjournment to a date certain which date is more than 20 days after the date of
17 adjournment of the session at which the position was created may be filled by the Governor under
18 this section as if it were a vacancy occurring after the General Assembly had made an
19 appointment."

20 **SECTION 3B.1.(b)** G.S. 143B-9 reads as rewritten:

21 "**§ 143B-9. Appointment of officers and employees.**

22 (a) Department Head. – The head of each principal State department, except those
23 departments headed by popularly elected officers, shall be appointed by the Governor and serve
24 at the Governor's pleasure. The salary of the head of each of the principal State departments shall
25 be set by the Governor, and the salary of elected officials shall be as provided by law.

26 (a1) Appointment. – For each head of each principal State department covered by this
27 ~~subsection,~~ section, the Governor shall notify the President of the Senate of the name of each
28 person to be ~~appointed, and~~ appointed. Unless expressly waived by an enactment of the General
29 Assembly, the appointment shall be subject to senatorial advice and consent in conformance with
30 Section 5(8) of Article III of the North Carolina ~~Constitution unless (i) the senatorial advice and~~
31 ~~consent is expressly waived by an enactment of the General Assembly or (ii) Constitution.~~

32 (a2) Vacancy. – ~~If a vacancy occurs when the General Assembly is not in regular session.~~
33 ~~Any session,~~ a person appointed to fill ~~a~~ the vacancy ~~when the General Assembly is not in regular~~
34 ~~session~~ may serve without senatorial advice and consent for no longer than the earlier of the
35 following:

- 36 (1) The date on which the Senate adopts a simple resolution that specifically
37 disapproves the person appointed.
- 38 (2) The date on which the General Assembly shall adjourn pursuant to a joint
39 resolution for a period longer than 30 days without the Senate adopting a
40 simple resolution specifically approving the person appointed.

41 (a3) Consecutive Terms. – Senatorial advice and consent is limited to the remainder of the
42 term the Governor is serving at the time it is given unless all of the following requirements are
43 met:

- 44 (1) The person was appointed by the Governor and received Senatorial advice and
45 consent as the head of the same principal State department during that
46 Governor's immediately preceding term.
- 47 (2) The person continues to serve in the same position.
- 48 (3) The Senate has not adopted a simple resolution specifically disapproving the
49 person during the first 90 legislative days of the first regular session
50 commencing in the calendar year after the Governor's reelection. For purposes
51 of this subdivision, a "legislative day" is a day on which the Senate convenes

1 in regular session. A person is no longer eligible to continue to serve after the
2 date on which the Senate adopts a simple resolution under this subdivision.

3 (b) Chief Deputy; Chief Assistant. – The head of a principal State department shall
4 appoint a chief deputy or chief assistant, and such chief deputy or chief assistant shall not be
5 subject to the North Carolina Human Resources Act. The salary of such chief deputy or chief
6 assistant shall be set by the Governor. Unless otherwise provided for in the Executive
7 Organization Act of 1973, and subject to the provisions of the Human Resources Act, the head
8 of each principal State department shall designate the administrative head of each transferred
9 agency and all employees of each division, section, or other unit of the principal State
10 department."

11 **SECTION 3B.1.(c)** This section applies to appointments made on or after the
12 effective date of this act.

13 14 **DESIGNATE ALL PARKING SPACES IN STATE PARKING DECK 65 AS STATE** 15 **LEGISLATIVE BUILDINGS AND GROUNDS**

16 **SECTION 3B.2.** G.S. 120-32.1(d) reads as rewritten:

17 "(d) For the purposes of this section, the term "State legislative buildings and grounds"
18 means:

19 ...

20 (3) The parking spaces ~~in the upper level~~ of State Parking Deck 65 located under
21 the Halifax Street Mall."
22

23 **EMERGENCY MANAGEMENT ACT CLARIFICATION**

24 **SECTION 3B.3.(a)** Purpose. – In accordance with Article I, Section 7 of the North
25 Carolina Constitution, which states "[a]ll power of suspending laws or the execution of laws by
26 any authority, without the consent of the representatives of the people, is injurious to their rights
27 and shall not be exercised[,]" the Governor has a duty under Article III, Section 5(4) of the North
28 Carolina Constitution "that the laws be faithfully executed." Accordingly, the purpose of this
29 section is to correct a misapprehension of the powers conferred to the Governor under Article 1A
30 of Chapter 166A of the General Statutes, entitled "North Carolina Emergency Management Act,"
31 which does not allow for the Governor to waive, modify, suspend, or fail to enforce or execute
32 any provision of the General Statutes of North Carolina, including the provisions of Chapter 96,
33 entitled "Employment Security Law," unless specifically and expressly prescribed by general law
34 enacted by the General Assembly.

35 **SECTION 3B.3.(b)** G.S. 166A-19.2, as amended by Section 3(a) of S.L. 2024-16,
36 reads as rewritten:

37 "**§ 166A-19.2. Limitations-Construction; limitations.**

38 (a) Construction. – Nothing in this Article shall be construed to do any of the following:

39 (1) Interfere with dissemination of news or comment on public affairs; but any
40 communications facility or organization, including, but not limited to, radio
41 and television stations, wire services, and newspapers may be requested to
42 transmit or print public service messages furnishing information or
43 instructions in connection with an emergency, disaster, or war.

44 (2) Limit, modify, or abridge the authority of the Governor to declare martial law
45 or exercise any other powers vested in the Governor under the North Carolina
46 Constitution, statutes, or common law of this State independent of, or in
47 conjunction with, any provisions of this Article.

48 (b) Religious Institutions. – No religious institution shall be subject to an executive order,
49 secretarial declaration, municipal or local government prohibition or restriction, or a rule or
50 regulation by a political subdivision of this State that distinguishes between religious institutions
51 and other public or private for-profit or nonprofit entities that are subject to or affected by the

1 same or similar emergency in a way that imposes additional limitations on the religious
2 institution. For the purposes of this subsection, the term "religious institution" has the same
3 meaning as in G.S. 131F-2.

4 (c) Limitation. – Nothing in this Article authorizes or empowers the Governor or the
5 Governor's designee to waive, modify, suspend, or fail to enforce or execute any provision of
6 Chapter 96 of the General Statutes."

7 **SECTION 3B.3.(c)** This section becomes effective March 1, 2025, and applies to
8 exercises of power, including executive orders issued by the Governor, on or after that date.

9 10 **SUBPART III-C. JUDICIARY**

11 12 **MODIFY THE APPOINTMENT PROCESS TO FILL SUPREME COURT AND COURT** 13 **OF APPEALS VACANCIES**

14 **SECTION 3C.1.(a)** G.S. 163-9 reads as rewritten:

15 "**§ 163-9. Filling vacancies in State and district judicial offices.**

16 (a) ~~Vacancies~~ The Governor shall appoint persons to fill vacancies occurring in the
17 offices of Justice of the Supreme Court, Court and judge of the Court of Appeals, and judge of
18 the superior court Appeals for causes other than expiration of term shall be filled by appointment
19 of the Governor, from a list of three qualified persons recommended by the political party
20 executive committee of the political party with which the vacating judge was affiliated when
21 elected. If a political party fails to make recommendations under this subsection within 30 days
22 of the occurrence of the vacancy, or if a vacating judge was not affiliated with a political party at
23 the time of the judge's election, the Governor shall appoint a qualified person to fill the vacancy.
24 For purposes of this subsection, a qualified person is a person who is a resident of the State who
25 is duly authorized to practice law in this State. An appointee to the office of Justice of the
26 Supreme Court or judge of the Court of Appeals shall hold office until January 1 next following
27 the election for members of the General Assembly that is held more than 60 days after the
28 vacancy occurs, at which time an election shall be held for an eight-year term and until a
29 successor is elected and qualified.

30 (b) The Governor shall appoint qualified persons to fill vacancies occurring in the office
31 of judge of the superior court. Except for judges specified in the next paragraph of this subsection,
32 subsection (b1) of this section, an appointee to the office of judge of superior court shall hold his
33 place office until the next election for members of the General Assembly that is held more than
34 60 days after the vacancy occurs, at which time an election shall be held to fill the unexpired
35 term of the office.

36 (b1) Appointees under this section for judges of the superior court from any district:

37 (1) ~~With district with only one resident judge;~~ judge or

38 (2) ~~In in~~ in which no county is subject to section 5 of the Voting Rights Act of 1965,
39 shall hold the office until the next election of members of the General
40 Assembly that is held more than 60 days after the vacancy occurs, at which
41 time an election shall be held to fill an eight-year term.

42 (c) When the unexpired term of the office in which the vacancy has occurred expires on
43 the first day of January succeeding the next election for members of the General Assembly, the
44 Governor shall appoint to fill that vacancy for the unexpired term of the ~~office.~~ office in
45 accordance with the requirements of this section.

46 (d) Vacancies in the office of district judge which occur before the expiration of a term
47 shall be filled in accordance with G.S. 7A-142."

48 **SECTION 3C.1.(b)** If a vacancy requiring nominations pursuant to G.S. 163-9(a),
49 as amended by subsection (a) of this section, occurred prior to the date this section becomes
50 effective and is vacant on the date this section becomes effective, the political party executive
51 committee making nominations as provided in G.S. 163-9(a), as amended by subsection (a) of

1 this section, shall have 30 days from the date this section becomes effective to make
2 recommendations to the Governor.

3 **SECTION 3C.1.(c)** This section applies to appointments made on or after the
4 effective date of this act.

5
6 **ABOLISH THE NORTH CAROLINA COURTS COMMISSION**

7 **SECTION 3C.2.** Article 40A of Chapter 7A of the General Statutes is repealed. All
8 unexpended appropriations made to the Courts Commission shall revert to the General Fund.

9
10 **SENIOR RESIDENT SUPERIOR COURT JUDGES SHALL SERVE IN THAT**
11 **CAPACITY AT THE PLEASURE OF THE CHIEF JUSTICE**

12 **SECTION 3C.3.(a)** G.S. 7A-41.1 reads as rewritten:

13 **"§ 7A-41.1. District and set of districts defined; senior resident superior court judges and**
14 **their authority.**

15 (a) In this section and in any other law which refers to this section:

16 (1) "District" means any superior court district established by G.S. 7A-41 which
17 consists exclusively of one or more entire counties;

18 (2) "Set of districts" means any set of two or more superior court districts
19 established under G.S. 7A-41, none of which consists exclusively of one or
20 more entire counties, but both or all of which include territory from the same
21 county or counties and together comprise all of the territory of that county or
22 those counties;

23 (3) "Regular resident superior court judge of the district or set of districts" means
24 a regular superior court judge who is a resident judge of any of the superior
25 court districts established under G.S. 7A-41 which comprise or are included
26 in a district or set of districts as defined herein.

27 (b) There shall be one and only one senior resident superior court judge for each district
28 or set of districts as defined in subsection (a) of this section, who shall be:

29 (1) Where there is only one regular resident superior court judge for the district,
30 that judge; and

31 (2) Where there are two or more regular resident superior court judges for the
32 district or set of districts, ~~the judge who, from among all the regular resident~~
33 ~~superior court judges of the district or set of districts, has the most continuous~~
34 ~~service as a regular resident superior court judge; provided if two or more~~
35 ~~judges are of equal seniority, the oldest of those judges shall be the senior~~
36 ~~regular resident superior court judge.~~ the Chief Justice of the Supreme Court
37 shall designate one of the judges as senior resident superior court judge to
38 serve in that capacity at the pleasure of the Chief Justice.

39 (3) Where there is a set of districts, the Chief Justice of the Supreme Court shall
40 designate one of the judges as senior resident superior court judge to serve in
41 that capacity at the pleasure of the Chief Justice, if that set of districts are
42 wholly contained in one county that is specified in law as the sole proper venue
43 for certain actions.

44 (c) Senior resident superior court judges and regular resident superior court judges
45 possess equal judicial jurisdiction, power, authority and status, but all duties placed by the
46 Constitution or statutes on the resident judge of a superior court district, including the
47 appointment to and removal from office, which are not related to a case, controversy or judicial
48 proceeding and which do not involve the exercise of judicial power, shall be discharged,
49 throughout a district as defined in subsection (a) of this section or throughout all of the districts
50 comprising a set of districts so defined, for each county in that district or set of districts, by the
51 senior resident superior court judge for that district or set of districts. That senior resident superior

1 court judge alone among the superior court judges of that district or set of districts shall receive
2 the salary and benefits of a senior resident superior court judge.

3 (d) A senior resident superior court judge for a district or set of districts as defined in
4 subsection (a) of this section with two or more regular resident superior court judges, by notice
5 in writing to the Administrative Officer of the Courts, may decline to exercise the authority vested
6 in him by this section, in which event such authority shall be exercised in the following manner:

7 (1) Prior to the Chief Justice designating a senior resident superior court judge
8 pursuant to subsection (b) of this section, by the regular resident superior court
9 judge who, among the other regular resident superior court judges of the
10 district or set of districts, is next senior in point of service or age, respectively.

11 (2) Once the Chief Justice has designated a senior resident superior court judge
12 pursuant to subsection (b) of this section, by that judge.

13 (e) In the event a senior resident superior court judge for a district or set of districts with
14 one or more regular resident superior court judges is unable, due to mental or physical incapacity,
15 to exercise the authority vested in ~~him~~ the judge by the statute, and the Chief Justice, in ~~his~~ the
16 Chief Justice's discretion, has determined that ~~such~~ the incapacity exists, the Chief Justice shall
17 appoint an acting senior regular resident superior court judge from the other regular resident
18 judges of the district or set of districts, to exercise, temporarily, the authority of the senior regular
19 resident judge. ~~Such~~ The appointee shall serve at the pleasure of the Chief Justice and until ~~his~~
20 the temporary appointment is vacated by appropriate order."

21 **SECTION 3C.3.(b)** This section is effective when it becomes law and applies to all
22 senior resident superior court judges serving in that capacity on or after that date. Senior resident
23 superior court judges serving in that capacity on the date this section becomes law shall be
24 deemed to serve in that capacity at the pleasure of the Chief Justice, except those serving in that
25 capacity pursuant to G.S. 7A-41.1(b)(1).
26

27 **SUBPART III-D. ATTORNEY GENERAL**

28 **POWERS AND DUTIES OF THE ATTORNEY GENERAL**

29 **SECTION 3D.1.(a)** G.S. 1-72.3 reads as rewritten:

30 **"§ 1-72.3. State a party to certain actions.**

31 The State shall be a party whenever the validity or constitutionality of a local act of the
32 General Assembly is the subject of an action in any court and, except as provided in G.S. 147-17,
33 shall be represented by the Attorney General. ~~This section shall not affect any authority under~~
34 General, subject to the provisions set forth in G.S. 1-72.2 ~~or~~ and G.S. 120-32.6."
35

36 **SECTION 3D.1.(b)** G.S. 62-20 is repealed.

37 **SECTION 3D.1.(c)** G.S. 62-15(g) reads as rewritten:

38 "(g) Upon request, the executive director shall employ the resources of the Public Staff to
39 furnish to the ~~Commission, its members, or the Attorney General,~~ Commission or its members
40 such information and reports or conduct such investigations and provide such other assistance as
41 may reasonably be required in order to supervise and control the public utilities of the State as
42 may be necessary to carry out the laws providing for their regulation."

43 **SECTION 3D.1.(d)** G.S. 62-70 reads as rewritten:

44 **"§ 62-70. Ex parte communications.**

45 ...

46 (f) In addition to the foregoing provisions regarding contacts with members of the
47 Commission and hearing examiners, if any party of ~~record, including the assistant attorney~~
48 general when he is a party, record confers with or otherwise contacts any staff personnel
49 employed by the Commission regarding the merits of a pending proceeding, the staff employee
50 shall promptly forward by regular mail a memorandum of the date and general subject matter of
51 such contact to all other parties of record to the proceeding.

1"

2 **SECTION 3D.1.(e)** G.S. 62-110.1(c) reads as rewritten:

3 "(c) The Commission shall develop, publicize, and keep current an analysis of the
4 long-range needs for expansion of facilities for the generation of electricity in North Carolina,
5 including its estimate of the probable future growth of the use of electricity, the probable needed
6 generating reserves, the extent, size, mix and general location of generating plants and
7 arrangements for pooling power to the extent not regulated by the Federal Energy Regulatory
8 Commission and other arrangements with other utilities and energy suppliers to achieve
9 maximum efficiencies for the benefit of the people of North Carolina, and shall consider such
10 analysis in acting upon any petition by any utility for construction. In developing such analysis,
11 the Commission shall, as it deems necessary, confer and consult with the public utilities in North
12 Carolina, the utilities commissions or comparable agencies of neighboring states, the Federal
13 Energy Regulatory Commission and other agencies having relevant information and may
14 participate as it deems useful in any joint boards investigating generating plant sites or the
15 probable need for future generating facilities. In addition to such reports as public utilities may
16 be required by statute or rule of the Commission to file with the Commission, any such utility in
17 North Carolina may submit to the Commission its proposals as to the future needs for electricity
18 to serve the people of the State or the area served by such utility, and insofar as practicable, each
19 such utility, the Public Staff, ~~intervenors, and the Attorney General~~ and intervenors may attend
20 or be represented at any formal conference conducted by the Commission in developing a plan
21 for the future requirements of electricity for North Carolina or this region. In the course of making
22 the analysis and developing the plan, the Commission shall conduct a public hearing on such
23 plan in the year a biennial integrated resource plan is filed and may hold a public hearing on such
24 plan in a year that an annual update of an integrated resource plan is filed. Each year, the
25 Commission shall submit to the Governor and to the appropriate committees of the Joint
26 Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the
27 chairs of the Senate Appropriations Committee on Agriculture, Natural, and Economic
28 Resources, and the chairs of the House of Representatives Appropriations Committee on
29 Agriculture and Natural and Economic Resources a report of its analysis and plan, the progress
30 to date in carrying out such plan, and the program of the Commission for the ensuing year in
31 connection with such plan."

32 **SECTION 3D.1.(f)** G.S. 62-110.3(c) reads as rewritten:

33 "(c) The utility, the Public Staff, ~~the Attorney General~~, and any other party may, at any
34 time after the amount of a bond is set, apply to the Commission to raise or lower the amount
35 based on changed circumstances."

36 **SECTION 3D.1.(g)** G.S. 62-300(d) reads as rewritten:

37 "(d) The fees and charges as set forth in subdivisions (1), (7), (9) and (10) of subsection
38 (a) of this section shall not apply to the State of North Carolina or to any board, department,
39 commission, institution or other agency of the State; and all applications, petitions or complaints
40 submitted by the State of North Carolina or any board, department, commission, institution or
41 other agency of the State shall be filed without the payment of the fees required by this section.
42 ~~All transcripts, papers, orders, certificates, or other records necessary to perfect an appeal, or to~~
43 ~~determine whether an appeal is to be taken, shall be furnished without charge to the Attorney~~
44 ~~General upon his request in cases in which the Attorney General appears in the public interest or~~
45 ~~as representing any board, department, commission, institution or other agency of the State."~~

46 **SECTION 3D.1.(h)** G.S. 114-2 reads as rewritten:

47 "§ 114-2. Duties.

48 Pursuant to Section 7(2) of Article III of the North Carolina Constitution, it shall be the duty
49 of the Attorney General:

50 (1) To defend all actions in the appellate division in which the State shall be
51 interested, or a party, and to appear for the State in any other court or tribunal

in any cause or matter, civil or criminal, in which the State may be a party or interested. interested, subject to the provisions set forth in G.S. 1-72.2 and G.S. 120-32.6. The duty to represent the State in criminal appeals shall not be delegated to any district attorney's office or any other entity.

...
(8)

Subject to the provisions of G.S. 62-20:

- a. ~~To intervene, when he deems it to be advisable in the public interest, in proceedings before any courts, regulatory officers, agencies and bodies, both State and federal, in a representative capacity for and on behalf of the using and consuming public of this State. He shall also have the authority to institute and originate proceedings before such courts, officers, agencies or bodies and shall have authority to appear before agencies on behalf of the State and its agencies and citizens in all matters affecting the public interest.~~
- b. ~~Upon the institution of any proceeding before any State agency by application, petition or other pleading, formal or informal, the outcome of which will affect a substantial number of residents of North Carolina, such agency or agencies shall furnish the Attorney General with copies of all such applications, petitions and pleadings so filed, and, when the Attorney General deems it advisable in the public interest to intervene in such proceedings, he is authorized to file responsive pleadings and to appear before such agency either in a representative capacity in behalf of the using and consuming public of this State or in behalf of the State or any of its agencies.~~

...."

SECTION 3D.1.(i) G.S. 114-2.3 reads as rewritten:

"§ 114-2.3. Use of private counsel limited.

(a) Every agency, institution, department, bureau, board, or commission of the State, authorized by law to retain private counsel, shall obtain written permission from the Attorney General prior to employing private counsel. This section does not apply to counties, cities, towns, other municipal corporations or political subdivisions of the State, or any agencies of these municipal corporations or political subdivisions, or to county or city boards of education. This subsection does not apply to ~~private counsel retained by the Judicial Department for the defense of an official or employee of the Department in any action arising from conduct undertaken in the course of the official's or employee's official duties and in which the Attorney General has declined to provide the litigation services.~~ the Judicial Department or an agency that is under the control of an official who is a member of the Council of State.

...

(e) The Attorney General shall report to the Joint Legislative Commission on Governmental Operations by January 1 and July 1 of each year on all contracts or engagement letters entered into by the Attorney General with private counsel to assist with any of the statutory duties of the Attorney General. The report shall disclose the amount of State funds expended under each such contract or engagement letter and a description of the legal assistance provided by private counsel."

SECTION 3D.1.(j) Article 1 of Chapter 114 of the General Statutes is amended by adding a new section to read:

"§ 114-2.8. Limitation on participation in foreign litigation.

The Attorney General shall not, as a party, amicus, or any other participant in an action pending before a state or federal court in another state, advance any argument that would result in the invalidation of any statute enacted by the General Assembly."

SECTION 3D.1.(k) G.S. 120-32.6 reads as rewritten:

1 **"§ 120-32.6. Certain employment authority.**

2 (a) Use of Private Counsel. – G.S. 114-2.3, 143C-6-9(b), and 147-17(a) through (c1)
3 shall not apply to the General Assembly.

4 (b) General Assembly Acting on Behalf of the State of North Carolina in Certain Actions.
5 – Whenever the validity or constitutionality of an act of the General Assembly or a provision of
6 the Constitution of North Carolina is the subject of an action in any State or federal court, the
7 Speaker of the House of Representatives and the President Pro Tempore of the Senate, as agents
8 of the State through the General Assembly, shall be necessary parties and shall be deemed to be
9 a client of the Attorney General for purposes of that action as a matter of law and pursuant to
10 Section 7(2) of Article III of the North Carolina Constitution. In such cases, the General
11 Assembly shall be deemed to be the State of North Carolina to the extent provided in
12 G.S. 1-72.2(a) unless waived pursuant to this subsection. When the General Assembly through
13 the Speaker of the House of Representatives and President Pro Tempore of the Senate participates
14 in such an action, the Attorney General is not authorized to take any position on behalf of the
15 State of North Carolina that is contrary to or inconsistent with the position of the General
16 Assembly. Additionally, in such cases, the General Assembly through the Speaker of the House
17 of Representatives and President Pro Tempore of the Senate jointly shall possess final
18 decision-making authority with respect to the defense of the challenged act of the General
19 Assembly or provision of the North Carolina Constitution. In any such action, the General
20 Assembly, through the Speaker of the House of Representatives and the President Pro Tempore
21 of the Senate, may waive such representation and decline to participate in the action by written
22 notice to the Attorney General.

23 (c) General Assembly Counsel Shall Be Lead Counsel. – In those instances when the
24 General Assembly employs counsel in addition to or other than the Attorney General, the Speaker
25 of the House of Representatives and the President Pro Tempore of the Senate may jointly
26 designate the counsel employed by the General Assembly as lead counsel in the defense of the
27 challenged act of the General Assembly or provision of the North Carolina Constitution. The
28 lead counsel so designated shall possess final decision-making authority with respect to the
29 representation, counsel, or service for the General Assembly. In actions in which the General
30 Assembly is deemed to be the State of North Carolina as provided in subsection (b) of this
31 section, the lead counsel so designated shall possess final decision-making authority with respect
32 to the positions taken on behalf of the State, as well as the representation of, counsel to, or service
33 provided to the State. Other counsel for the General Assembly shall, consistent with the Rules of
34 Professional Conduct, cooperate with such designated lead counsel.

35"

36 **SECTION 3D.1.(l)** G.S. 135-6(u) reads as rewritten:

37 "(u) ~~Notwithstanding G.S. 114-2.3 and G.S. 147-17, the~~ The Treasurer may designate
38 legal counsel, including private counsel, to represent the interests of the administration of benefit
39 programs under this Chapter."

40 **SECTION 3D.1.(m)** G.S. 147-17 reads as rewritten:

41 **"§ 147-17. May employ counsel in cases wherein State is interested.**

42 (a) No department, officer, agency, institution, commission, bureau or other organized
43 activity of the State which receives support in whole or in part from the State shall employ private
44 counsel, except with the approval of the Governor. The Governor shall give his approval only if
45 the Attorney General has advised him, as provided in subsection (b) of this section, that it is
46 impracticable for the Attorney General to render the legal services. In any case or proceeding,
47 civil or criminal, in or before any court or agency of this State or any other state or the United
48 States, or in any other matter in which the State of North Carolina is interested, the Governor
49 may employ private counsel as he may deem proper or necessary to represent the interest of the
50 State, and may fix the compensation for their services, subject to the provisions of subsection
51 (c1) of this section. This subsection does not apply to ~~private counsel retained by the Judicial~~

1 ~~Department for the defense of an official or employee of the Department in any action arising~~
2 ~~from conduct undertaken in the course of the official's or employee's official duties and in which~~
3 ~~the Attorney General has declined to provide the litigation services.~~ the Judicial Department or
4 an agency that is under the control of an official who is a member of the Council of State.
5"
6

7 **CLARIFY THE PROVISION OF COUNSEL TO JUDICIAL BRANCH OFFICIALS**
8 **AND MAKE RELATED CHANGES**

9 **SECTION 3D.2.(a)** Article 29 of Chapter 7A of the General Statutes is amended by
10 adding a new section to read:

11 **"§ 7A-343.7. Legal services for the Judicial Branch.**

12 (a) The Director may employ staff counsel or retain private counsel to provide legal
13 services, including litigation services, to a current or former official or employee of the Judicial
14 Branch in any action or matter arising in the scope and course of the official's or employee's
15 official duties. The Director also may employ or retain counsel to provide legal services,
16 including litigation services, to an agency, commission, conference, or other entity in the Judicial
17 Branch. The Director shall supervise and manage counsel employed or retained under this
18 section. The Director may use funds available to the Judicial Branch to employ or retain counsel
19 authorized under this section.

20 (b) All of the following apply when the Director employs or retains counsel under this
21 section to provide litigation services:

22 (1) Employed or retained counsel shall not provide litigation services for the
23 defense of a civil or criminal action or proceeding brought against a current
24 or former official or employee of the Judicial Branch if the Director
25 determines that any of the conditions in G.S. 143-300.4(a)(1) through (a)(4)
26 exist. The Director's provision of litigation services for the defense of a current
27 or former official or employee of the Judicial Branch shall raise a presumption
28 that no grounds for refusal to defend were discovered.

29 (2) If the action or proceeding for which employed or retained counsel is to
30 provide litigation services is one in which plaintiffs or claimants seek in
31 excess of one million dollars (\$1,000,000) in damages or for which a final
32 judgment orders the State to pay the sum of one million dollars (\$1,000,000)
33 or more, the Director shall report the litigation to the Attorney General's office
34 and the Attorney General shall complete reports under G.S. 114-2.6.

35 (3) Judgments and settlements in actions or proceedings against current or former
36 Judicial Branch officials or employees where the Director has approved the
37 provision of litigation services shall be paid by the State in accordance with
38 G.S. 143-300.6(a) as modified by subsection (c) of this section.

39 (4) If the settlement or resolution of the action involves the sum of seventy-five
40 thousand dollars (\$75,000) or more, the Director shall report the settlement to
41 the Attorney General's office, and the Attorney General shall complete reports
42 under G.S. 114-2.4(b).

43 (c) When the Attorney General provides for representation in a civil or criminal action
44 or proceeding for which a current or former official or employee of the Judicial Branch or an
45 entity in the Judicial Branch is a party, whether under this section, G.S. 114-2, or Article 31A of
46 Chapter 143 of the General Statutes, any compromise or settlement must be approved by the
47 Judicial Branch entity, official, or employee named in the action and, if the settlement or
48 resolution involves the payment of public monies, the Director. The approval of the Attorney
49 General shall not be required for the compromise or settlement of any claim in the action or
50 proceeding.

1 (d) When the Director employs or retains counsel under this section, G.S. 114-2(1)
2 through (2), 114-2.3, 143C-6-9(b), and 147-17(a) through (c1) shall not apply.

3 (e) This section does not prohibit the Attorney General's office from representing an
4 official or employee of the Judicial Branch pursuant to Article 31A of Chapter 143 of the General
5 Statutes upon that official's or employee's request to the Attorney General.

6 (f) The coverage afforded a current or former official or employee of the Judicial Branch
7 under this section shall be excess coverage over any commercial liability insurance, other than
8 insurance written under G.S. 58-32-15, up to the limit provided in G.S. 143-300.6(a).

9 (g) All communications or documents made or used in connection with the provision of
10 legal services by counsel employed or retained under this section are not "public records" as
11 defined by G.S. 132-1 and shall not be open to public inspection, examination, or copying.

12 (h) The following definitions apply in this section:

13 (1) "Civil or criminal action or proceeding" as defined in G.S. 143-300.2.

14 (2) "Employee" as defined in G.S. 143-300.2.

15 (3) "Litigation services" includes legal work conducted in anticipation of, or in
16 preparation for, any suit or action.

17 (4) "Private counsel" includes any licensed attorney retained by, engaged by, or
18 otherwise representing a current or former Judicial Branch employee, officer,
19 or entity but does not include a licensed attorney who holds a permanent
20 budgeted position in either the Department of Justice or the applicable Judicial
21 Branch entity."

22 **SECTION 3D.2.(b)** G.S. 114-2.2 is amended by adding a new subsection to read:

23 "(d) Subsection (a) of this section does not apply to consent judgments entered into by an
24 entity, officer, or employee of the Judicial Branch. To be effective against the State, a consent
25 judgment entered into by an entity of the Judicial Branch, or officer or employee of the Judicial
26 Branch who is a party in his or her official capacity, must be signed by the Director of the
27 Administrative Office of the Courts."

28 **SECTION 3D.2.(c)** G.S. 114-2.4 reads as rewritten:

29 "**§ 114-2.4. Settlement agreements.**

30 (a) The Attorney General shall review the terms of all proposed agreements entered into
31 by the State or a State department, agency, institution, or officer to settle or resolve litigation or
32 potential litigation, that involves the payment of public monies in the sum of seventy-five
33 thousand dollars (\$75,000) or more. In order for such an agreement or contract to be effective
34 against the State, the Attorney General shall submit to the State or the State department, agency,
35 institution, or officer a written opinion regarding the terms of the proposed agreement and the
36 advisability of entering into the agreement, prior to entering into the agreement. The written
37 opinion required by this section shall be maintained in the official file of the final settlement
38 agreement. The Attorney General by rule may delegate to a deputy or assistant Attorney General
39 or to another subordinate the authority to review settlement agreements. This subsection shall not
40 apply to proposed agreements entered into by an entity, officer, or employee of the Judicial
41 Branch.

42 ...

43 (a3) Where a dispute, claim, or controversy is brought against an entity, official, or
44 employee of the Judicial Branch, a proposed settlement agreement or other agreement that would
45 require the payment of monies from State funds, including potential attorneys' fees, shall be
46 approved by the Director of the Administrative Office of the Courts, or by and through a designee
47 of his or her choice, before the agreement may be entered.

48 "

49 **SECTION 3D.2.(d)** G.S. 143C-6-9(b) reads as rewritten:

50 "(b) Lapsed salary savings shall not be used to pay for litigation services provided by
51 private counsel. As used in this subsection, litigation services and private counsel are as defined

1 in G.S. 147-17(c1) and G.S. 114-2.3(d). This subsection does not apply to ~~litigation services~~
 2 ~~provided by private counsel retained by the Judicial Department for the defense of an official or~~
 3 ~~employee of the Department in any action arising from conduct undertaken in the course of the~~
 4 ~~official's or employee's official duties and in which the Attorney General has declined to provide~~
 5 ~~the litigation services.~~ legal services provided to the Judicial Branch under G.S. 7A-343.7(a)."

6 **SECTION 3D.2.(e)** G.S. 7A-343(17) reads as rewritten:

7 "(17) ~~Review requests for To employ staff counsel or retain private counsel for the~~
 8 ~~defense of a to provide legal services for the Judicial Department official or~~
 9 ~~employee.~~ Department. The Director may approve the expenditure of lapsed
 10 salary savings to ~~retain private counsel to provide litigation services for the~~
 11 ~~defense of an official or employee of the Judicial Department in any action~~
 12 ~~arising from conduct undertaken in the course of the official's or employee's~~
 13 ~~official duties and in which the Attorney General has declined to provide the~~
 14 ~~litigation services.~~ For purposes of this subdivision, the terms "litigation
 15 services" and "private counsel" are as defined in G.S. 147-17 and
 16 G.S. 114-2.3. pay for legal services under G.S. 7A-343.7(a)."

18 **SUBPART III-E. STATE HIGHWAY PATROL**

20 **MAKE STATE HIGHWAY PATROL INDEPENDENT DEPARTMENT**

21 **SECTION 3E.1.(a)** The State Highway Patrol is established in this subpart as a
 22 single, unified cabinet-level department. All functions, powers, duties, and obligations vested in
 23 the State Highway Patrol under the Department of Public Safety are transferred to, vested in, and
 24 consolidated within the State Highway Patrol in the manner of a Type I transfer as defined in
 25 G.S. 143A-6.

26 **SECTION 3E.1.(b)** G.S. 143B-2 reads as rewritten:

27 "**§ 143B-2. Interim applicability of the Executive Organization Act of 1973.**

28 The Executive Organization Act of 1973 shall be applicable only to the following named
 29 departments:

30 ...

31 (14) State Highway Patrol."

32 **SECTION 3E.1.(c)** G.S. 143B-6 reads as rewritten:

33 "**§ 143B-6. Principal departments.**

34 In addition to the principal departments enumerated in the Executive Organization Act of
 35 1971, all executive and administrative powers, duties, and functions not including those of the
 36 General Assembly and its agencies, the General Court of Justice and the administrative agencies
 37 created pursuant to Article IV of the Constitution of North Carolina, and higher education
 38 previously vested by law in the several State agencies, are vested in the following principal
 39 departments:

40 ...

41 (16) State Highway Patrol."

42 **SECTION 3E.1.(d)** G.S. 126-5(c1) is amended by adding a new subdivision to read:

43 "(40) Employees of the State Highway Patrol, that the Commander of the State
 44 Highway Patrol, at any time, in the Commander of the State Highway Patrol's
 45 discretion, exempts from the application of this Chapter by means of a letter
 46 to the Director of the Office of State Human Resources designating these
 47 employees. The Commander of the State Highway Patrol may exempt no
 48 more than 10 employees under the authorization set forth in this subdivision."

49 **SECTION 3E.1.(e)** Chapter 143B of the General Statutes is amended by adding a
 50 new Article 17 to be entitled "State Highway Patrol."

1 **SECTION 3E.1.(f)** Article 17 of Chapter 143B of the General Statutes, as enacted
 2 by subsection (e) of this section, is amended by adding a new Part 1 to be entitled "General
 3 Provisions."

4 **SECTION 3E.1.(g)** G.S. 20-184 is recodified as G.S. 143B-1700 under Part 1 of
 5 Article 17 of Chapter 143B of the General Statutes as created by subsection (f) of this section.

6 **SECTION 3E.1.(h)** Article 17 of Chapter 143B of the General Statutes, as enacted
 7 by subsection (e) of this section, is amended by adding a new Part 2 to be entitled "State Highway
 8 Patrol Division."

9 **SECTION 3E.1.(i)** Except as otherwise provided in subsection (g) of this section,
 10 Article 4 of Chapter 20 of the General Statutes is recodified under Part 2 of Article 17 of Chapter
 11 143B of the General Statutes as created by subsections (e) and (h) of this section, as follows:

<u>Former Citation</u>	<u>Recodified Citation</u>
12 20-185	143B-1705
13 20-185.1	143B-1710
14 20-186	143B-1711
15 20-187	143B-1712
16 20-187.1	143B-1713
17 20-187.3	143B-1714
18 20-187.5	143B-1715
19 20-188	143B-1716
20 20-189	143B-1717
21 20-189.1	143B-1718
22 20-189.2	143B-1719
23 20-190	143B-1720
24 20-190.1	143B-1721
25 20-190.3	143B-1722
26 20-191	143B-1723
27 20-192	143B-1724
28 20-195	143B-1725
29 20-196	143B-1726
30 20-196.2	143B-1727
31 20-196.3	143B-1728
32 20-196.4	143B-1729
33 20-196.5	143B-1730

34 **SECTION 3E.1.(j)** G.S. 143B-602.1 is recodified as G.S. 143B-1710.1 under Part 2
 35 of Article 17 of Chapter 143B of the General Statutes as created by subsection (h) of this section.

36 **SECTION 3E.1.(k)** All functions, powers, duties, and obligations vested in the State
 37 Capitol Police Division of the Department of Public Safety are transferred to, vested in, and
 38 consolidated within the State Highway Patrol by a Type I transfer, as defined in G.S. 143A-6.

39 **SECTION 3E.1.(l)** Article 17 of Chapter 143B of the General Statutes, as enacted
 40 by subsection (e) of this section, is amended by adding a new Part 3 to be entitled "State Capitol
 41 Police Division."
 42

43 **SECTION 3E.1.(m)** Subpart B of Part 4 of Article 13 of Chapter 143B of the General
 44 Statutes is recodified as Part 3 of Article 17 of Chapter 143B of the General Statutes, as enacted
 45 by subsection (l) of this section, as follows:

<u>Former Citation</u>	<u>Recodified Citation</u>
46 143B-911	143B-1750

47 **SECTION 3E.1.(n)** All statutory authority, powers, duties, and functions including
 48 rulemaking, budgeting, purchasing, records, personnel, personnel positions, salaries, property,
 49 and unexpended balances of appropriations, allocations, reserves, support costs, and other funds
 50 allocated to the Department of Public Safety for the regulation and enforcement of commercial
 51

1 motor vehicles, oversize and overweight vehicles, motor carrier safety, and mobile and
2 manufactured housing are transferred to and vested in the State Highway Patrol. This transfer
3 has all the elements of a Type I transfer, as defined in G.S. 143A-6.

4 The State Highway Patrol shall be considered a continuation of the transferred portion
5 of the Department of Public Safety for the purpose of succession to all rights, powers, duties, and
6 obligations of the Department of Public Safety currently performed by the Motor Carrier
7 Enforcement Administrative Section located administratively in the State Highway Patrol prior
8 to the enactment of subsection (a) of this section.

9 All equipment, supplies, personnel, or other properties rented or controlled by the
10 Department of Public Safety for the regulation and enforcement of commercial motor vehicles,
11 oversize and overweight vehicles, motor carrier safety, and mobile and manufactured housing
12 shall be administered by the State Highway Patrol.

13 **SECTION 3E.1.(o)** All sworn law enforcement personnel located in the Department
14 of Transportation, Division of Motor Vehicles License and Theft Bureau, including the personnel
15 positions, salaries, property, and other funds allocated for sworn law enforcement personnel, are
16 transferred to the State Highway Patrol. All statutory authority, powers, duties, and functions
17 currently statutorily assigned to the Department of Transportation, Division of Motor Vehicles,
18 and performed by the Department of Transportation, Division of Motor Vehicles License and
19 Theft Bureau, that are required to be performed by sworn law enforcement personnel are
20 transferred to the State Highway Patrol. This transfer has all the elements of a Type I transfer, as
21 defined in G.S. 143A-6.

22 The State Highway Patrol shall be considered a continuation of the transferred portion
23 of the Department of Transportation, Division of Motor Vehicles License and Theft Bureau, for
24 the purpose of succession to all rights, powers, duties, and obligations of the transferred portion
25 of the License and Theft Bureau and of those rights, powers, duties, and obligations exercised by
26 the Department of Transportation, Division of Motor Vehicles, on behalf of the transferred
27 portion of the License and Theft Bureau.

28 All equipment, supplies, or other properties rented or controlled by the Department
29 of Transportation, Division of Motor Vehicles License and Theft Bureau, for the use by or benefit
30 of sworn law enforcement personnel shall be administered by the State Highway Patrol.

31 **SECTION 3E.1.(p)** Article 17 of Chapter 143B of the General Statutes, as enacted
32 by subsections (e), (f), (h), and (l) of this section, reads as rewritten:

33 "Article 17.

34 "State Highway Patrol.

35 "Part 1. General Provisions.

36 **~~§ 143B-1700. Patrol under supervision of Department of Public Safety.~~Organization.**

37 ~~The Secretary of Public Safety, under the direction of the Governor, shall have supervision,~~
38 ~~direction and control of the State Highway Patrol. The Secretary shall establish in the Department~~
39 ~~of Public Safety a State Highway Patrol Division, prescribe regulations governing the Division,~~
40 ~~and assign to the Division such duties as the Secretary may deem proper.~~

41 (a) There is established the State Highway Patrol. The head of the State Highway Patrol
42 is the Commander of the State Highway Patrol (Commander).

43 (b) The Commander shall be appointed by the Governor for a term of five years subject
44 to confirmation by the General Assembly by joint resolution. The first full five-year term shall
45 begin July 1, 2025. The Commander shall be appointed by the Governor from the uniformed
46 members of the North Carolina State Highway Patrol who have met all requirements for
47 employment within the Patrol, including completion of the basic Patrol school, and the
48 Commander's rank shall be designated by the Governor.

49 The Governor shall submit the name of the person to be appointed, for confirmation by the
50 General Assembly, to the General Assembly by May 1 of the year in which the Commander is
51 to be appointed. If the Governor does not submit the name by that date, the President Pro Tempore

1 of the Senate and the Speaker of the House of Representatives shall submit a name to the General
2 Assembly on or before May 15 of the same year. The appointment shall then be made by
3 enactment of a bill. The bill shall state the name of the person being appointed, the office to
4 which the appointment is being made, the effective date of the appointment, the date of expiration
5 of the term, the residence of the appointee, and that the appointment is made upon the joint
6 recommendation of the Speaker of the House of Representatives and the President Pro Tempore
7 of the Senate. Nothing precludes any member of the General Assembly from proposing an
8 amendment to any bill making such an appointment. If there is no vacancy in the office of the
9 Commander of the State Highway Patrol and a bill that would confirm the appointment of the
10 person as Commander fails a reading in either chamber of the General Assembly, then the
11 Governor shall submit a new name within 30 days.

12 (c) In case of a vacancy in the office of Commander of the State Highway Patrol for any
13 reason prior to the expiration of the Commander's term of office, the name of the Commander's
14 successor shall be submitted by the Governor to the General Assembly not later than 60 days
15 after the vacancy arises. If a vacancy arises in the office when the General Assembly is not in
16 session, an acting Commander shall be appointed by the Governor to serve pending confirmation
17 by the General Assembly. However, in no event shall an acting Commander serve (i) for more
18 than 12 months without General Assembly confirmation or (ii) after a bill that would confirm the
19 appointment of the person as Commander fails a reading in either chamber of the General
20 Assembly.

21 (d) The powers and duties of the chiefs, directors, and the divisions of the State Highway
22 Patrol shall be subject to the direction and control of the Commander of the State Highway Patrol.

23 **"§ 143B-1701. Powers and duties of the State Highway Patrol.**

24 It shall be the duty of the State Highway Patrol to do all of the following:

- 25 (1) To provide assigned law enforcement and emergency services to protect the
26 public against crime and against natural and man-made disasters.
- 27 (2) To plan and direct a coordinated effort by the law enforcement agencies of
28 State government and to ensure maximum cooperation between State and
29 local law enforcement agencies in the fight against crime.
- 30 (3) To serve as the State's chief coordinating agency to control crime, to ensure
31 the safety of the public, and to ensure an effective and efficient State criminal
32 justice system.
- 33 (4) To have charge of investigations of criminal matters particularly set forth in
34 this Article and of other crimes and areas of concern as the General Statutes
35 or the Governor may direct.
- 36 (5) To regularly patrol the highways of the State and enforce all laws and
37 regulations respecting travel and the use of vehicles upon the highways of the
38 State and all laws for the protection of the highways of the State.
- 39 (6) To develop a plan for a coordinated and integrated electronic communications
40 system for State government and cooperating local agencies, including
41 coordination and integration of existing electronic communications systems.

42 **"§ 143B-1702. Powers and duties of the Commander of the State Highway Patrol.**

43 The Commander of the State Highway Patrol shall have the powers and duties as are
44 conferred on the Commander by this Article, delegated to the Commander by the Governor, and
45 conferred on the Commander by the Constitution and laws of this State. These powers and duties
46 include the following:

- 47 (1) Provision of assistance to other agencies. – The Commander, through
48 appropriate subunits of the State Highway Patrol, shall, at the request of the
49 Governor, provide assistance to State and local law enforcement agencies,
50 district attorneys, and judges when called upon by them and so directed.

- 1 (2) Rulemaking. – The Commander is authorized to adopt rules and procedures
2 for the implementation of this section.
- 3 (3) Other powers and duties. – The Commander has the following additional
4 powers and duties:
- 5 a. Adopting rules as may be required by the federal government for
6 federal grants-in-aid for criminal justice purposes and to implement
7 and carry out the regulatory and enforcement duties assigned to the
8 State Highway Patrol as provided by the various commercial vehicle,
9 oversize/overweight, motor carrier safety, motor fuel, and mobile and
10 manufactured home statutes.
- 11 b. Appointing a special police officer to serve as Chief of the State
12 Capitol Police Division.

13 "Part 2. State Highway Patrol Division.

14 **"§ 143B-1705. Personnel; appointment; salaries.**

15 (a) ~~The State Highway Patrol shall consist of a commanding officer, who shall be~~
16 ~~appointed by the Governor and whose rank shall be designated by the Governor, and such~~
17 ~~additional subordinate officers and members as the Secretary of Public Safety, with the approval~~
18 ~~of the Governor, shall direct. Members of the State Highway Patrol Division shall be appointed~~
19 ~~by the Secretary, Commander, with the approval of the Governor, and shall serve at the pleasure~~
20 ~~of the Governor and Secretary. Commander. The commanding officer, Commander, other~~
21 ~~officers and members of the State Highway Patrol Division shall be paid such salaries as may be~~
22 ~~established by the Division of Personnel of the Department of Administration. Notwithstanding~~
23 ~~any other provision of this Article, the number of supervisory personnel of the State Highway~~
24 ~~Patrol Division shall not exceed a number equal to twenty-one percent (21%) of the personnel~~
25 ~~actually serving as uniformed highway patrolmen. Nothing in the previous sentence is intended~~
26 ~~to require the demotion, reassignment or change in status of any member of the State Highway~~
27 ~~Patrol Division presently assigned in a supervisory capacity. If a reduction in the number of~~
28 ~~Highway Patrol Division personnel assigned in supervisory capacity is required in order for the~~
29 ~~State Highway Patrol Division to meet the mandatory maximum percentage of supervisory~~
30 ~~personnel as set out in the fourth sentence of this subsection, that reduction shall be achieved~~
31 ~~through normal attrition resulting from supervisory personnel resigning, retiring or voluntarily~~
32 ~~transferring from supervisory positions.~~

33 (a1) Applicants for employment as a State Trooper shall be at least 21 years of age and
34 not more than 39 years of age as of the first day of patrol school. Highway Patrol enforcement
35 personnel hired on or after July 1, 2013, shall retire not later than the end of the month in which
36 their 62nd birthday falls.

37 (b) to (f) Repealed by Session Laws 1979, 2nd Session, c. 1272, s. 2.

38 (g), (h) Struck out by Session Laws 1961, c. 833, s. 6.2.

39 (i) Positions in the State Highway Patrol Division approved by the General Assembly in
40 the first fiscal year of a biennium to be added in the second fiscal year of a biennium may not be
41 filled before adjustments to the budget for the second fiscal year of the budget are enacted by the
42 General Assembly. If a position to be added in the State Highway Patrol Division for the second
43 fiscal year of the biennium requires training, no applicant may be trained to fill the position until
44 the budget adjustments for the second fiscal year are enacted by the General Assembly.

45 **"§ 143B-1710. Trooper training; reimbursement.**

46 (a) Trooper Training Reimbursement. – The training of State Troopers is a substantial
47 investment of State resources that provides individuals with skills that are transferable to other
48 law enforcement opportunities. The State may require an individual to agree in writing to
49 reimburse a portion of the training costs incurred if the individual completes the training and
50 becomes a State Trooper but does not remain a State Trooper for 36 months. The portion of the
51 State's cost to be reimbursed is thirty-six thousand dollars (\$36,000), less one thousand dollars

1 (\$1,000) for each month an individual served as a State Trooper and member of the State
2 Highway Patrol.

3 (b) Administration. – The ~~Secretary of Public Safety~~ Commander shall perform all of the
4 administrative functions necessary to implement the reimbursement agreements required by this
5 section, including rule making, disseminating information, implementing contracts, and taking
6 other necessary actions.

7 (c) Hardships. – No contract shall be enforced under this section if the ~~Secretary~~
8 Commander finds that it is impossible for the individual to serve as a member of the State
9 Highway Patrol Division due to death, health-related reasons, or other hardship.

10 (d) Law Enforcement Agency Requirements. – If a State Trooper separates from the State
11 Highway Patrol Division before 36 months of service following completion of the training
12 program and the State Trooper is hired within six months of separation from the State Highway
13 Patrol Division by a municipal law enforcement agency, a Sheriff's office, or a company police
14 agency certified under Chapter 74E of the General Statutes, then that hiring entity is liable to the
15 State in the amount of thirty-six thousand dollars (\$36,000), to be paid in full within 90 days of
16 the date the State Trooper is employed by the hiring entity. No hiring entity shall make any
17 arrangement to circumvent any portion of this subsection.

18 **"§ 143B-1710.1. Annual report on trooper training reimbursement agreements.**

19 By January 1, 2021, and annually thereafter, the ~~Secretary~~ Commander shall report to the
20 Joint Legislative Oversight Committee on Justice and Public Safety regarding the following:

- 21 (1) The implementation of the trooper training reimbursement agreements
22 required under ~~G.S. 20-185.1~~ G.S. 143B-1710.
- 23 (2) The amount of reimbursements received from individuals who did not remain
24 employed as State Troopers for 36 months after completing training and the
25 amount of reimbursements received from other law enforcement agencies, as
26 required under ~~G.S. 20-185.1(d)~~ G.S. 143B-1710(d).
- 27 (3) Program outcomes, including the turnover rate for individuals employed as
28 State Troopers on and after the date ~~the Department of Public Safety~~
29 ~~implemented the trooper training reimbursement agreements~~ agreements were
30 implemented.

31 **"§ 143B-1711. Oath of office.**

32 Each member of the State Highway Patrol Division shall subscribe and file with the ~~Secretary~~
33 ~~of Public Safety~~ Commander of the State Highway Patrol an oath of office for the faithful
34 performance of ~~his~~ the member's duties.

35 **"§ 143B-1712. Orders and rules for organization and conduct.**

36 The ~~Secretary of Public Safety~~ Commander is authorized and empowered to make all
37 necessary orders, rules and regulations for the organization, assignment, and conduct of the
38 members of the State Highway Patrol ~~Patrol Division~~ Division. Such orders, rules and regulations shall
39 be subject to the approval of the Governor.

40 **"§ 143B-1713. Awards.**

41 (a) The ~~patrol commander~~ Commander shall appoint an awards committee consisting of
42 one troop commander, one troop executive officer, one district sergeant, one corporal, two
43 troopers and one member of patrol headquarters staff. All committee members shall serve for a
44 term of one year. The member from patrol headquarters staff shall serve as secretary to the
45 committee and shall vote only in case of ties. The committee shall meet at such times and places
46 designated by the ~~patrol commander~~ Commander.

47 (b) The award to be granted under the provisions of this section shall be the North
48 Carolina State Highway Patrol award of honor. The North Carolina State Highway Patrol award
49 of honor is awarded in the name of the people of North Carolina and by the Governor to a person
50 who, while a member of the North Carolina State Highway Patrol, distinguishes himself
51 conspicuously by gallantry and intrepidity at the risk of personal safety and beyond the call of

1 duty while engaged in the preservation of life and property. The deed performed must have been
2 one of personal bravery and self-sacrifice so conspicuous as to clearly distinguish the individual
3 above his colleagues and must have involved risk of life. Proof of the performance of the service
4 will be required and each recommendation for the award of this decoration will be considered on
5 the standard of extraordinary merit.

6 (c) Recipients of the awards hereinabove provided for will be entitled to receive a framed
7 certificate of the award and an insignia designed to be worn as a part of the State Highway Patrol
8 uniform.

9 (d) The awards committee shall review and investigate all reports of outstanding service
10 and shall make recommendations to the ~~patrol commander~~ Commander with respect thereto. The
11 committee shall consider members of the Patrol for the awards created by this section when
12 properly recommended by any individual having personal knowledge of an act, achievement or
13 service believed to warrant the award of a decoration. No recommendation shall be made except
14 by majority vote of all members of the committee. All recommendations of the committee shall
15 be in writing and shall be forwarded to the ~~patrol commander~~ Commander.

16 (e) Upon receipt of a recommendation of the committee, the ~~patrol commander~~
17 Commander shall inquire into the facts of the matter and shall ~~reduce his recommendation to~~
18 ~~writing. The patrol commander shall forward his recommendation, together with the~~
19 ~~recommendation of the committee, to the Secretary of Public Safety. The Secretary shall have~~
20 final authority to approve or disapprove recommendations affecting the issuance of all awards
21 except the award of honor. All recommendations for the award of honor shall be forwarded to
22 the Governor for final approval or disapproval.

23 (f) The ~~patrol commander shall, with the approval of the Secretary,~~ Commander shall
24 establish all necessary rules and regulations to fully implement the provisions of this section and
25 such rules and regulations shall include, but shall not be limited to, the following:

- 26 (1) Announcement of ~~awards~~ awards.
- 27 (2) Presentation of ~~awards~~ awards.
- 28 (3) Recording of ~~awards~~ awards.
- 29 (4) Replacement of ~~awards~~ awards.
- 30 (5) Authority to wear award insignias.

31 **"§ 143B-1714. Quotas prohibited.**

32 (a) The ~~Secretary of Public Safety~~ Commander shall not make or permit to be made any
33 order, rule, or regulation requiring the issuance of any minimum number of traffic citations, or
34 ticket quotas, by any member or members of the State Highway Patrol. Pay and promotions of
35 members of the Highway Patrol shall be based on their overall job performance and not on the
36 basis of the volume of citations issued or arrests made. Members of the Highway Patrol shall
37 be subject to the salary schedule established by the ~~Secretary of Public Safety~~ Commander and
38 shall receive longevity pay for service as applicable to other State employees generally.

39 (b) Repealed by Session Laws 2018-5, s. 35.25(b), effective July 1, 2018.

40 **"§ 143B-1715. Trademark authorization.**

41 The North Carolina Troopers Association is authorized to use all trademarks identifying the
42 North Carolina State Highway Patrol held by the ~~North Carolina Department of Public Safety~~
43 State Highway Patrol or its Divisions. The use authorized under this section shall be limited to
44 purposes that support the State Highway Patrol, employees of the State Highway Patrol, and the
45 family members of the employees of the State Highway Patrol.

46 **"§ 143B-1716. Duties of Highway Patrol.**

47 The State Highway Patrol shall be subject to such orders, rules and regulations as may be
48 adopted by the ~~Secretary of Public Safety,~~ Commander, with the approval of the Governor, and
49 shall regularly patrol the highways of the State and enforce all laws and regulations respecting
50 travel and the use of vehicles upon the highways of the State and all laws for the protection of
51 the highways of the State. To this end, the members of the Patrol are given the power and

1 authority of peace officers for the service of any warrant or other process issuing from any of the
2 courts of the State having criminal jurisdiction, and are likewise authorized to arrest without
3 warrant any person who, in the presence of said officers, is engaged in the violation of any of the
4 laws of the State regulating travel and the use of vehicles upon the highways, or of laws with
5 respect to the protection of the highways, and they shall have jurisdiction anywhere within the
6 State, irrespective of county lines. The State Highway Patrol shall enforce the provisions of
7 G.S. 14-399.

8 The State Highway Patrol shall have full power and authority to perform such additional
9 duties as peace officers as may from time to time be directed by the Governor, and such officers
10 may at any time and without special authority, either upon their own motion or at the request of
11 any sheriff or local police authority, arrest persons accused of highway robbery, bank robbery,
12 murder, or other crimes of violence.

13 The ~~Secretary of Public Safety~~ Commander shall direct the officers and members of the State
14 Highway Patrol in the performance of such other duties as may be required for the enforcement
15 of the motor vehicle laws of the State.

16 Members of the State Highway Patrol, in addition to the duties, power and authority
17 hereinbefore given, shall have the authority throughout the State of North Carolina of any police
18 officer in respect to making arrests for any crimes committed in their presence and shall have
19 authority to make arrests for any crime committed on any highway.

20 Regardless of territorial jurisdiction, any member of the State Highway Patrol who initiates
21 an investigation of an accident or collision may not relinquish responsibility for completing the
22 investigation, or for filing criminal charges as appropriate, without clear assurance that another
23 law-enforcement officer or agency has fully undertaken responsibility, and in such cases he shall
24 render reasonable assistance to the succeeding officer or agency if requested.

25 The State Highway Patrol recognizes the need to utilize private wrecker services to remove
26 vehicles from public roadways as part of its public safety responsibility. In order to assure that
27 this public safety responsibility is accomplished, the Troop Commander shall include on the
28 Highway Patrol's rotation wrecker list only those wrecker services which agree in writing to
29 impose reasonable charges for work performed and present one bill to the owner or operator of
30 any towed vehicle. Towing, storage, and related fees charged may not be greater than fees
31 charged for the same service for nonrotation calls that provide the same service, labor, and
32 conditions.

33 **"§ 143B-1717. Patrolmen assigned to Governor's office.**

34 The ~~Secretary of Public Safety~~ Commander, at the request of the Governor, shall assign and
35 attach two members of the State Highway Patrol to the office of the Governor, there to be
36 assigned such duties and perform such services as the Governor may direct. The cost of the State
37 Highway Patrol members so assigned to the office of the Governor shall be paid from
38 appropriations made to the ~~Department of Public Safety~~ State Highway Patrol.

39 **"§ 143B-1718. Lieutenant Governor Executive Protection Detail.**

40 (a) Creation. – There is created within the State Highway Patrol a Lieutenant Governor's
41 Executive Protection Detail. The Lieutenant Governor shall submit the names of three sworn
42 members in good standing of the North Carolina Highway Patrol to the Commander, and the
43 Commander shall assign those officers to serve in the Lieutenant Governor's Executive
44 Protection Detail. The Lieutenant Governor is authorized to remove any members of the detail,
45 with or without cause. If the Lieutenant Governor removes a member of the detail, the Lieutenant
46 Governor shall submit to the Commander the name of an officer to replace the member who has
47 been removed and the Commander shall assign the replacement. Members of the Lieutenant
48 Governor's Executive Protection Detail shall continue to be employed by the North Carolina
49 Highway Patrol subject to the laws, rules, and regulations of the Highway Patrol. The North
50 Carolina Highway Patrol shall provide vehicles necessary for the carrying out of the Detail's
51 duties under this Article.

1 (b) Duties. – The members of the Lieutenant Governor's Executive Protection Detail shall
2 protect the Lieutenant Governor and the Lieutenant Governor's immediate family and perform
3 duties as assigned by the Lieutenant Governor relating to the protection of the Lieutenant
4 Governor.

5 **"§ 143B-1719. State Highway Patrol Security Detail.**

6 The Speaker of the House of Representatives and the President Pro Tempore of the Senate,
7 while traveling within the State on State business, may request a security detail. The request shall
8 be made to the ~~commander~~ Commander of the State Highway Patrol. If the request is made at
9 least 48 hours in advance, the ~~commander~~ Commander shall provide the detail. If the request is
10 made less than 48 hours in advance, the ~~commander~~ Commander shall provide the detail unless
11 doing so would otherwise impair the ability of the State Highway patrol to perform its lawful
12 duties.

13 **"§ 143B-1720. Uniforms; motor vehicles and arms; expense incurred; color of vehicle.**

14 The ~~Department of Public Safety~~ State Highway Patrol shall adopt some distinguishing
15 uniform for the members of ~~said the State Highway Patrol~~, Patrol Division and furnish each
16 member of the Patrol with an adequate number of ~~said the~~ uniforms and each member of ~~said the~~
17 Patrol force when on duty shall be dressed in ~~said the~~ uniform. The ~~Department of Public Safety~~
18 State Highway Patrol shall likewise furnish each member of the Patrol with a suitable motor
19 vehicle, and necessary arms, and provide for all reasonable expense incurred by ~~said the~~ Patrol
20 while on duty, provided, that not less than eighty-three percent (83%) of the number of motor
21 vehicles operated on the highways of the State by members of the State Highway Patrol shall be
22 painted a uniform color of black and silver.

23 **"§ 143B-1721. Patrol vehicles to have sirens; sounding siren.**

24 Every motor vehicle operated on the highways of the State by officers and members of the
25 State Highway Patrol shall be equipped with a siren. Whenever any such officer or member
26 operating any unmarked car shall overtake another vehicle on the highway after sunset of any
27 day and before sunrise for the purpose of stopping the same or apprehending the driver thereof,
28 he shall sound said siren before stopping such other vehicle.

29 **"§ 143B-1722. Assignment of new highway patrol cars.**

30 All new highway patrol cars, whether marked or unmarked, placed in service after July 1,
31 1985, shall be assigned to all members of the Highway Patrol.

32 **"§ 143B-1723. Use of facilities.**

33 Office space and other equipment and facilities of the Division of Motor Vehicles,
34 Department of Transportation, presently being used by the State Highway Patrol shall continue
35 to be used by the Patrol, and joint use of space, equipment and facilities between any division of
36 the Department of Transportation and the State Highway Patrol may continue, unless such
37 arrangements are changed by agreements between the ~~Secretary of Public Safety~~ Commander of
38 the State Highway Patrol and the Secretary of Transportation.

39 **"§ 143B-1724. Shifting of personnel from one district to another.**

40 The ~~commanding officer~~ Commander of the State Highway Patrol ~~under such rules and~~
41 ~~regulations as the Department of Public Safety may prescribe~~ shall have authority from time to
42 time to shift the forces from one district to another, or to consolidate more than one district force
43 at any point for special purposes. Whenever a member of the State Highway Patrol is transferred
44 from one point to another for the convenience of the State or otherwise than upon the request of
45 the Highway Patrol member, the ~~Department~~ State Highway Patrol shall be responsible for
46 transporting the household goods, furniture and personal apparel of the Highway Patrol member
47 and members of the Highway Patrol member's household.

48 **"§ 143B-1725. Cooperation between Patrol and local officers.**

49 The ~~Secretary of Public Safety~~ Commander of the State Highway Patrol, with the approval
50 of the Governor, ~~through the State Highway Patrol~~, shall encourage the cooperation between the
51 Highway Patrol and the several municipal and county peace officers of the State for the

1 enforcement of all traffic laws and the proper administration of the Uniform Drivers' License
2 Law, and arrangements for compensation of special services rendered by such local officers out
3 of the funds allotted to the State Highway Patrol may be made, subject to the approval of the
4 Director of the Budget.

5 **"§ 143B-1726. Statewide radio system authorized; use of telephone lines in emergencies.**

6 The ~~Secretary of Public Safety, through Commander of~~ the State Highway Patrol is hereby
7 authorized and directed to set up and maintain a statewide radio system, with adequate
8 broadcasting stations so situate as to make the service available to all parts of the State for the
9 purpose of maintaining radio contact with the members of the State Highway Patrol and other
10 officers of the State, to the end that the traffic laws upon the highways may be more adequately
11 enforced and that the criminal use of the highways may be prevented. The ~~Secretary of Public~~
12 ~~Safety, through Commander of~~ the State Highway Patrol, is hereby authorized to establish a plan
13 of operation in accordance with Federal Communication Commission rules so that all certified
14 law-enforcement officers within the State may use the law enforcement emergency frequency of
15 155.475MHz.

16 The ~~Secretary of Public Safety~~ Commander of the State Highway Patrol is likewise
17 authorized and empowered to arrange with the various telephone companies of the State for the
18 use of their lines for emergency calls by the members of the State Highway Patrol, if it shall be
19 found practicable to arrange apparatus for temporary contact with said telephone circuits along
20 the highways of the State.

21 In order to make this service more generally useful, the various boards of county
22 commissioners and the governing boards of the various cities and towns are hereby authorized
23 and empowered to provide radio receiving sets in the offices and vehicles of their various officers,
24 and such expenditures are declared to be a legal expenditure of any funds that may be available
25 for police protection.

26 **"§ 143B-1727. Use of aircraft to discover certain motor vehicle violations; declaration of
27 policy.**

28 The State Highway Patrol is hereby permitted the use of aircraft to discover violations of Part
29 10 of Article 3 of Chapter 20 of the General Statutes relating to operation of motor vehicles and
30 rules of the road. It is hereby declared the public policy of North Carolina that the aircraft should
31 be used primarily for accident prevention and should also be used incident to the issuance of
32 warning citations in accordance with the provisions of G.S. 20-183.

33 **"§ 143B-1728. Who may hold supervisory positions over sworn members of the Patrol.**

34 Notwithstanding any other provision of the General Statutes, only the following individuals
35 may hold a supervisory position over sworn members of the Patrol:

- 36 (1) The Governor.
- 37 (2) ~~The Secretary of Public Safety.~~
- 38 (3) A uniformed member of the North Carolina State Highway Patrol who has
39 met all requirements for employment within the Patrol, including completion
40 of the basic Patrol school.

41 **"§ 143B-1729. Oversized and hazardous shipment escort fee.**

42 (a) Every person, firm, corporation, or entity required by the North Carolina Department
43 of Transportation or any federal agency or commission to have a law enforcement escort provided
44 by the State Highway Patrol for the transport of any oversized load or hazardous shipment by
45 road or rail shall pay to the ~~Department of Public Safety~~ State Highway Patrol a fee covering the
46 full cost to administer, plan, and carry out the escort within this State.

47 (b) If the State Highway Patrol provides an escort to accompany the transport of
48 oversized loads or hazardous shipments by road or rail at the request of any person, firm,
49 corporation, or entity that is not required to have a law enforcement escort pursuant to subsection
50 (a) of this section, then the requester shall pay to the ~~Department of Public Safety~~ State Highway
51 Patrol a fee covering the full cost to administer, plan, and carry out the escort within this State.

1 (c) A fee established under this section is subject to G.S. 12-3.1. The full cost of an escort
2 includes costs for vehicle or equipment maintenance required before or after an escort to ensure
3 the visibility and safety of the law enforcement escort and the motoring public.

4 (d) All fees collected pursuant to this section shall be placed in a special Escort Fee
5 Account. Revenue in the account is annually appropriated to the ~~Department~~ State Highway
6 Patrol to reimburse the ~~Department~~ State Highway Patrol for its expenses in providing escorts
7 under this section.

8 (e) Repealed by Session Laws 2010-129, s. 4, effective July 21, 2010.

9 **"§ 143B-1730. Report on gang prevention recommendations.**

10 The State Highway Patrol, in conjunction with the State Bureau of Investigation and the
11 Governor's Crime Commission, shall develop recommendations concerning the establishment of
12 priorities and needed improvements with respect to gang prevention and shall report those
13 recommendations to the chairs of the House of Representatives and Senate Appropriations
14 Committees on Justice and Public Safety and to the chairs of the Joint Legislative Oversight
15 Committee on Justice and Public Safety on or before March 1 of each year.

16 "Part 3. State Capitol Police Division.

17 **"§ 143B-1750. Creation of State Capitol Police Division; powers and duties.**

18 (a) Division Established. – There is created the State Capitol Police Division of the
19 ~~Department of Public Safety~~ State Highway Patrol with the organization, powers, and duties
20 defined in Article 1 of this Chapter, except as modified in this Part.

21 (b) Purpose. – The State Capitol Police Division shall serve as a police agency of the
22 ~~Department of Public Safety~~ State Highway Patrol. The Chief of the State Capitol Police,
23 appointed by the ~~Secretary-Commander~~ pursuant to ~~G.S. 143B-602~~, G.S. 143B-1702, with the
24 approval of the Governor, may appoint as police officers such reliable persons as the Chief may
25 deem necessary.

26 (c) Appointment of Officers. – Police officers appointed pursuant to this section may not
27 exercise the power of arrest until they shall take an oath, to be administered by any person
28 authorized to administer oaths, as required by law.

29 (d) Jurisdiction of Officers. – Each State Capitol Police officer shall have the following
30 authority:

- 31 (1) The same power of arrest as the police officers of the City of Raleigh. Such
32 authority may be exercised within the same territorial jurisdiction as exercised
33 by the police officers of the City of Raleigh.
- 34 (2) The same authority as a deputy sheriff in buildings and on the grounds of
35 property owned, leased, or maintained by the State located in Wake County.
- 36 (3) The same authority as a deputy sheriff in a building or a portion of a building,
37 or on the grounds thereof, when owned or leased by the State, located
38 anywhere in the State, when the State agency responsible for that building or
39 any portion thereof executes a written agreement for service with the State
40 Capitol Police related to that specific building or portion thereof.

41 (e) Public Safety. – The Chief of the State Capitol Police, or the Chief's designee, shall
42 exercise at all times those means that, in the opinion of the Chief or the designee, may be effective
43 in protecting all State buildings and grounds, except for the State legislative buildings and
44 grounds as defined in G.S. 120-32.1(d), and the persons within those buildings and grounds from
45 fire, bombs, bomb threats, or any other emergency or potentially hazardous conditions, including
46 both the ordering and control of the evacuation of those buildings and grounds. The Chief, or the
47 Chief's designee, may employ the assistance of other available law enforcement agencies and
48 emergency agencies to aid and assist in evacuations of those buildings and grounds."

49 **SECTION 3E.1.(q)** Notwithstanding any provision of law to the contrary, positions
50 exempted within the State Highway Patrol, State Capitol Police, or Division of Motor Vehicles
51 by the Governor under the authority set forth in G.S. 126-5(d)(1) and transferred to the State

1 Highway Patrol pursuant to this section shall no longer be exempt under that authority upon the
2 effective date of this section. Nothing in this subsection shall be construed as prohibiting the
3 Commander of the State Highway Patrol from exempting those same positions under the
4 authority set forth in G.S. 126-5(c1)(40), as enacted by subsection (d) of this section.

5 **SECTION 3E.1.(r)** The State Highway Patrol shall adopt rules or amend its rules
6 consistent with the provisions of this section. The State Highway Patrol may use the procedure
7 set forth in G.S. 150B-21.1 to adopt or amend any rules as required by this subsection.

8 **SECTION 3E.1.(s)** The Department of Transportation, Division of Motor Vehicles,
9 in consultation with the State Highway Patrol, shall review the current statutory responsibilities
10 assigned to the Division of Motor Vehicles that are being performed by the Division of Motor
11 Vehicles License and Theft Bureau to determine which statutory responsibilities must be
12 performed by sworn law enforcement personnel and make recommendations for statutory
13 changes necessary to place those responsibilities with the State Highway Patrol. The Division
14 shall report its findings and recommendations to the Joint Legislative Transportation Oversight
15 Committee no later than March 1, 2025.

16 **SECTION 3E.1.(t)** The State Highway Patrol is authorized to complete transitional
17 training for all sworn law enforcement personnel transferred from the Department of
18 Transportation, Division of Motor Vehicles License and Theft Bureau, pursuant to subsection (q)
19 of this section to become State Troopers.

20 **SECTION 3E.1.(u)** Notwithstanding the provisions of G.S. 143B-1700, as enacted
21 by this section, the Commander of the State Highway Patrol, position number 60084937, serving
22 on November 18, 2024, shall, in the absence of vacancy resulting from death, resignation, or
23 physical or mental incapacity, (i) continue to serve as the Commander of the State Highway
24 Patrol until July 1, 2025, and (ii) serve, for the five-year term beginning July 1, 2025, without
25 additional nomination by the Governor or confirmation by the General Assembly.

26 **SECTION 3E.1.(v)** G.S. 143B-1325(c) reads as rewritten:

27 "(c) Participating Agencies. – The State CIO shall prepare detailed plans to transition each
28 of the participating agencies. As the transition plans are completed, the following participating
29 agencies shall transfer information technology personnel, operations, projects, assets, and
30 appropriate funding to the Department of Information Technology:

- 31 (1) Department of Natural and Cultural Resources.
- 32 (2) Department of Health and Human Services.
- 33 (3) Repealed by Session Laws 2018-5, s. 37.5(b), effective June 12, 2018.
- 34 (4) Department of Environmental Quality.
- 35 (5) Department of Transportation.
- 36 (6) Department of Administration.
- 37 (7) Department of Commerce.
- 38 (8) Governor's Office.
- 39 (9) Office of State Budget and Management.
- 40 (10) Office of State Human Resources.
- 41 (11) Repealed by Session Laws 2016-94, s. 7.11(a), effective July 1, 2016.
- 42 (12) Department of Military and Veterans Affairs.
- 43 (13) Department of Public Safety, with the exception of the following:
 - 44 a. State Bureau of Investigation.
 - 45 b. ~~State Highway Patrol.~~
 - 46 c. Division of Emergency Management.

47 The State CIO shall ensure that State agencies' operations are not adversely impacted under
48 the State agency information technology consolidation."

49 **SECTION 3E.1.(w)** Section 38.4 of S.L. 2023-134, as amended by Section 7.1 of
50 S.L. 2024-1, reads as rewritten:

1 "SECTION 38.4.(a) In accordance with G.S. 143B-1325(c)(13), and notwithstanding any
2 other provision of Article 15 of Chapter 143B of the General Statutes to the contrary, the State
3 Highway Patrol, the State Bureau of Investigation, and the Division of Emergency Management
4 within the Department of Public Safety shall continue to be entirely exempt from any and all
5 information technology oversight by the Department of Public Safety and the Department of
6 Information Technology. The State Highway Patrol, the State Bureau of Investigation, and the
7 Division of Emergency Management shall initiate a pilot project where those ~~divisions~~ agencies
8 shall be deemed as separate, stand-alone entities ~~within the Department of Public Safety~~ in all
9 matters related to information technology, and each shall autonomously manage their own
10 respective information technology infrastructure and all associated services without oversight
11 from the Department of Information Technology or the Department of Public Safety. Exemption
12 from information technology oversight includes, but is not limited to, the following:

- 13 (1) Information technology architecture and planning.
- 14 (2) Information technology personnel management.
- 15 (3) Information technology project management.
- 16 (4) Information technology purchasing and procurement decisions and
17 methodologies.
- 18 (5) Hardware acquisition, configuration, implementation, and management.
- 19 (6) Software acquisition, configuration, implementation, and management.
- 20 (7) Data center locations, operations, and management.
- 21 (8) Network topology, operations, and management.
- 22 (9) System and data security, including disaster recovery planning.
- 23 (10) Reporting requirements.
- 24 (11) Any future transfers of information technology personnel, operations,
25 projects, assets, and information technology budgets to the Department of
26 Information Technology.

27 "SECTION 38.4.(a1) For the duration of the pilot project described in this section, the State
28 Highway Patrol and the Division of Emergency Management shall continue to utilize personnel
29 from the Department of Public Safety to perform information technology purchasing and
30 procurement functions in order to ensure compliance with applicable law.

31 "SECTION 38.4.(b) This section expires on June 30, 2025."

32 SECTION 3E.1.(x) This subsection and subsections (d), (q), (s), and (u) of this
33 section are effective when they become law. The remainder of this section becomes effective
34 July 1, 2025.

36 HIGHWAY PATROL CONFORMING CHANGES

37 SECTION 3E.2.(a) G.S. 17C-6(a)(18) reads as rewritten:

38 "(18) Monitor compliance with ~~G.S. 20-185.1(d)~~. G.S. 143B-1710(d)."

39 SECTION 3E.2.(b) G.S. 17E-4(a)(14) reads as rewritten:

40 "(14) Monitor compliance with ~~G.S. 20-185.1(d)~~. G.S. 143B-1710(d)."

41 SECTION 3E.2.(c) G.S. 20-17.7 reads as rewritten:

42 "§ 20-17.7. **Commercial motor vehicle out-of-service fines authorized.**

43 The ~~Secretary of Public Safety~~ Commander of the State Highway Patrol may adopt rules
44 implementing fines for violation of out-of-service criteria as defined in 49 C.F.R. § 390.5. These
45 fines may not exceed the schedule of fines adopted by the Commercial Motor Vehicle Safety
46 Alliance that is in effect on the date of the violations."

47 SECTION 3E.2.(d) G.S. 20-49 reads as rewritten:

48 "§ 20-49. **Police authority of Division.**

49 ~~The Commissioner and such officers and inspectors of the Division as he shall designate and~~
50 all All members of the Highway Patrol and law enforcement officers of the Department of Public
51 Safety shall have the power:

- 1 (1) Of peace officers for the purpose of enforcing the provisions of this Article,
2 G.S. 14-160.4, and of any other law regulating the operation of vehicles or the
3 use of the highways.
- 4 (2) To make arrests upon view and without warrant for any violation committed
5 in their presence of any of the provisions of this Article or other laws
6 regulating the operation of vehicles or the use of the highways.
- 7 (3) At all ~~time-times~~ to direct all traffic in conformance with law, and in the event
8 of a fire or other emergency or to expedite traffic or to ~~insure~~ ensure safety, to
9 direct traffic as conditions may require, notwithstanding the provisions of law.
- 10 (4) When on duty, upon reasonable belief that any vehicle is being operated in
11 violation of any provision of this Article or of any other law regulating the
12 operation of vehicles to require the driver thereof to stop and exhibit his
13 driver's license and the registration card issued for the vehicle, and submit to
14 an inspection of such vehicle, the registration plates and registration card
15 thereon or to an inspection and test of the equipment of such vehicle.
- 16 (5) To inspect any vehicle of a type required to be registered hereunder in any
17 public garage or repair shop or in any place where such vehicles are held for
18 sale or wrecking, for the purpose of locating stolen vehicles and investigating
19 the title and registration thereof.
- 20 (6) To serve all warrants relating to the enforcement of the laws regulating the
21 operation of vehicles or the use of the highways.
- 22 (7) To investigate traffic accidents and secure testimony of witnesses or of
23 persons involved.
- 24 (8) To investigate reported thefts of motor vehicles, trailers and semitrailers and
25 make arrest for thefts thereof.
- 26 (9) For the purpose of determining compliance with the provisions of this
27 Chapter, to inspect all files and records of the persons hereinafter designated
28 and required to be kept under the provisions of this Chapter or of the
29 registrations of the Division:
- 30 a. Persons dealing in or selling and buying new, used or junked motor
31 vehicles and motor vehicle parts; and
- 32 b. Persons operating garages or other places where motor vehicles are
33 repaired, dismantled, or stored."

34 **SECTION 3E.2.(e)** G.S. 20-49.1 is repealed.

35 **SECTION 3E.2.(f)** G.S. 20-49.3 reads as rewritten:

36 "**§ 20-49.3. Bureau of License and Theft, State Highway Patrol; custody of seized vehicles.**

37 (a) Vehicles Seized by the ~~Division of Motor Vehicles, State Highway Patrol.~~ –
38 Notwithstanding any other provision of law, the ~~Division of Motor Vehicles, Bureau of License~~
39 ~~and Theft, State Highway Patrol~~ may retain any vehicle seized by the ~~Division of Motor Vehicles,~~
40 ~~Bureau of License and Theft, State Highway Patrol~~ in the course of any investigation authorized
41 by the provisions of G.S. 20-49 or G.S. 20-49.1 and forfeited to the ~~Division State Highway~~
42 ~~Patrol~~ by a court of competent jurisdiction.

43 (b) Vehicles Seized by the United States Government. – Notwithstanding any other
44 provision of law, the Division may accept custody and ownership of any vehicle seized by the
45 United States Government, forfeited by a court of competent jurisdiction, and turned over to the
46 Division.

47 (c) Use of Vehicles. – All vehicles forfeited to, or accepted by, the ~~Division State~~
48 ~~Highway Patrol~~ pursuant to this section shall be used by the ~~Bureau of License and Theft State~~
49 ~~Highway Patrol~~ to conduct undercover operations and inspection station compliance checks
50 throughout the State.

1 (d) Disposition of Seized Vehicles. – Upon determination by the ~~Commissioner of Motor~~
2 ~~Vehicles-Commander of the State Highway Patrol~~ that a vehicle transferred pursuant to the
3 provisions of this section is of no further use to the agency for use in official investigations, the
4 vehicle shall be sold as surplus property in the same manner as other vehicles owned by the law
5 enforcement agency and the proceeds from the sale after deducting the cost of sale shall be paid
6 to the treasurer or proper officer authorized to receive fines and forfeitures to be used for the
7 school fund of the county in the county in which the vehicle was seized, provided, that any vehicle
8 transferred to any law enforcement agency under the provisions of this Article that has been
9 modified to increase speed shall be used in the performance of official duties only and not for
10 resale, transfer, or disposition other than as junk. The ~~Division-State Highway Patrol~~ shall also
11 reimburse the appropriate county school fund for any diminution in value of any vehicle seized
12 under subsection (a) of this section during its period of use by the ~~Division-State Highway Patrol~~.
13 Any vehicle seized outside of this State shall be sold as surplus property in the same manner as
14 other vehicles owned by the law enforcement agency and the proceeds from the sale after
15 deducting the cost of sale shall be paid to the treasurer and placed in the Civil Fines and
16 Forfeitures Fund established pursuant to G.S. 115C-457.1."

17 **SECTION 3E.2.(g)** G.S. 20-84(c) reads as rewritten:

18 "(c) State Highway Patrol. – In lieu of all other registration requirements, the
19 Commissioner shall each year assign to the State Highway Patrol, upon payment of six dollars
20 (\$6.00) per registration plate, a sufficient number of regular registration plates of the same letter
21 prefix and in numerical sequence beginning with number 100 to meet the requirements of the
22 State Highway Patrol for use on Division vehicles assigned to the State Highway Patrol. The
23 ~~commander-Commander~~ of the Patrol shall, when such plates are assigned, issue to each member
24 of the State Highway Patrol a registration plate for use upon the Division vehicle assigned to the
25 member pursuant to ~~G.S. 20-190-G.S. 143B-1720~~ and assign a registration plate to each Division
26 service vehicle operated by the Patrol. An index of such assignments of registration plates shall
27 be kept at each State Highway Patrol radio station and a copy of it shall be furnished to the
28 registration division of the Division. Information as to the individual assignments of the
29 registration plates shall be made available to the public upon request to the same extent and in
30 the same manner as regular registration information. The ~~commander-Commander~~, when
31 necessary, may reassign registration plates provided that the reassignment shall appear upon the
32 index required under this subsection within 20 days after the reassignment."

33 **SECTION 3E.2.(h)** G.S. 20-102 reads as rewritten:

34 "**§ 20-102. Report of stolen and recovered motor vehicles.**

35 Every sheriff, chief of police, or peace officer upon receiving reliable information that any
36 vehicle registered hereunder has been stolen shall report such theft to the ~~Division-Division and~~
37 ~~the State Highway Patrol~~. Any said officer upon receiving information that any vehicle, which
38 he has previously reported as stolen, has been recovered, shall report the fact of such recovery to
39 the ~~Division-Division and the State Highway Patrol~~."

40 **SECTION 3E.2.(i)** G.S. 20-116(e) reads as rewritten:

41 "(e) Except as provided by G.S. 20-115.1, no combination of vehicles coupled together
42 shall consist of more than two units and no such combination of vehicles shall exceed a total
43 length of 60 feet inclusive of front and rear bumpers, subject to the following exceptions: Motor
44 vehicle combinations of one semitrailer of not more than 53 feet in length and a truck tractor
45 (power unit) may exceed the 60-foot maximum length. Said maximum overall length limitation
46 shall not apply to vehicles operated in the daytime when transporting poles, pipe, machinery or
47 other objects of a structural nature which cannot readily be dismembered, nor to such vehicles
48 transporting such objects operated at nighttime by a public utility when required for emergency
49 repair of public service facilities or properties, provided the trailer length does not exceed 53 feet
50 in length, but in respect to such night transportation every such vehicle and the load thereon shall
51 be equipped with a sufficient number of clearance lamps on both sides and marker lamps upon

1 the extreme ends of said projecting load to clearly mark the dimensions of such load: Provided
2 that vehicles designed and used exclusively for the transportation of motor vehicles shall be
3 permitted an overhang tolerance front or rear not to exceed five feet. Provided, that wreckers may
4 tow a truck, combination tractor and trailer, trailer, or any other disabled vehicle or combination
5 of vehicles to a place for repair, parking, or storage within 50 miles of the point where the vehicle
6 was disabled and may tow a truck, tractor, or other replacement vehicle to the site of the disabled
7 vehicle. Provided further, that the said limitation that no combination of vehicles coupled
8 together shall consist of more than two units shall not apply to trailers not exceeding three in
9 number drawn by a motor vehicle used by municipalities for the removal of domestic and
10 commercial refuse and street rubbish, but such combination of vehicles shall not exceed a total
11 length of 50 feet inclusive of front and rear bumpers. Provided further, that the said limitation
12 that no combination of vehicles coupled together shall consist of more than two units shall not
13 apply to a combination of vehicles coupled together by a saddle mount device used to transport
14 motor vehicles in a driveway service when no more than three saddle mounts are used and
15 provided further, that equipment used in said combination is approved by the safety regulations
16 of the Federal Highway Administration and the safety rules of the ~~Department of Public~~
17 ~~Safety-State Highway Patrol.~~"

18 **SECTION 3E.2.(j)** G.S. 20-118(e) reads as rewritten:

19 "(e) Penalties. –

- 20 (1) Except as provided in subdivision (2) of this subsection, for each violation of
21 the single-axle or tandem-axle weight limits set in subdivision (b)(1), (b)(2),
22 or (b)(4) of this section or axle weights authorized by special permit according
23 to G.S. 20-119(a), the ~~Department of Public Safety-State Highway Patrol~~ shall
24 assess a civil penalty against the owner or registrant of the vehicle in
25 accordance with the following schedule: for the first 1,000 pounds or any part
26 thereof, four cents (4¢) per pound; for the next 1,000 pounds or any part
27 thereof, six cents (6¢) per pound; and for each additional pound, ten cents
28 (10¢) per pound. These penalties apply separately to each weight limit
29 violated. In all cases of violation of the weight limitation, the penalty shall be
30 computed and assessed on each pound of weight in excess of the maximum
31 permitted.
- 32 (2) The penalty for a violation of the single-axle or tandem-axle weight limits by
33 a vehicle that is transporting an item listed in subdivision (c)(5) of this section
34 is one-half of the amount it would otherwise be under subdivision (1) of this
35 subsection.
- 36 (3) If an axle-group weight of a vehicle exceeds the weight limit set in subdivision
37 (b)(3) of this section plus any tolerance allowed in subsection (h) of this
38 section or axle-group weights or gross weights authorized by special permit
39 under G.S. 20-119(a), the ~~Department of Public Safety-State Highway Patrol~~
40 shall assess a civil penalty against the owner or registrant of the motor vehicle.
41 The penalty shall be assessed on the number of pounds by which the
42 axle-group weight exceeds the limit set in subdivision (b)(3) of this section,
43 or by a special permit issued pursuant to G.S. 20-119, as follows: for the first
44 2,000 pounds or any part thereof, two cents (2) per pound; for the next 3,000
45 pounds or any part thereof, four cents (4) per pound; for each pound in excess
46 of 5,000 pounds, ten cents (10) per pound. Tolerance pounds in excess of the
47 limit set in subdivision (b)(3) of this section are subject to the penalty if the
48 vehicle exceeds the tolerance allowed in subsection (h) of this section.

49 These penalties apply separately to each axle-group weight limit violated.
50 Notwithstanding any provision to the contrary, a vehicle with a special permit
51 that is subject to additional penalties under this subsection based on a violation

1 of any of the permit restrictions set out in G.S. 20-119(d1) shall be assessed a
 2 civil penalty, not to exceed ten thousand dollars (\$10,000), based on the
 3 number of pounds by which the axle-group weight exceeds the limit set in
 4 subdivision (b)(3) of this section.

5 (4) The penalty for a violation of an axle-group weight limit by a vehicle that is
 6 transporting an item listed in subdivision (c)(5) of this section is one-half of
 7 the amount it would otherwise be under subdivision (3) of this subsection.

8 (5) A violation of a weight limit in this section or of a permitted weight under
 9 G.S. 20-119 is not punishable under G.S. 20-176.

10 (6) The penalty for violating the gross weight or axle-group weight by a dump
 11 truck or dump trailer vehicle transporting bulk soil, bulk rock, sand, sand rock,
 12 or asphalt millings intrastate from a site that does not have a certified scale for
 13 weighing the vehicle is one-half of the amount it otherwise would be under
 14 subdivisions (1) and (3) of this subsection.

15 (7) The clear proceeds of all civil penalties, civil forfeitures, and civil fines that
 16 are collected by the Department of Transportation pursuant to this section
 17 shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with
 18 G.S. 115C-457.2."

19 **SECTION 3E.2.(k)** G.S. 20-119 reads as rewritten:

20 **"§ 20-119. Special permits for vehicles of excessive size or weight; fees.**

21 ...

22 (a1) Where permitted by the posted road and bridge limits, the Department may issue a
 23 single trip permit for a vehicle or vehicle combination responding to an emergency event that
 24 could result in severe damage, injury, or loss of life or property resulting from any natural or
 25 man-made emergency as determined by either the ~~Secretary of Public Safety~~ Commander of the
 26 State Highway Patrol or the Secretary of Transportation or their designees. A permit issued under
 27 this subsection may allow for travel from a specific origin to destination and return 24 hours a
 28 day, seven days a week, including holidays. Permits issued under this subsection shall include a
 29 requirement for banners, flags, and other safety devices, as determined by the Department, and a
 30 requirement for a law enforcement escort or a vehicle being operated by a certified escort vehicle
 31 operator if traveling between sunset and sunrise. To obtain authorization to travel during
 32 restricted times, application shall be made with any required documentation to the proper officials
 33 as designated by the Department. If an emergency permit is issued under this subsection, the
 34 requestor shall contact the Department of Transportation's central permit office on the next
 35 business day to complete any further documentation and pay the applicable fees.

36 ...

37 (d) For each violation of any of the terms or conditions of a special permit issued or where
 38 a permit is required but not obtained under this section the ~~Department of Public Safety~~ State
 39 Highway Patrol shall assess a civil penalty for each violation against the registered owner of the
 40 vehicle as follows:

41 (1) A fine of one thousand five hundred dollars (\$1,500) for operating without the
 42 proper number of certified escorts as determined by the actual loaded weight
 43 or size of the vehicle combination.

44 (1a) A fine of five hundred dollars (\$500.00) for any of the following: operating
 45 without the issuance of a permit, moving a load off the route specified in the
 46 permit, falsifying information to obtain a permit, or failing to comply with
 47 dimension restrictions of a permit.

48 (2) A fine of two hundred fifty dollars (\$250.00) for moving loads beyond the
 49 distance allowances of an annual permit covering the movement of house
 50 trailers from the retailer's premises or for operating in violation of time of
 51 travel restrictions.

- 1 (3) A fine of one hundred dollars (\$100.00) for any other violation of the permit
2 conditions or requirements imposed by applicable regulations.

3 The Department of Transportation may refuse to issue additional permits or suspend existing
4 permits if there are repeated violations of subdivision (1), (1a), or (2) of this subsection.

5 (d1) In addition to the penalties assessed under subsection (d) of this section, the
6 ~~Department of Public Safety~~ State Highway Patrol shall assess a civil penalty, not to exceed ten
7 thousand dollars (\$10,000), in accordance with G.S. 20-118(e)(1) and (e)(3) against the
8 registered owner of the vehicle for any of the following:

- 9 (1) Operating without the issuance of a required permit.
10 (2) Operating off permitted route of travel.
11 (3) Failing to comply with travel restrictions of the permit.
12 (4) Operating without the proper vehicle registration or license for the class of
13 vehicle being operated.

14 A violation of this subsection constitutes operating a vehicle without a special permit.

15 ...

16 (h) No law enforcement officer shall issue a citation to a person for a violation of this
17 section if the officer is able to determine by electronic means that the person has a permit valid
18 at the time of the violation but does not have the permit in his or her possession. Any person
19 issued a citation pursuant to this section who does not have the permit in his or her possession at
20 the time of the issuance of the citation shall not be responsible for a violation, and the ~~Department~~
21 ~~of Public Safety~~ State Highway Patrol may not impose any fines under this section if the person
22 submits evidence to the Department of the existence of a permit valid at the time of the violation
23 within 30 days of the date of the violation.

24 (i) One, two, or three steel coils, transported on the same vehicle, shall be considered a
25 nondivisible load for purposes of permit issuance pursuant to this section."

26 **SECTION 3E.2.(I)** G.S. 20-125(b) reads as rewritten:

27 "(b) Every vehicle owned or operated by a police ~~department or by department,~~ the
28 Department of Public Safety including Safety, the State Highway Patrol or by Patrol, the Wildlife
29 Resources Commission or Commission, the Division of Marine Fisheries of the Department of
30 Environmental Quality, ~~or by the~~ Division of Parks and Recreation of the Department of Natural
31 and Cultural Resources, ~~or by the~~ North Carolina Forest Service of the Department of Agriculture
32 and Consumer Services, and used exclusively for law enforcement, firefighting, or other
33 emergency response purposes, or by the Division of Emergency Management, or by a fire
34 department, either municipal or rural, or by a fire patrol, whether such fire department or patrol
35 be a paid organization or a voluntary association, vehicles used by an organ procurement
36 organization or agency for the recovery and transportation of human tissues and organs for
37 transplantation, and every ambulance or emergency medical service emergency support vehicle
38 used for answering emergency calls, shall be equipped with special lights, bells, sirens, horns or
39 exhaust whistles of a type approved by the Commissioner of Motor Vehicles.

40 The operators of all such vehicles so equipped are hereby authorized to use such equipment
41 at all times while engaged in the performance of their duties and services, both within their
42 respective corporate limits and beyond.

43 In addition to the use of special equipment authorized and required by this subsection, the
44 chief and assistant chiefs of any police department or of any fire department, whether the same
45 be municipal or rural, paid or voluntary, county fire marshals, assistant fire marshals, transplant
46 coordinators, and emergency management coordinators, are hereby authorized to use such special
47 equipment on privately owned vehicles operated by them while actually engaged in the
48 performance of their official or semiofficial duties or services either within or beyond their
49 respective corporate limits.

50 And vehicles driven by law enforcement officers of the North Carolina Division of Motor
51 Vehicles shall be equipped with a bell, siren, or exhaust whistle of a type approved by the

1 Commissioner, and all vehicles owned and operated by the State Bureau of Investigation for the
2 use of its agents and officers in the performance of their official duties may be equipped with
3 special lights, bells, sirens, horns or exhaust whistles of a type approved by the Commissioner of
4 Motor Vehicles.

5 Every vehicle used or operated for law enforcement purposes by the sheriff or any salaried
6 deputy sheriff or salaried rural policeman of any county, whether owned by the county or not,
7 may be, but is not required to be, equipped with special lights, bells, sirens, horns or exhaust
8 whistles of a type approved by the Commissioner of Motor Vehicles. Such special equipment
9 shall not be operated or activated by any person except by a law enforcement officer while
10 actively engaged in performing law enforcement duties.

11 In addition to the use of special equipment authorized and required by this subsection, the
12 chief and assistant chiefs of each emergency rescue squad which is recognized or sponsored by
13 any municipality or civil preparedness agency, are hereby authorized to use such special
14 equipment on privately owned vehicles operated by them while actually engaged in their official
15 or semiofficial duties or services either within or beyond the corporate limits of the municipality
16 which recognizes or sponsors such organization."

17 **SECTION 3E.2.(m)** G.S. 20-183.9 reads as rewritten:

18 **"§ 20-183.9. Establishment and maintenance of permanent weigh stations.**

19 The ~~Department of Public Safety~~ State Highway Patrol is hereby authorized, empowered and
20 directed to equip and operate permanent weigh stations equipped to weigh vehicles using the
21 streets and highways of this State to determine whether such vehicles are being operated in
22 accordance with legislative enactments relating to weights of vehicles and their loads. The
23 permanent weigh stations shall be established at such locations on the streets and highways in
24 this State as will enable them to be used most advantageously in determining the weight of
25 vehicles and their loads. The Department of Transportation shall be responsible for the
26 maintenance and upkeep of all permanent weigh stations established pursuant to this section."

27 **SECTION 3E.2.(n)** G.S. 20-183.10 reads as rewritten:

28 **"§ 20-183.10. Operation of the permanent weigh stations by the ~~Department of Public~~**
29 **~~Safety, State Highway Patrol, uniformed personnel.~~**

30 The permanent weigh stations to be established pursuant to the provisions of this Article shall
31 be operated by the ~~Department of Public Safety, State Highway Patrol~~, who shall assign a
32 sufficient number of sworn and nonsworn personnel to the various weigh stations. Sworn
33 personnel of the State Highway Patrol shall supervise all nonsworn personnel assigned to weigh
34 stations. The sworn and nonsworn personnel shall have authority to weigh vehicles and to assess
35 civil penalties pursuant to Article 3, Part 9 of this Chapter and shall wear uniforms to be selected
36 and furnished by the ~~Department of Public Safety, State Highway Patrol~~. The uniformed sworn
37 and nonsworn personnel assigned to the various permanent weigh stations shall weigh vehicles
38 and complete various reports as may be necessary for recording violations relating to the weight
39 of vehicles and their loads. The uniformed officers assigned to the various permanent weigh
40 stations shall have the powers of peace officers for the purpose of enforcing the provisions of this
41 Chapter and in making arrests, serving process, and appearing in court in all matters and things
42 relating to the weight of vehicles and their loads."

43 **SECTION 3E.2.(o)** G.S. 20-377 reads as rewritten:

44 **"§ 20-377. General powers of ~~Department of Public Safety, State Highway Patrol.~~**

45 The ~~Department of Public Safety, State Highway Patrol~~ shall have and exercise such general
46 power and authority to supervise and control the motor carriers of the State as may be necessary
47 to carry out the laws providing for their regulation, and all such other powers and duties as may
48 be necessary or incident to the proper discharge of its duties."

49 **SECTION 3E.2.(p)** G.S. 20-379 reads as rewritten:

50 **"§ 20-379. ~~Department of Public Safety, State Highway Patrol~~ to audit motor carriers for**
51 **compliance.**

1 The ~~Department of Public Safety State Highway Patrol~~ must periodically audit each motor
2 carrier to determine if the carrier is complying with this Article and, if the motor carrier is subject
3 to regulation by the North Carolina Utilities Commission, with Chapter 62 of the General
4 Statutes. In conducting the audit, the ~~Department of Public Safety State Highway Patrol~~ may
5 examine a person under oath, compel the production of papers and the attendance of witnesses,
6 and copy a paper for use in the audit. An employee of the ~~Department of Public Safety State~~
7 ~~Highway Patrol~~ may enter the premises of a motor carrier during reasonable hours to enforce this
8 Article. When on the premises of a motor carrier, an employee of the ~~Department of Public Safety~~
9 ~~State Highway Patrol~~ may set up and use equipment needed to make the tests required by this
10 Article."

11 SECTION 3E.2.(q) G.S. 20-380 reads as rewritten:

12 "§ 20-380. ~~Department of Public Safety State Highway Patrol~~ may investigate accidents
13 involving motor carriers and promote general safety program.

14 The ~~Department of Public Safety State Highway Patrol~~ may conduct a program of accident
15 prevention and public safety covering all motor carriers with special emphasis on highway safety
16 and transport safety and may investigate the causes of any accident on a highway involving a
17 motor carrier. Any information obtained in an investigation shall be reduced to writing and a
18 report thereof filed in the office of the ~~Department of Public Safety State Highway Patrol~~, which
19 shall be subject to public inspection but such report shall not be admissible in evidence in any
20 civil or criminal proceeding arising from such accident. The ~~Department of Public Safety State~~
21 ~~Highway Patrol~~ may adopt rules for the safety of the public as affected by motor carriers and the
22 safety of motor carrier employees. The ~~Department of Public Safety State Highway Patrol~~ shall
23 cooperate with and coordinate its activities for motor carriers with other agencies and
24 organizations engaged in the promotion of highway safety and employee safety."

25 SECTION 3E.2.(r) G.S. 20-381 reads as rewritten:

26 "§ 20-381. Specific powers and duties of ~~Department of Public Safety State Highway Patrol~~
27 applicable to motor carriers; agricultural exemption.

28 (a) The ~~Department of Public Safety State Highway Patrol~~ has the following powers and
29 duties concerning motor carriers:

30 (1) To prescribe qualifications and maximum hours of service of drivers and their
31 helpers.

32 (1a) To set safety standards for vehicles of motor carriers engaged in foreign,
33 interstate, or intrastate commerce over the highways of this State and for the
34 safe operation of these vehicles. The ~~Department of Public Safety State~~
35 ~~Highway Patrol~~ may stop, enter upon, and perform inspections of motor
36 carriers' vehicles in operation to determine compliance with these standards
37 and may conduct any investigations and tests it finds necessary to promote the
38 safety of equipment and the safe operation on the highway of these vehicles.

39 (1b) To enforce this Article, rules adopted under this Article, and the federal safety
40 and hazardous materials regulations.

41 (2) To enter the premises of a motor carrier to inspect a motor vehicle or any
42 equipment used by the motor carrier in transporting passengers or property.

43 (2a) To prohibit the use by a motor carrier of any motor vehicle or motor vehicle
44 equipment the ~~Department of Public Safety State Highway Patrol~~ finds, by
45 reason of its mechanical condition or loading, would be likely to cause a crash
46 or breakdown in the transportation of passengers or property on a highway. If
47 an agent of the ~~Department of Public Safety State Highway Patrol~~ finds a
48 motor vehicle of a motor carrier in actual use upon the highways in the
49 transportation of passengers or property that, by reason of its mechanical
50 condition or loading, would be likely to cause a crash or breakdown, the agent
51 shall declare the vehicle "Out of Service." The agent shall require the operator

1 thereof to discontinue its use and to substitute therefor a safe vehicle, parts or
 2 equipment at the earliest possible time and place, having regard for both the
 3 convenience and the safety of the passengers or property. When an inspector
 4 or agent stops a motor vehicle on the highway, under authority of this section,
 5 and the motor vehicle is declared "Out of Service," no motor carrier operator
 6 shall require, or permit, any person to operate, nor shall any person operate,
 7 any motor vehicle equipment declared "Out of Service" until all repairs
 8 required by the "Out of Service" notice have been satisfactorily completed.
 9 Such agents or inspectors shall also have the right to stop any motor vehicle
 10 which is being used upon the public highways for the transportation of
 11 passengers or property by a motor carrier subject to the provisions of this
 12 Article and to eject therefrom any driver or operator who shall be operating or
 13 be in charge of such motor vehicle while under the influence of alcoholic
 14 beverages or impairing substances. It shall be the duty of all inspectors and
 15 agents of the ~~Department of Public Safety~~ State Highway Patrol to make a
 16 written report, upon a form prescribed by the ~~Department of Public Safety~~,
 17 State Highway Patrol, of inspections of all motor equipment and a copy of
 18 each such written report, disclosing defects in such equipment, shall be served
 19 promptly upon the motor carrier operating the same, either in person by the
 20 inspector or agent or by mail. Such agents and inspectors shall also make and
 21 serve a similar written report in cases where a motor vehicle is operated in
 22 violation of this Chapter or, if the motor vehicle is subject to regulation by the
 23 North Carolina Utilities Commission, of Chapter 62 of the General Statutes.

- 24 (3) To relieve the highways of all undue burdens and safeguard traffic thereon by
 25 adopting and enforcing rules and orders designed and calculated to minimize
 26 the dangers attending transportation on the highways of all hazardous
 27 materials and other commodities.
- 28 (4) To determine the safety fitness of intrastate motor carriers, to assign safety
 29 ratings to intrastate motor carriers as defined in 49 C.F.R. § 385.3, to direct
 30 intrastate motor carriers to take remedial action when required, to prohibit the
 31 operation of intrastate motor carriers when subject to an out-of-service order
 32 issued by the Federal Motor Carrier Safety Administration or the
 33 ~~Department~~ State Highway Patrol.
- 34 (5) To enforce any order issued by the Federal Motor Carrier Safety
 35 Administration including the authority to seize registration plates pursuant to
 36 the provisions of G.S. 20-45 from motor carriers whose registration was
 37 rescinded and cancelled pursuant to G.S. 20-110(m) or G.S. 20-110(n).

38"

39 **SECTION 3E.2.(s)** G.S. 20-382.2 reads as rewritten:

40 **"§ 20-382.2. Penalty for failure to comply with registration or insurance verification**
 41 **requirements.**

42 (a) Acts. – A motor carrier who does any of the following is subject to a civil penalty of
 43 one thousand dollars (\$1,000):

- 44 (1) Operates a for-hire motor vehicle in this State without registering its
 45 operations, as required by this Part.
 46 (2) Repealed by Session Laws 2007-492, s. 4, effective August 30, 2007.
 47 (3) Operates a for-hire motor vehicle in intrastate commerce in this State for
 48 which it has not verified it has insurance, as required by G.S. 20-382.1.

49 (b) Payment and Review. – When the ~~Department of Public Safety~~ State Highway Patrol
 50 finds that a for-hire motor vehicle is operated in this State in violation of the registration and
 51 insurance verification requirements of this Part, the ~~Department~~ State Highway Patrol must place

1 the motor vehicle out of service until the motor carrier is in compliance and the penalty imposed
2 under this section is paid unless the officer that imposes the penalty determines that operation of
3 the motor vehicle will not jeopardize collection of the penalty. A motor carrier that denies liability
4 for a penalty imposed under this section may pay the penalty under protest and follow the
5 procedure in G.S. 20-178.1 for a departmental review of the penalty.

6 (c) Judicial Restriction. – A court of this State may not issue a restraining order or an
7 injunction to restrain or enjoin the collection of a penalty imposed under this section or to permit
8 the operation of a vehicle placed out of service under this section without payment of the penalty.

9 (d) Proceeds. – A penalty imposed under this section is payable to the Department of
10 Transportation, Fiscal Section. The clear proceeds of all civil penalties assessed by the
11 ~~Department~~ State Highway Patrol pursuant to this section, minus any fees paid as interest, filing
12 fees, attorneys' fees, or other necessary costs of court associated with the defense of penalties
13 imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in
14 accordance with G.S. 115C-457.2."

15 **SECTION 3E.2.(t)** G.S. 20-383 reads as rewritten:

16 **"§ 20-383. Inspectors and officers given enforcement authority.**

17 Only designated inspectors, officers, and personnel of the ~~Department of Public Safety~~ State
18 Highway Patrol shall have the authority to enforce the provisions of this Article and provisions
19 of Chapter 62 applicable to motor transportation, and they are empowered to make complaint for
20 the issue of appropriate warrants, information, presentments or other lawful process for the
21 enforcement and prosecution of violations of the transportation laws against all offenders,
22 whether they be regulated motor carriers or not, and to appear in court or before the North
23 Carolina Utilities Commission and offer evidence at the trial pursuant to such processes."

24 **SECTION 3E.2.(u)** Part 4 of Article 17 of Chapter 20 of the General Statutes reads
25 as rewritten:

26 "Part 4. Penalties and Actions.

27 **"§ 20-387. Motor carrier violating any provision of Article, rules or orders; penalty.**

28 Any motor carrier which violates any of the provisions of this Article or refuses to conform
29 to or obey any rule, order or regulation of the Division or ~~Department of Public Safety~~ State
30 Highway Patrol shall, in addition to the other penalties prescribed in this Article forfeit and pay
31 a sum up to one thousand dollars (\$1,000) for each offense, to be recovered in an action to be
32 instituted in the Superior Court of Wake County, in the name of the State of North Carolina on
33 the relation of the ~~Department of Public Safety~~; State Highway Patrol; and each day such motor
34 carrier continues to violate any provision of this Article or continues to refuse to obey or perform
35 any rule, order or regulation prescribed by the Division or ~~Department of Public Safety~~ State
36 Highway Patrol shall be a separate offense.

37 ...

38 **"§ 20-389. Actions to recover penalties.**

39 Except as otherwise provided in this Article, an action for the recovery of any penalty under
40 this Article shall be instituted in Wake County, and shall be instituted in the name of the State of
41 North Carolina on the relation of the ~~Department of Public Safety~~ State Highway Patrol against
42 the person incurring such penalty; or whenever such action is upon the complaint of any injured
43 person, it shall be instituted in the name of the State of North Carolina on the relation of the
44 ~~Department of Public Safety~~ State Highway Patrol upon the complaint of such injured person
45 against the person incurring such penalty. Such action may be instituted and prosecuted by the
46 Attorney General, the District Attorney of the Wake County Superior Court, or the injured
47 person. The procedure in such actions, the right of appeal and the rules regulating appeals shall
48 be the same as provided by law in other civil actions.

49 **"§ 20-390. Refusal to permit ~~Department of Public Safety~~ State Highway Patrol to inspect**
50 **records made misdemeanor.**

1 Any motor carrier, its officers or agents in charge thereof, that fails or refuses upon the written
2 demand of the ~~Department of Public Safety~~ State Highway Patrol to permit its authorized
3 representatives or employees to examine and inspect its books, records, accounts and documents,
4 or its plant, property, or facilities, as provided for by law, shall be guilty of a Class 3
5 misdemeanor. Each day of such failure or refusal shall constitute a separate offense and each
6 such offense shall be punishable only by a fine of not less than five hundred dollars (\$500.00)
7 and not more than five thousand dollars (\$5,000).

8 **"§ 20-391. Violating rules, with injury to others.**

9 If any motor carrier doing business in this State by its agents or employees shall be guilty of
10 the violations of the rules and regulations provided and prescribed by the Division or the
11 ~~Department of Public Safety~~ State Highway Patrol, and if after due notice of such violation given
12 to the principal officer thereof, if residing in the State, or, if not, to the manager or superintendent
13 or secretary or treasurer if residing in the State, or, if not, then to any local agent thereof, ample
14 and full recompense for the wrong or injury done thereby to any person as may be directed by
15 the Division or ~~Department of Public Safety~~ State Highway Patrol shall not be made within 30
16 days from the time of such notice, such motor carrier shall incur a penalty for each offense of
17 five hundred dollars (\$500.00).

18 **"§ 20-392. Failure to make report; obstructing Division or ~~Department of Public~~**
19 **~~Safety~~ State Highway Patrol.**

20 Every officer, agent or employee of any motor carrier, who shall willfully neglect or refuse
21 to make and furnish any report required by the Division or ~~Department of Public Safety~~ State
22 Highway Patrol for the purposes of this Article, or who shall willfully or unlawfully hinder, delay
23 or obstruct the Division or ~~Department of Public Safety~~ State Highway Patrol in the discharge of
24 the duties hereby imposed upon it, shall forfeit and pay five hundred dollars (\$500.00) for each
25 offense, to be recovered in an action in the name of the State. A delay of 10 days to make and
26 furnish such report shall raise the presumption that the same was willful.

27 **"§ 20-393. Disclosure of information by employee of ~~Department of Public Safety~~ State**
28 **Highway Patrol unlawful.**

29 It shall be unlawful for any agent or employee of the ~~Department of Public Safety~~ State
30 Highway Patrol knowingly and willfully to divulge any fact or information which may come to
31 his knowledge during the course of any examination or inspection made under authority of this
32 Article, except to the ~~Department of Public Safety~~ State Highway Patrol or as may be directed
33 by the ~~Department of Public Safety~~ State Highway Patrol or upon approval of a request to the
34 ~~Department of Public Safety~~ State Highway Patrol by the Utilities Commission or by a court or
35 judge thereof.

36 ...

37 **"§ 20-396. Unlawful motor carrier operations.**

38 (a) Any person, whether carrier, shipper, consignee, or any officer, employee, agent, or
39 representative thereof, who by means of any false statement or representation, or by the use of
40 any false or fictitious bill, bill of lading, receipt, voucher, roll, account, claim, certificate,
41 affidavit, deposition, lease, or bill of sale, or by any other means or device, shall knowingly and
42 willfully seek to evade or defeat regulations as in this Article provided for motor carriers, shall
43 be deemed guilty of a Class 3 misdemeanor and only punished by a fine of not more than five
44 hundred dollars (\$500.00) for the first offense and not more than two thousand dollars (\$2,000)
45 for any subsequent offense.

46 (b) Any motor carrier, or other person, or any officer, agent, employee, or representative
47 thereof, who shall willfully fail or refuse to make a report to the Division or ~~Department of Public~~
48 ~~Safety~~ State Highway Patrol as required by this Article, or other applicable law, or to make
49 specific and full, true, and correct answer to any question within 30 days from the time it is
50 lawfully required by the Division or ~~Department of Public Safety~~ State Highway Patrol so to do,
51 or to keep accounts, records, and memoranda in the form and manner prescribed by the Division

1 or ~~Department of Public Safety-State Highway Patrol~~ or shall knowingly and willfully falsify,
 2 destroy, mutilate, or alter any such report, account, record, or memorandum, or shall knowingly
 3 and willfully neglect or fail to make true and correct entries in such accounts, records, or
 4 memoranda of all facts and transactions appertaining to the business of the carrier, or person
 5 required under this Article to keep the same, or shall knowingly and willfully keep any accounts,
 6 records, or memoranda contrary to the rules, regulations, or orders of the Division or ~~Department~~
 7 ~~of Public Safety-State Highway Patrol~~ with respect thereto, shall be deemed guilty of a Class 3
 8 misdemeanor and be punished for each offense only by a fine of not more than five thousand
 9 dollars (\$5,000). As used in this subsection the words "kept" and "keep" shall be construed to
 10 mean made, prepared or compiled as well as retained.

11 "**§ 20-397. Furnishing false information to the ~~Department of Public Safety; State Highway~~**
 12 **Patrol; withholding information from the ~~Department of Public Safety; State~~**
 13 **Highway Patrol.**

14 (a) Every person, firm or corporation operating under the jurisdiction of the ~~Department~~
 15 ~~of Public Safety-State Highway Patrol~~ or who is required by law to file reports with the
 16 ~~Department of Public Safety-State Highway Patrol~~ who shall knowingly or willfully file or give
 17 false information to the ~~Department of Public Safety-State Highway Patrol~~ in any report, reply,
 18 response, or other statement or document furnished to the ~~Department of Public Safety-State~~
 19 ~~Highway Patrol~~ shall be guilty of a Class 1 misdemeanor.

20 (b) Every person, firm, or corporation operating under the jurisdiction of the ~~Department~~
 21 ~~of Public Safety-State Highway Patrol~~ or who is required by law to file reports with the
 22 ~~Department of Public Safety-State Highway Patrol~~ who shall willfully withhold clearly specified
 23 and reasonably obtainable information from the ~~Department of Public Safety-State Highway~~
 24 ~~Patrol~~ in any report, response, reply or statement filed with the ~~Department of Public Safety-State~~
 25 ~~Highway Patrol~~ in the performance of the duties of the ~~Department of Public Safety-State~~
 26 ~~Highway Patrol~~ or who shall fail or refuse to file any report, response, reply or statement required
 27 by the ~~Department of Public Safety-State Highway Patrol~~ in the performance of the duties of the
 28 ~~Department of Public Safety-State Highway Patrol~~ shall be guilty of a Class 1 misdemeanor.

29"

30 **SECTION 3E.2.(v)** G.S. 74E-4(10) reads as rewritten:

31 "(10) To monitor compliance with ~~G.S. 20-185.1(d)~~-~~G.S. 143B-1710(d)~~."

32 **SECTION 3E.2.(w)** G.S. 105-259(b)(7) reads as rewritten:

33 "(7) To exchange information with the State Highway Patrol ~~of the Department of~~
 34 ~~Public Safety, Patrol,~~ the Division of Motor Vehicles of the Department of
 35 Transportation, the International Fuel Tax Association, Inc., or the Joint
 36 Operations Center for National Fuel Tax Compliance when the information is
 37 needed to fulfill a duty imposed on the Department of Revenue, the State
 38 Highway Patrol ~~of the Department of Public Safety, Patrol,~~ or the Division of
 39 Motor Vehicles of the Department of Transportation."

40 **SECTION 3E.2.(x)** G.S. 105-449.44 reads as rewritten:

41 "**§ 105-449.44. How to determine the amount of fuel used in the State; presumption of**
 42 **amount used.**

43 (a) Calculation. – The amount of motor fuel or alternative fuel a motor carrier uses in its
 44 operations in this State for a reporting period is the number of miles the motor carrier travels in
 45 this State during that period divided by the calculated miles per gallon for the motor carrier for
 46 all qualified motor vehicles during that period.

47 (b) Presumption. – The Secretary must check returns filed under this Article against the
 48 weigh station records and other records of the Division of Motor Vehicles of the Department of
 49 Transportation and the State Highway Patrol ~~of the Department of Public Safety~~ concerning
 50 motor carriers to determine if motor carriers that are operating in this State are filing the returns
 51 required by this Article. If the records indicate that a motor carrier operated in this State in a

1 quarter and either did not file a return for that quarter or understated its mileage in this State on
 2 a return filed for that quarter by at least twenty-five percent (25%), the Secretary may assess the
 3 motor carrier for an amount based on the motor carrier's presumed operations. The motor carrier
 4 is presumed to have mileage in this State equal to 10 trips of 450 miles each for each of the motor
 5 carrier's qualified motor vehicles and to have fuel usage of four miles per gallon.

6 (c) Vehicles. – The number of qualified motor vehicles of a motor carrier that is licensed
 7 under this Article is the number of sets of decals issued to the carrier. The number of qualified
 8 motor vehicles of a carrier that is not licensed under this Article is the number of qualified motor
 9 vehicles licensed or registered by the motor carrier in the carrier's base state under the
 10 International Registration Plan."

11 **SECTION 3E.2.(z)** G.S. 143-166.13(a) reads as rewritten:

12 "(a) The following persons who are subject to the Criminal Justice Training and Standards
 13 Act are entitled to benefits under this Article:

- 14 (1) State Government Security Officers, Department of Administration;
- 15 (2) State Correctional Officers, Division of Prisons of the Department of Adult
 16 Correction;
- 17 (3) State Probation and Parole Officers, Division of Community Supervision and
 18 Reentry of the Department of Adult Correction;
- 19 (4) Sworn State Law-Enforcement Officers with the power of arrest, Department
 20 of Adult Correction or Division of Juvenile Justice of the Department of
 21 Public Safety;
- 22 (5) Sworn Law Enforcement Officers in the Medicaid Fraud Unit of the
 23 Department of Justice;
- 24 (6) State Highway Patrol ~~Officers, Department of Public Safety; Officers;~~
- 25 (7) General Assembly Special Police, General Assembly;
- 26 (8) Sworn State Law-Enforcement Officers with the power of arrest, Department
 27 of Health and Human Services;
- 28 (9) Juvenile Justice Officers, Division of Juvenile Justice of the Department of
 29 Public Safety;
- 30 (10) Insurance Investigators, Department of Insurance;
- 31 (11) State Bureau of Investigation Officers and Alcohol Law Enforcement Agents,
 32 Department of Public Safety;
- 33 (12) Director and Assistant Director, License and Theft Enforcement ~~Section,~~
 34 ~~Division of Motor Vehicles, Department of Transportation;~~ Section, State
 35 Highway Patrol;
- 36 (13) Members of License and Theft Enforcement Section, ~~Division of Motor~~
 37 ~~Vehicles, Department of Transportation, State Highway Patrol,~~ designated by
 38 the ~~Commissioner of Motor Vehicles~~ Commander of the State Highway Patrol
 39 as either "inspectors" or uniformed weigh station personnel;
- 40 (14) Repealed by Session Laws 2021-23, s. 21, effective May 17, 2021.
- 41 (15) North Carolina Ports Authority Police, Department of Transportation;
- 42 (16) Sworn State Law-Enforcement Officers with the power of arrest, Department
 43 of Environmental Quality;
- 44 (17) Sworn State Law-Enforcement Officers with the power of arrest, Department
 45 of Public Safety.
- 46 (18) Sworn State Law-Enforcement Officers with the power of arrest, Department
 47 of Revenue.
- 48 (19) Sworn State Law-Enforcement Officers with the power of arrest, University
 49 System.
- 50 (20) Sworn State Law-Enforcement Officers with the power of arrest, Department
 51 of Agriculture and Consumer Services.

1 (21) Sworn State Law-Enforcement Officers with the power of arrest, Department
2 of Natural and Cultural Resources.

3 (22) Sworn State Law-Enforcement Officers of the State Capitol Police in the State
4 Highway Patrol."

5 **SECTION 3E.2.(aa)** G.S. 143-341(8) reads as rewritten:

6 "(8) General Services:

7 ...

8 i. To establish and operate a central motor fleet and such subsidiary
9 related facilities as the Secretary may deem necessary, and to that end:

10 ...

11 7a. To adopt with the approval of the Governor and to enforce
12 rules and to coordinate State policy regarding (i) the permanent
13 assignment of state-owned passenger motor vehicles and (ii)
14 the use of and reimbursement for those vehicles for the limited
15 commuting permitted by this subdivision. For the purpose of
16 this subdivision 7a., "state-owned passenger motor vehicle"
17 includes any state-owned passenger motor vehicle, whether or
18 not owned, maintained or controlled by the Department of
19 Administration, and regardless of the source of the funds used
20 to purchase it. Notwithstanding the provisions of ~~G.S. 20-190~~
21 G.S. 143B-1720 or any other provisions of law, all state-owned
22 passenger motor vehicles are subject to the provisions of this
23 subdivision 7a.; no permanent assignment shall be made and
24 no one shall be exempt from payment of reimbursement for
25 commuting or from the other provisions of this subdivision 7a.
26 except as provided by this subdivision 7a. Commuting, as
27 defined and regulated by this subdivision, is limited to those
28 specific cases in which the Secretary has received and accepted
29 written justification, verified by historical data. The
30 Department shall not assign any state-owned motor vehicle
31 that may be used for commuting other than those authorized by
32 the procedure prescribed in this subdivision.

33 A State-owned passenger motor vehicle shall not be
34 permanently assigned to an individual who is likely to drive it
35 on official business at a rate of less than 3,150 miles per quarter
36 unless (i) the individual's duties are routinely related to public
37 safety or (ii) the individual's duties are likely to expose the
38 individual routinely to life-threatening situations. A
39 State-owned passenger motor vehicle shall also not be
40 permanently assigned to an agency that is likely to drive it on
41 official business at a rate of less than 3,150 miles per quarter
42 unless the agency can justify to the Division of Motor Fleet
43 Management the need for permanent assignment because of
44 the unique use of the vehicle. Each agency, other than the
45 Department of Transportation, that has a vehicle assigned to it
46 or has an employee to whom a vehicle is assigned shall submit
47 a quarterly report to the Division of Motor Fleet Management
48 on the miles driven during the quarter by the assigned vehicle.
49 The Division of Motor Fleet Management shall review the
50 report to verify that each motor vehicle has been driven at the
51 minimum allowable rate. If it has not and if the department by

1 whom the individual to which the car is assigned is employed
2 or the agency to which the car is assigned cannot justify the
3 lower mileage for the quarter, the permanent assignment shall
4 be revoked immediately. The Department of Transportation
5 shall submit an annual report to the Division of Motor Fleet
6 Management on the miles driven during the year by vehicles
7 assigned to the Department or to employees of the Department.
8 If a vehicle included in this report has not been driven at least
9 12,600 miles during the year, the Department of Transportation
10 shall review the reasons for the lower mileage and decide
11 whether to terminate the assignment. The Division of Motor
12 Fleet Management may not revoke the assignment of a vehicle
13 to the Department of Transportation or an employee of that
14 Department for failure to meet the minimum mileage
15 requirement unless the Department of Transportation consents
16 to the revocation.

17 Every individual who uses a State-owned passenger motor
18 vehicle, pickup truck, or van to drive between the individual's
19 official work station and his or her home, shall reimburse the
20 State for these trips at a rate computed by the Department. This
21 rate shall be derived from a method that approximates the
22 benefit derived from the use of the vehicle as prescribed by
23 federal law, which may include the lease value rule described
24 in Publication 15-B of the Internal Revenue Service.
25 Reimbursement for a member of the Council of State shall be
26 for the actual number of days the member uses the vehicle to
27 commute during the month. Reimbursement for any other
28 individual shall be for 20 days per month regardless of how
29 many days the individual uses the vehicle to commute during
30 the month. Reimbursement shall be made by payroll deduction.
31 Funds derived from reimbursement on vehicles owned by the
32 Motor Fleet Management Division shall be deposited to the
33 credit of the Division; funds derived from reimbursements on
34 vehicles initially purchased with appropriations from the
35 Highway Fund and not owned by the Division shall be
36 deposited in a Special Depository Account in the Department
37 of Transportation, which shall revert to the Highway Fund;
38 funds derived from reimbursement on all other vehicles shall
39 be deposited in a Special Depository Account in the
40 Department of Administration which shall revert to the
41 General Fund. Commuting, for purposes of this
42 sub-sub-subdivision, does not include those individuals whose
43 office is in their home, as determined by the Department of
44 Administration, Division of Motor Fleet Management. Also,
45 this sub-sub-subdivision does not apply to the following
46 vehicles: (i) clearly marked police and fire vehicles, (ii)
47 delivery trucks with seating only for the driver, (iii) flatbed
48 trucks, (iv) cargo carriers with over a 14,000 pound capacity,
49 (v) school and passenger buses with over 20 person capacities,
50 (vi) ambulances, (vii) [Repealed]. (viii) bucket trucks, (ix)
51 cranes and derricks, (x) forklifts, (xi) cement mixers, (xii)

1 dump trucks, (xiii) garbage trucks, (xiv) specialized utility
2 repair trucks (except vans and pickup trucks), (xv) tractors,
3 (xvi) unmarked law-enforcement vehicles that are used in
4 undercover work and are operated by full-time, fully sworn
5 law-enforcement officers whose primary duties include
6 carrying a firearm, executing search warrants, and making
7 arrests, and (xvii) any other vehicle exempted under Section
8 274(d) of the Internal Revenue Code of 1954, and Federal
9 Internal Revenue Service regulations based thereon. The
10 Department of Administration, Division of Motor Fleet
11 Management, shall report quarterly to the Joint Legislative
12 Commission on Governmental Operations and to the Fiscal
13 Research Division of the Legislative Services Office on
14 individuals who use State-owned passenger motor vehicles,
15 pickup trucks, or vans between their official work stations and
16 their homes, who are not required to reimburse the State for
17 these trips.

18 The Department of Administration shall revoke the
19 assignment or require the Department owning the vehicle to
20 revoke the assignment of a State-owned passenger motor
21 vehicle, pickup truck or van to any individual who:

- 22 I. Uses the vehicle for other than official business except
23 in accordance with the commuting rules;
- 24 II. Fails to supply required reports to the Department of
25 Administration, or supplies incomplete reports, or
26 supplies reports in a form unacceptable to the
27 Department of Administration and does not cure the
28 deficiency within 30 days of receiving a request to do
29 so;
- 30 III. Knowingly and willfully supplies false information to
31 the Department of Administration on applications for
32 permanent assignments, commuting reimbursement
33 forms, or other required reports or forms;
- 34 IV. Does not personally sign all reports on forms submitted
35 for vehicles permanently assigned to him or her and
36 does not cure the deficiency within 30 days of receiving
37 a request to do so;
- 38 V. Abuses the vehicle; or
- 39 VI. Violates other rules or policy promulgated by the
40 Department of Administration not in conflict with this
41 act.

42 A new requisition shall not be honored until the Secretary
43 of the Department of Administration is assured that the
44 violation for which a vehicle was previously revoked will not
45 recur.

46 The Department of Administration, with the approval of
47 the Governor, may delegate, or conditionally delegate, to the
48 respective heads of agencies which own passenger motor
49 vehicles or to which passenger motor vehicles are permanently
50 assigned by the Department, the duty of enforcing all or part of
51 the rules adopted by the Department of Administration

pursuant to this subdivision 7a. The Department of Administration, with the approval of the Governor, may revoke this delegation of authority.

Notwithstanding the provisions of this section and G.S. 14-247, the Department of Administration may allow the organization sanctioned by the Governor's Council on Physical Fitness to conduct the North Carolina State Games to use State trucks and vans for the State Games of North Carolina. The Department of Administration shall not charge any fees for the use of the vehicles for the State Games. The State shall incur no liability for any damages resulting from the use of vehicles under this provision. The organization that conducts the State Games shall carry liability insurance of not less than one million dollars (\$1,000,000) covering such vehicles while in its use and shall be responsible for the full cost of repairs to these vehicles if they are damaged while used for the State Games.

...."

SECTION 3E.2.(bb) G.S. 143A-242 is repealed.

SECTION 3E.2.(cc) G.S. 143B-9(a) reads as rewritten:

"(a) ~~The~~ Except as otherwise provided in this Chapter, the head of each principal State department, except those departments headed by popularly elected officers, shall be appointed by the Governor and serve at the Governor's pleasure. The salary of the head of each of the principal State departments shall be set by the Governor, and the salary of elected officials shall be as provided by law.

For each head of each principal State department covered by this subsection, the Governor shall notify the President of the Senate of the name of each person to be appointed, and the appointment shall be subject to senatorial advice and consent in conformance with Section 5(8) of Article III of the North Carolina Constitution unless (i) the senatorial advice and consent is expressly waived by an enactment of the General Assembly or (ii) a vacancy occurs when the General Assembly is not in regular session. Any person appointed to fill a vacancy when the General Assembly is not in regular session may serve without senatorial advice and consent for no longer than the earlier of the following:

- (1) The date on which the Senate adopts a simple resolution that specifically disapproves the person appointed.
- (2) The date on which the General Assembly shall adjourn pursuant to a joint resolution for a period longer than 30 days without the Senate adopting a simple resolution specifically approving the person appointed."

SECTION 3E.2.(dd) G.S. 143B-601 reads as rewritten:

"§ 143B-601. Powers and duties of the Department of Public Safety.

It shall be the duty of the Department of Public Safety to do all of the following:

- (1) Provide ~~assigned law enforcement and~~ emergency services to protect the public ~~against crime and~~ against natural and man-made disasters.
- (2) ~~To plan and direct a coordinated effort by the law enforcement agencies of State government and to ensure maximum cooperation between State and local law enforcement agencies in the fight against crime.~~
- (3) To prepare annually, in consultation with the Judicial Department and the Department of Justice, a State plan for the State's criminal justice system.
- (4) ~~To serve as the State's chief coordinating agency to control crime, to ensure the safety of the public, and to ensure an effective and efficient State criminal justice system.~~

- 1 (5) To have charge of investigations of criminal matters particularly set forth in
2 this Article and of such other crimes and areas of concern in the criminal
3 justice system as the Governor may direct.
- 4 ~~(6) To regularly patrol the highways of the State and enforce all laws and~~
5 ~~regulations respecting travel and the use of vehicles upon the highways of the~~
6 ~~State and all laws for the protection of the highways of the State.~~
- 7 (7) To provide North Carolina National Guard troops trained by the State to
8 federal standards.
- 9 (8) To ensure the preparation, coordination, and currency of military and civil
10 preparedness plans and the effective conduct of emergency operations by all
11 participating agencies to sustain life and prevent, minimize, or remedy injury
12 to persons and damage to property resulting from disasters caused by enemy
13 attack or other hostile actions or from disasters due to natural or man-made
14 causes.
- 15 ~~(9) To develop a plan for a coordinated and integrated electronic communications~~
16 ~~system for State government and cooperating local agencies, including~~
17 ~~coordination and integration of existing electronic communications systems.~~
- 18 (10) Repealed by Session Laws 2021-180, s. 19C.9(h), effective January 1, 2023.
- 19 (11) To carry out the relevant provisions of Part 3 of this Article, Chapter 7B of
20 the General Statutes, and other provisions of the General Statutes governing
21 juvenile justice and the prevention of delinquent acts by juveniles.
- 22 (12) To provide central storage and management of evidence according to the
23 provisions of Article 13 of Chapter 15A of the General Statutes and create and
24 maintain a databank of statewide storage locations of postconviction evidence
25 or other similar programs.
- 26 (13) To provide central storage and management of rape kits according to the
27 federal Violence Against Women and Department of Justice Reauthorization
28 Act of 2005 with specific protections against release of names of victims
29 providing anonymous or "Jane Doe" rape kits without victim consent.
- 30 (14) To provide for the storage and management of evidence."

31 **SECTION 3E.2.(ee)** G.S. 143B-602 reads as rewritten:

32 **"§ 143B-602. Powers and duties of the Secretary of Public Safety.**

33 The Secretary of Public Safety shall have the powers and duties as are conferred on the
34 Secretary by this Article, delegated to the Secretary by the Governor, and conferred on the
35 Secretary by the Constitution and laws of this State. These powers and duties include the
36 following:

- 37 (1) Provision of assistance to other agencies. – The Secretary, through appropriate
38 subunits of the Department, shall, at the request of the Governor, provide
39 assistance to State and local law enforcement agencies, district attorneys, and
40 judges when called upon by them and so directed.
- 41 (2) Coordination of government subunits emergencies. – In the event that the
42 Governor, in the exercise of the Governor's constitutional and statutory
43 responsibilities, shall deem it necessary to utilize the services of more than
44 one subunit of State government to provide protection to the people from
45 natural or man-made disasters or emergencies, including, but not limited to,
46 wars, insurrections, riots, civil disturbances, or accidents, the Secretary, under
47 the direction of the Governor, shall serve as the chief coordinating officer for
48 the State between the respective subunits so utilized.
- 49 (3) Allocation of State resources during emergencies. – Whenever the Secretary
50 exercises the authority provided in subdivision (2) of this section, the
51 Secretary shall be authorized to utilize and allocate all available State

1 resources as are reasonably necessary to cope with the emergency or disaster,
2 including directing of personnel and functions of State agencies or units
3 thereof for the purpose of performing or facilitating the initial response to the
4 disaster or emergency. Following the initial response, the Secretary, in
5 consultation with the heads of the State agencies which have or appear to have
6 the responsibility for dealing with the emergency or disaster, shall designate
7 one or more lead agencies to be responsible for subsequent phases of the
8 response to the emergency or disaster. Pending an opportunity to consult with
9 the heads of such agencies, the Secretary may make interim lead agencies
10 designations.

- 11 (4) Reporting of emergencies to the Secretary. – Every department of State
12 government is required to report to the Secretary, by the fastest means
13 practicable, all natural or man-made disasters or emergencies, including, but
14 not limited to, wars, insurrections, riots, civil disturbances, or accidents which
15 appear likely to require the utilization of the services of more than one subunit
16 of State government.
- 17 (5) Rule making. – The Secretary is authorized to adopt rules and procedures for
18 the implementation of this section.
- 19 (6) Powers of Governor and Council of State not superseded. – Nothing contained
20 in this section shall be construed to supersede or modify those powers granted
21 to the Governor or the Council of State to declare and react to a state of disaster
22 as provided in Chapter 166A of the General Statutes, the Constitution, or
23 elsewhere.
- 24 (7) Reporting required prior to grant awards. – Prior to any notification of
25 proposed grant awards to State agencies for use in pursuing the objectives of
26 the Governor's Crime Commission pursuant to sub-subdivisions a. through g.
27 of subdivision (8) of this section, the Secretary shall report to the Senate and
28 House of Representatives Appropriations Committees for review of the
29 proposed grant awards.
- 30 (8) Other powers and duties. – The Secretary has the following additional powers
31 and duties:
- 32 a. Accepting gifts, bequests, devises, grants, matching funds, and other
33 considerations from private or governmental sources for use in
34 promoting the work of the Governor's Crime Commission.
- 35 b. Making grants for use in pursuing the objectives of the Governor's
36 Crime Commission.
- 37 ~~e. Adopting rules as may be required by the federal government for
38 federal grants in aid for criminal justice purposes and to implement
39 and carry out the regulatory and enforcement duties assigned to the
40 Department of Public Safety as provided by the various commercial
41 vehicle, oversize/overweight, motor carrier safety, motor fuel, and
42 mobile and manufactured home statutes.~~
- 43 d. Ascertaining the State's duties concerning grants to the State by the
44 Law Enforcement Assistance Administration of the United States
45 Department of Justice, and developing and administering a plan to
46 ensure that the State fulfills its duties.
- 47 e. Administering the Assistance Program for Victims of Rape and Sex
48 Offenses.
- 49 ~~f. Appointing, with the Governor's approval, a special police officer to
50 serve as Chief of the State Capitol Police Division.~~

- 1 g. Appointing an employee of the Division of Administration to be the
- 2 central point of contact for any federal surplus property or purchasing
- 3 programs.
- 4 h. Being responsible for federal and State liaison activities, victim
- 5 services, the Victim Services Warehouse, and the storage and
- 6 management of evidence and other contents housed in the warehouse,
- 7 and public affairs."

8 **SECTION 3E.2.(ff)** G.S. 143C-4-9(a) reads as rewritten:

9 "(a) Creation. – The Pay Plan Reserve is established within the General Fund. The General
 10 Assembly shall appropriate in the Current Operations Appropriations Act (Act) or other
 11 appropriations act a specific amount to this reserve for allocation, on an as-needed basis only, to
 12 fund statutory and scheduled pay expenses authorized by:

- 13 (1) ~~G.S. 20-187.3,~~ G.S. 143B-1714, and the Act, for troopers of the State
- 14 Highway Patrol compensated pursuant to an experience-based salary
- 15 schedule.
- 16 (2) G.S. 7A-102.
- 17 (3) G.S. 7A-171.1.
- 18 (4) Teacher Salary Schedule, as enacted by the General Assembly.
- 19 (5) Pay Plans for Principals and Assistant Principals, as enacted by the General
- 20 Assembly.
- 21 (6) The Act, for law enforcement officers of the State Bureau of Investigation and
- 22 Alcohol Law Enforcement.
- 23 (7) The Act, for correctional officers and other employees compensated pursuant
- 24 to the Correctional Officer Salary Schedule.
- 25 (8) The Act, for probation and parole officers and other employees compensated
- 26 pursuant to the Probation and Parole Officer Salary Schedule."

27 **SECTION 3E.2.(gg)** G.S. 143C-5-4(b) reads as rewritten:

28 "(b) Procedure for Budget Continuation. – If a fiscal year begins for which no Current
 29 Operations Appropriations Act providing for current operations of State government during that
 30 fiscal year has become law, then the following procedures shall be followed and the following
 31 limitations shall apply:

- 32 ...
- 33 (5) State employee salaries. – The salary schedules and specific salaries
- 34 established for the prior fiscal year and in effect on June 30 of the prior fiscal
- 35 year for offices and positions shall remain in effect until the Current
- 36 Operations Appropriations Act for the current fiscal year becomes law. State
- 37 employees subject to G.S. 7A-102(c), 7A-171.1, ~~20-187.3,~~ 143B-1714, or any
- 38 other statutory salary schedule, shall not move up on salary schedules or
- 39 receive automatic increases, including automatic step increases, until
- 40 authorized by the General Assembly. State employees, including those
- 41 exempt from the classification and compensation rules established by the State
- 42 Human Resources Commission, shall not receive any automatic step
- 43 increases, annual, performance, merit, bonuses, or other increments until
- 44 authorized by the General Assembly.

45"

46 **SECTION 3E.2.(hh)** G.S. 146-29(d) reads as rewritten:

47 "(d) Exemptions. – This section shall not apply to the following:

- 48 (1) The granting of utility easements, including the lease of interests in real
- 49 property pursuant to G.S. 146-29.2.
- 50 (2) Leases for student housing projects, including a ground lease to a university
- 51 endowment for the purpose of facilitating the construction of student housing.

1 (3) Leases made as part of the Voice Interoperability Plan for Emergency
2 Responders (VIPER) project being managed by the ~~Department of Public~~
3 ~~Safety-State Highway Patrol.~~"

4 **SECTION 3E.2.(ii)** G.S. 146-30(d)(2) reads as rewritten:

5 "(2) No service charge into the State Land Fund shall be deducted from or levied
6 against the proceeds of any disposition by lease, rental, or easement of State
7 lands purchased and owned by the North Carolina State Highway Patrol,
8 ~~Department of Public Safety,~~ as part of the Voice Interoperability Plan for
9 Emergency Responders (VIPER) project being managed by the North
10 Carolina State Highway Patrol, ~~Department of Public Safety.~~ Patrol. All net
11 proceeds of these dispositions shall be deposited into an account created in the
12 ~~Department of Public Safety-State Highway Patrol~~ to be used only for the
13 purpose of constructing, maintaining, or supporting the VIPER network."

14 **SECTION 3E.2.(jj)** Section 19G.2 of S.L. 2023-134 reads as rewritten:

15 "**SECTION 19G.2.(a)** Seized and forfeited assets transferred to the Department of Justice,
16 Department of Public Safety, State Highway Patrol, and Department of Adult Correction during
17 the 2023-2025 fiscal biennium pursuant to applicable federal law shall be credited to the budget
18 of the recipient department and shall result in an increase of law enforcement resources for that
19 department. The Department of Justice, Department of Public Safety, State Highway Patrol, and
20 Department of Adult Correction shall each make the following reports to the chairs of the House
21 of Representatives Appropriations Committee on Justice and Public Safety and the Senate
22 Appropriations Committee on Justice and Public Safety:

23 (1) A report upon receipt of any assets.

24 (2) A report that shall be made prior to use of the assets on their intended use and
25 the departmental priorities on which the assets may be expended.

26 (3) A report on receipts, expenditures, encumbrances, and availability of these
27 assets for the previous fiscal year, which shall be made no later than
28 September 1 of each year.

29 "**SECTION 19G.2.(b)** The General Assembly finds that the use of seized and forfeited assets
30 transferred pursuant to federal law for new personnel positions, new projects, acquisition of real
31 property, repair of buildings where the repair includes structural change, and construction of or
32 additions to buildings may result in additional expenses for the State in future fiscal periods.
33 Therefore, the Department of Justice, Department of Public Safety, State Highway Patrol, and
34 Department of Adult Correction are prohibited from using these assets for such purposes without
35 the prior approval of the General Assembly.

36 "**SECTION 19G.2.(c)** Nothing in this section prohibits State law enforcement agencies from
37 receiving funds from the United States Department of Justice, the United States Department of
38 the Treasury, and the United States Department of Health and Human Services.

39 "**SECTION 19G.2.(d)** The Joint Legislative Oversight Committee on Justice and Public
40 Safety shall study the impact on State and local law enforcement efforts of the receipt of seized
41 and forfeited assets. The Committee shall report its findings and recommendations prior to the
42 convening of the 2024 Regular Session of the 2023 General Assembly."

43 **SECTION 3E.2.(kk)** Section 16B.2 of S.L. 2015-241 reads as rewritten:

44 "**SECTION 16B.2.** The ~~Department of Public Safety-State Highway Patrol~~ shall report
45 annually no later than March 1 to the chairs of the Joint Legislative Oversight Committee on
46 Justice and Public Safety on the progress of the State's VIPER system."

47 **SECTION 3E.2.(ll)** This section becomes effective July 1, 2025.

48 49 STATE HIGHWAY PATROL APPROPRIATIONS AND FUNDING

50 **SECTION 3E.3.(a)** Notwithstanding G.S. 143C-5-2, there is appropriated from the
51 General Fund to the State Highway Patrol established in Section 3E.1 of this act for the 2025-

1 2026 fiscal year the sum of two million eight hundred ninety-four thousand four hundred
2 sixty-eight dollars (\$2,894,468) in recurring funds to be used to hire 20 full-time equivalent
3 positions as follows:

- 4 (1) Seven personnel positions.
- 5 (2) Eight budget positions.
- 6 (3) One Safety Director position.
- 7 (4) Two Information Technology Communications positions.
- 8 (5) One Staff Attorney position.
- 9 (6) One Legislative Liaison position.

10 **SECTION 3E.3.(b)** The Department of Transportation shall transfer to the State
11 Highway Patrol on a recurring basis all funds necessary to fully support salary, benefits, property,
12 operational expenses, and all other costs associated with the sworn personnel positions
13 transferred by this act from the License and Theft Bureau to the State Highway Patrol.

14 **SECTION 3E.3.(c)** This section becomes effective July 1, 2025.

16 SUBPART III-F. UTILITIES COMMISSION AND ENERGY

18 CHANGE APPOINTMENTS TO UTILITIES COMMISSION

19 **SECTION 3F.1.(a)** G.S. 62-10 reads as rewritten:

20 "**§ 62-10. Number; appointment; terms; qualifications; chairman; vacancies;**
21 **compensation; other employment prohibited.**

22 (a) The North Carolina Utilities Commission shall consist of five commissioners who
23 shall be appointed as follows: ~~three~~ two by the Governor, one by the State Treasurer, one by the
24 General Assembly, upon the recommendation of the Speaker of the House of Representatives in
25 accordance with G.S. 120-121, and one by the General Assembly, upon the recommendation of
26 the President Pro Tempore of the Senate in accordance with G.S. 120-121. Each commissioner
27 shall serve for a term of six years commencing on July 1 of the year in which the predecessor
28 term expired and ending on June 30 of the sixth year thereafter. Commissioners appointed by the
29 Governor and Treasurer are subject to confirmation by the General Assembly by joint resolution.
30 The names of commissioners to be appointed by the Governor and Treasurer shall be submitted
31 by the Governor and Treasurer to the General Assembly for confirmation by the General
32 Assembly on or before May 1, of the year in which the terms for which the appointments are to
33 be made are to expire. Upon failure of the Governor or Treasurer to submit names as herein
34 provided, the President Pro Tempore of the Senate and Speaker of the House of Representatives
35 jointly shall submit the names of a like number of commissioners to the General Assembly on or
36 before May 15 of the same year for confirmation by the General Assembly. Regardless of the
37 way in which names of commissioners are submitted, confirmation of commissioners must be
38 accomplished prior to adjournment of the then current session of the General Assembly.

39 (b) Repealed by Session Laws 2023-136, s. 10.1(a), effective October 10, 2023.

40 (c) Repealed by Session Laws 2023-136, s. 10.1(a), effective October 10, 2023.

41 (d) A commissioner in office shall continue to serve until his successor is duly confirmed
42 and qualified but such holdover shall not affect the expiration date of such succeeding term.

43 (e) On July 1, 1965, and every three years thereafter, one of the commissioners shall be
44 ~~designated by the Governor~~ elected by and from the members of the Commission to serve as
45 chairman of the Commission for the succeeding three years and until his or her successor is duly
46 confirmed and qualifies. Upon death or resignation of the commissioner appointed as chairman,
47 ~~the Governor shall designate the chairman~~ shall be elected by and from the remaining
48 ~~commissioners and appoint a successor as hereinafter provided to fill the vacancy on the~~
49 ~~Commission.commissioners.~~

50 (f) In case of death, incapacity, resignation or vacancy for any other reason in the office
51 of any commissioner appointed by the Governor prior to the expiration of the commissioner's

1 term of office, the name of the successor shall be submitted to the General Assembly by the
2 Governor within four weeks after the vacancy arises for confirmation by the General Assembly.
3 Upon failure of the Governor to submit the name of the successor, the President Pro Tempore
4 and Speaker of the House jointly shall submit the name of a successor to the General Assembly
5 within six weeks after the vacancy arises. Regardless of the way in which names of
6 commissioners are submitted, confirmation of commissioners must be accomplished prior to the
7 adjournment of the then current session of the General Assembly. In case of death, incapacity,
8 resignation, or vacancy for any other reason in the office of any commissioner appointed by the
9 General Assembly prior to the expiration of the commissioner's term of office, the vacancy shall
10 be filled as provided in G.S. 120-122. In case of death, incapacity, resignation, or vacancy for
11 any other reason in the office of the commissioner appointed by the State Treasurer prior to the
12 expiration of the commissioner's term of office, the vacancy shall be filled by the State Treasurer.

13"

14 **SECTION 3F.1.(b)** The appointee of the Governor replaced by the State Treasurer,
15 or the Treasurer's designee, due to the revision to G.S. 62-10 enacted by subsection (a) of this
16 section, shall be one of the appointees of the Governor with a term ending June 30, 2025. Upon
17 the expiration of their terms, one of those appointees shall be replaced by an appointee of the
18 State Treasurer, or the Treasurer's designee. No later than 30 days after the Treasurer has made
19 that appointment, the Commission shall elect a chairman in conformance with G.S. 62-10(e), as
20 amended by subsection (a) of this section.

21 22 **REPEAL ENERGY POLICY COUNCIL**

23 **SECTION 3F.2.(a)** Article 1 of Chapter 113B of the General Statutes is repealed.

24 **SECTION 3F.2.(b)** Article 2 of Chapter 113B of the General Statutes reads as
25 rewritten:

26 "Article 2.

27 "Energy Crisis Administration.

28 **"§ 113B-20. Definition; declaration of energy crisis.**

29 (a) ~~"Energy crisis".—An Definition. – For purposes of this Article an energy crisis exists~~
30 ~~when is a period of time during which the health, welfare or safety of the citizens of North~~
31 ~~Carolina are threatened by reason of an actual or impending acute shortage in usable, necessary~~
32 ~~energy resources.~~

33 (b) Declaration by Governor. – Upon a finding by the Governor that the conditions stated
34 in subsection (a) do exist, the Governor may declare the existence of an energy crisis.

35 **"§ 113B-20A. Emergency Energy Program; components.**

36 (a) The Utilities Commission shall, in accordance with the provisions of this Article,
37 develop contingency and emergency plans to deal with possible shortages of energy to protect
38 public health, safety, and welfare, such plans to be compiled into an Emergency Energy Program.

39 (b) If required for an update of the program provided under subsection (i) of this section:

40 (1) Each electric utility and natural gas utility in the State shall prepare and submit
41 to the Utilities Commission a proposed emergency curtailment plan setting
42 forth proposals for identifying priority loads or users in the event of the
43 declaration of an energy crisis pursuant to G.S. 113B-20 and proposals for
44 supply allocation to such priority loads or users. Utilities regulated under
45 Chapter 62 of the General Statutes may satisfy this requirement by submitting
46 the General Load Reduction and System Restoration Plan that is prepared
47 annually for the Utilities Commission.

48 (2) Each major oil producer doing business in this State as determined by the
49 Utilities Commission shall prepare and submit to the Utilities Commission an
50 analysis of how any national supply curtailment pursuant to federal

1 regulations shall affect the supply for North Carolina and how priority users
2 will be determined and available supplies allocated to such users.

3 (c) The Utilities Commission shall encourage the preparation of joint emergency
4 curtailment plans and analyses. If such cooperative plans and analyses are developed between
5 two or more utilities, major producers, or by an association of such companies, the joint plans or
6 analyses may be submitted to the Utilities Commission in lieu of information required pursuant
7 to subsection (b) of this section.

8 (d) The Utilities Commission shall collect from all relevant governmental agencies any
9 existing contingency plans for dealing with sudden energy shortages or information related
10 thereto.

11 (e) The Utilities Commission shall approve and recommend to the Governor guidelines
12 for emergency curtailment to be known as the Emergency Energy Program and to be
13 implemented upon adoption by the Governor after the declaration of an energy crisis and pursuant
14 to G.S. 113B-20 and G.S. 113B-23. The program shall be based upon the plans presented to the
15 Utilities Commission, upon independent analysis and study by the Commission, and upon
16 information provided at the hearing or hearings, provided, however, that they are consistent with
17 such federal programs and regulations as are already in effect at that time.

18 (f) The Emergency Energy Program shall provide for the maintenance of essential
19 services, the protection of public health, safety, and welfare, and the maintenance of a sound
20 basic State economy. For utilities regulated under Chapter 62 of the General Statutes, the program
21 shall be consistent with the General Load Reduction and System Restoration Plan that is prepared
22 annually for the Utilities Commission. Provisions also shall be made in the program to
23 differentiate curtailment of energy consumption by users on the basis of ability to accommodate
24 such curtailments and shall also include all of the following:

25 (1) A variety of strategies and staged conservation measures of increasing
26 intensity and authority to reduce energy use during an energy crisis, as defined
27 in G.S. 113B-20, and guidelines and criteria for allocation of energy sources
28 to priority users. The program shall contain alternative conservation actions
29 and allocation plans to reasonably meet various foreseeable shortage
30 circumstances and to allow a choice of appropriate responses.

31 (2) Evidence that the program is consistent with requirements of federal
32 emergency energy conservation and allocation laws and regulations.

33 (3) Proposals to assist such individuals, institutions, agriculture, and businesses
34 which have engaged in energy saving measures.

35 (g) The Utilities Commission shall carry out such investigations and studies as are
36 necessary to determine if and when potentially serious shortages of energy are likely to affect
37 North Carolina and the Commission shall make recommendations to the Governor concerning
38 administrative and legislative actions required to avert such shortages, such recommendations to
39 be included as a section of the Emergency Energy Program.

40 (h) In addition to the above information and recommendations, the program shall contain
41 proposals for implementation of such recommendations which include procedures, rules and
42 regulations, and agency administrative responsibilities for implementation and shall further
43 contain procedures for fair and equitable review of complaints and requests for special
44 exemptions from emergency conservation measures or emergency allocations.

45 (i) The Commission shall update the Emergency Energy Program upon finding that an
46 update is justified.

47 (j) The Governor shall have the authority to accept, administer, and enforce federal
48 programs, program measures, and permissive delegations of authority delegated to the Governor
49 by the President of the United States, Congress, or the United States Department of Energy, on
50 behalf of the State of North Carolina, which pertain to actions necessary to deal with an actual or
51 impending energy shortage.

1 **"§ 113B-21. Creation of Legislative Committee on Energy Crisis Management.**

2 (a) Upon the declaration of an energy crisis by the Governor, a Legislative Committee
3 on Energy Crisis Management shall be created to consist of the Speaker, the Speaker Pro
4 Tempore of the House of Representatives, the President Pro Tempore of the Senate, and the
5 majority leader of the Senate. ~~The Lieutenant Governor shall serve as chair and shall be a~~
6 ~~nonvoting ex-officio member, provided, however, that the chair shall vote to break a tie.~~

7 (b) The Legislative Committee shall convene within 24 hours following the declaration
8 of an energy crisis, as provided in G.S. 113B-20.

9 (c) Members of the Legislative Committee shall be reimbursed for their services pursuant
10 to the provisions of G.S. 138-5.

11 **"§ 113B-22. Procedures for adopting emergency proposals; emergency powers.**

12 (a) Upon the declaration of an energy crisis, the Governor shall submit to the Legislative
13 Committee for its prompt consideration such emergency orders, rules and regulations as deemed
14 necessary to alleviate the effects of the energy crisis.

15 (b) The Governor shall immediately consult with the Legislative Committee about the
16 emergency proposals. The emergency orders, rules, or regulations shall become effective at a
17 time specified by the Governor, but no earlier than 48 hours after submission to the Legislative
18 Committee, provided that they may take effect ~~at an earlier time only~~ if approved by a majority
19 vote of the Council of State after the Council makes a finding that ~~the an energy crisis is of such~~
20 ~~immediacy as to make delay for legislative review cause for probable harm to the public exists.~~

21 (c) No order, rule, or regulation promulgated under the provisions of this section shall
22 remain in effect for more than ~~30 days~~ 48 hours unless the Governor consults with the Legislative
23 Committee. Such consultation is separate and apart from the consultation required by subsection
24 (a) of this section, ~~and may not take place until the order, rule, or regulation has been in effect~~
25 ~~for at least seven days.~~section.

26 (d) The Governor's orders, rules and regulations, promulgated, subject to consultation
27 with the Legislative Committee, pursuant to this section, may also include, by way of further
28 enumerated example rather than limitation, provisions for the establishment and implementation
29 of programs, controls, standards, priorities, and quotas for the allocation, conservation and
30 consumption of energy resources; the suspension and modification of existing standards and
31 requirements affecting or affected by the use of energy resources, including those relating to air
32 quality control and the hours and days during which public buildings may or may not be required
33 to remain open; and the establishment and implementation of regional programs and agreements
34 for the purposes of coordinating the energy resource programs and actions of the State with those
35 of the federal government and of other states and localities.

36 **"§ 113B-23. Administration of plans and procedures.**

37 (a) Upon the declaration of an energy crisis, pursuant to G.S. 113B-20, the ~~Energy Policy~~
38 ~~Council-Utilities Commission~~ shall become the emergency energy coordinating body for the
39 State and shall carry out all of the following duties:

40 (1) Identify and determine the nature and severity of expected energy
41 ~~shortages;~~shortages.

42 (2) Provide for daily communications with and gather information from
43 significant energy producers, distributors, transporters and major consumers,
44 as determined by the ~~Energy Policy Council, Utilities Commission,~~ to carry
45 out its responsibilities pursuant to this ~~section;~~section.

46 (3) Provide data, carry out continuing assessments of the crisis situation, and
47 make recommendations to the Governor and to the Legislative Committee on
48 Energy Crisis Management for further action.

49 (b) Upon the declaration of an energy crisis, the Governor shall order the ~~Energy Policy~~
50 ~~Council, the Utilities Commission, the Attorney General Commission~~ and other appropriate State
51 and local agencies to implement and enforce the Emergency Energy Program pursuant to

1 ~~G.S. 113B-9~~ G.S. 113B-20A and any emergency rules, ~~orders~~ orders, or regulations approved
2 pursuant to G.S. 113B-22.

3 (c) Upon the declaration of an energy crisis, the Governor may employ such measures
4 and give such direction to State and local offices and agencies as may be reasonable and
5 necessary for the purpose of securing compliance with the provisions of this Article and with
6 emergency rules, orders and regulations issued pursuant to G.S. 113B-22.

7 **"§ 113B-24. Enforcement; penalties for violations.**

8 (a) The Attorney General and the law-enforcement authorities of the State and its
9 political subdivisions shall enforce the provisions of this Article and all orders, rules and
10 regulations promulgated pursuant to G.S. 113B-22.

11 (b) Any person who violates this Article or any rules, orders or regulations promulgated
12 pursuant to G.S. 113B-22 or knowingly or willfully submits false information in any report
13 required herein shall be guilty of a Class 1 misdemeanor.

14 (c) The provisions of this Article or any rules, orders or regulations promulgated pursuant
15 to G.S. 113B-22 may be enforced by bringing an action to enjoin such acts or practices as may
16 be in violation and, upon a proper showing, a temporary restraining order or a preliminary or
17 permanent injunction shall be issued. The relief sought may include a mandatory injunction
18 commanding any person to comply with any such order, rule or regulation and restitution of
19 money received in violation of any such order, rule or regulation. The Attorney General shall
20 bring any action under this subsection upon the request of the Governor, the Legislative
21 Committee on Energy Crisis Management, the ~~Energy Policy Council~~, Utilities Commission, or
22 upon ~~his~~ the Attorney General's direction if ~~he deems~~ such action is deemed advisable and in the
23 public interest. The Attorney General may institute such action in the Superior Court of Wake
24 County, or, in ~~his~~ the Attorney General's discretion, in the superior court of the county in which
25 the acts or practices constituting a violation occurred, are occurring or may occur."

26 **SECTION 3F.2.(c)** G.S. 120-286 reads as rewritten:

27 **"§ 120-286. Purpose and powers and duties of Commission.**

28 (a) The Joint Legislative Commission on Energy Policy shall exercise legislative
29 oversight over energy policy in the State. In the exercise of this oversight, the Commission may
30 do any of the following:

- 31 (1) Monitor and evaluate the programs, policies, and actions of the Oil and Gas
32 Commission established pursuant to G.S. 143B-293.1, ~~the Energy Policy~~
33 ~~Council established pursuant to G.S. 113B-2~~, the Energy Division in the
34 Department of Commerce, the Utilities Commission and Public Staff
35 established pursuant to Chapter 62 of the General Statutes, and of any other
36 board, commission, department, or agency of the State or local government
37 with jurisdiction over energy policy in the State.
- 38 (2) Review and evaluate existing and proposed State statutes and rules affecting
39 energy policy and determine whether any modification of these statutes or
40 rules is in the public interest.
- 41 (3) Monitor changes in federal law and court decisions affecting energy policy.
- 42 (4) Monitor and evaluate energy-related industries in the State and study
43 measures to promote these industries.
- 44 (5) Study any other matters related to energy policy that the Commission
45 considers necessary to fulfill its mandate.

46 (b) The Commission may make reports and recommendations, including proposed
47 legislation, to the General Assembly from time to time as to any matter relating to its oversight
48 and the powers and duties set out in this section."

49 **SECTION 3F.2.(d)** G.S. 143-58.5 reads as rewritten:

50 **"§ 143-58.5. Alternative Fuel Revolving Fund.**

51 ...

1 (c) The Fund shall be used to offset the incremental fuel cost of biodiesel and biodiesel
2 blend fuel with a minimum biodiesel concentration of B-20 for use in State vehicles, for the
3 purchase of ethanol fuel with a minimum ethanol concentration of E-85 for use in State vehicles,
4 the incremental vehicle cost of purchasing AFVs, for the development of related refueling
5 infrastructure, and for the costs of administering the Fund, and for projects approved by the
6 Energy Policy Council Fund.

7"

8 **SECTION 3F.2.(e)** G.S. 143-345.13 reads as rewritten:

9 **"§ 143-345.13. Reporting of stocks of coal and petroleum fuels.**

10 The Department of Administration may, with the prior express approval of the ~~Energy Policy~~
11 ~~Council-Utilities Commission~~ and the Governor, require that all coal and petroleum suppliers in
12 North Carolina supplying coal, motor gasoline, middle distillates, residual oils, and propane for
13 resale within the State, file with the Department of Administration, on forms prepared by the
14 Department, accurate reports as to the stocks of coal and petroleum products and storage
15 capacities maintained by the supplier, including the supplier's current inventory and stock of coal,
16 motor gasoline, middle distillates, residual oils and propane, the expected time such supplies will
17 last under ordinary distribution demand and the schedule for receiving additional or replacement
18 stocks. The reports and the information contained therein shall be proprietary information
19 available only to regular employees of the Department of Administration, except that aggregate
20 tables or schedules consolidating information from the reports may be released if they do not
21 reveal individual report data for any named supplier. It is further the intent of this section that no
22 information shall be required from coal and petroleum suppliers, that is, at the time the reports
23 are requested, already on file with any agency, commission, or department of State government.

24 It is the intent of this section that the reports be filed only at such times as the ~~Energy Policy~~
25 ~~Council-Utilities Commission~~ and the Governor determine that an energy crisis as defined in
26 G.S. 113B-20 exists or may be imminent.

27 If any petroleum or coal supplier fails to file the accurate reports as may be required by this
28 section for more than 10 days after the date on which any such report is due, the Secretary of
29 Administration is authorized and empowered to petition the district court, Division of the General
30 Court of Justice, in the county in which the principal office or place of business of the supplier
31 is located, for a mandatory injunction compelling the supplier to file the report."

32 **SECTION 3F.2.(f)** Part 35 of Article 7 of Chapter 143B of the General Statutes is
33 repealed.

34 35 **ADDITIONAL RENEWABLE ENERGY CERTIFICATES FOR USE OF SWINE** 36 **WASTE RESOURCES**

37 **SECTION 3F.3.** Article 7 of Chapter 62 of the General Statutes is amended by
38 adding a new section to read:

39 **"§ 62-133.8A. Additional credit for use of swine waste resources.**

40 (a) For purposes of this section:

41 (1) The definitions set forth in G.S. 62-133.8 apply.

42 (2) The term "enhanced credit RECs" refers to the additional RECs credited under
43 this section and does not include the original REC produced.

44 (3) The term "tier" refers to the development tier designated by the North Carolina
45 Secretary of Commerce under G.S. 143B-437.08 for the calendar year during
46 which the project's new renewable energy facility registration statement is
47 submitted to the Commission.

48 (4) The term "REC" means a renewable energy certificate as defined in
49 G.S. 62-133.8(6).

1 (b) A new renewable energy facility located in a Tier 1 county that produces RECs as
 2 provided in G.S. 62-133.8(e) using in-State sourced swine waste resources shall be eligible for a
 3 one-time enhanced credit REC stimulus for a period as follows:

4 (1) For the first eight years following the effective date of this section for
 5 currently operating facilities, or from the commercial operation date for newly
 6 constructed facilities, for every one REC produced by the facility, the facility
 7 shall be credited with two additional, enhanced credit RECs.

8 (2) For the succeeding six years, for every one REC produced by the facility, the
 9 facility shall be credited with one additional, enhanced credit REC.

10 (c) The enhanced credit RECs created under this section may be used by electric power
 11 suppliers for compliance with the swine waste set aside requirements of G.S. 62-133.8(e).

12 (d) No facility shall be credited with more than 80,000 enhanced credit RECs in any one
 13 year but may continue to generate RECs without enhanced credit."

14
 15 **SUBPART III-G. INSURANCE**

16
 17 **UPDATE LAWS REGARDING MULTIPLE EMPLOYER WELFARE**
 18 **ARRANGEMENTS (MEWAS) THAT PROVIDE EMPLOYEE WELFARE BENEFIT**
 19 **PLANS**

20 **SECTION 3G.1.(a)** All of the following are repealed:

- 21 (1) G.S. 58-50-115(c).
- 22 (2) G.S. 58-50A-5.
- 23 (3) G.S. 58-50A-10.
- 24 (4) G.S. 58-50A-15.
- 25 (5) G.S. 58-50A-20.
- 26 (6) G.S. 58-50A-25.
- 27 (7) G.S. 58-50A-30.
- 28 (8) G.S. 58-50A-35.
- 29 (9) G.S. 58-50A-40.
- 30 (10) G.S. 58-51-80(b)(1c).

31 **SECTION 3G.1.(b)** Article 50A of Chapter 58 of the General Statutes, as amended
 32 by subsection (a) of this section, reads as rewritten:

33 "Article 50A.

34 "~~Association Health Plans and~~ Multiple Employer Welfare Arrangements.

35 **"§ 58-50A-1. Definitions.**

36 The following definitions apply in this Article:

- 37 (1) ~~Employer member. — A person or entity acting directly as the employer of at~~
 38 ~~least one employee, or a working owner, either of whom is a participant~~
 39 ~~covered under a Path 2 MEWA.~~
- 40 (2) Employee welfare benefit plan. — The term as defined in Section 3 of the
 41 Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1002(1), as
 42 amended.
- 43 (2a) Insured. — Employees or other individuals covered under the employee
 44 welfare benefit plan offered through a MEWA licensed in this State.
- 45 (3) Multiple employer welfare arrangement or MEWA. — The term as defined in
 46 Section 3 of the Employee Retirement Income Security Act of 1974, 29 U.S.C.
 47 § 1002(40(A)), as amended, that meets at least one of the following criteria:
 48 a. ~~Has at~~ At least one employer member of participating in the MEWA
 49 ~~that~~ is either domiciled in this State or has its principal headquarters or
 50 principal administrative office in this State.

- 1 b. ~~Solicits~~ The MEWA solicits an employer for membership in the
- 2 MEWA that is domiciled in this State or that has its principal
- 3 headquarters or principal administrative office in this State.
- 4 (4) ~~Path 2 MEWA. A MEWA that is established or maintained by an association~~
- 5 ~~of employers classified by the United States Department of Labor as a bona~~
- 6 ~~fide group or association under the requirements of 29 C.F.R. § 2510.3-5 and~~
- 7 ~~is formed by a sponsoring association that meets the following requirements:~~
- 8 a. ~~Has a constitution or bylaws that provides for all of the following:~~
- 9 1. ~~Regular meetings.~~
- 10 2. ~~Collection of dues from members.~~
- 11 3. ~~Operation by a board of trustees that includes an owner,~~
- 12 ~~partner, officer, director, or employee of at least one of the~~
- 13 ~~employer members of the association.~~
- 14 b. ~~Has at least one substantial business purpose unrelated to the offering~~
- 15 ~~and providing of health insurance or other employee benefits to its~~
- 16 ~~employer members and their employees.~~
- 17 e. ~~Has a commonality of interest shared among the employers~~
- 18 ~~comprising the Path 2 MEWA based on either of the following:~~
- 19 1. ~~Establishment by employers in the same trade, industry, line of~~
- 20 ~~business, or profession.~~
- 21 2. ~~Being a statewide organization where each employer that is a~~
- 22 ~~member of the organization has a principal place of business~~
- 23 ~~that does not exceed the boundaries of the State or a~~
- 24 ~~metropolitan area that is at least partially within the State, even~~
- 25 ~~if that metropolitan area includes portions of other states.~~
- 26 (5) ~~Sponsoring association. An association of two or more employer members~~
- 27 ~~that offers an employee welfare benefit plan as a Path 2 MEWA. For purposes~~
- 28 ~~of this Chapter, a sponsoring association that meets the requirements of this~~
- 29 ~~Article shall be deemed to be a large employer.~~
- 30 (6) Reserved for future codification purposes.
- 31 (7) Net worth. – An amount that is calculated by subtracting the total amount of
- 32 an entity's liabilities from the value of the entity's total (i) tangible assets and
- 33 (ii) other investments permitted under G.S. 58-50A-50.

34 ...
 35 **"§ 58-50A-50. Requirements for certain MEWAs; enrollment, coverage, and funding.**

36 All of the following shall apply to an entity that is initially licensed under this Article on or
 37 after January 1, 2025:

- 38 (1) To maintain the license under this Article, the MEWA is required to maintain
- 39 a minimum level of enrollment of 500 individuals who are employees
- 40 belonging to two or more employers participating in the MEWA. The
- 41 Commissioner is authorized to continue the licensure of a MEWA that does
- 42 not meet this minimum requirement if that MEWA demonstrates to the
- 43 Commissioner's satisfaction that the number of enrolled employees does not
- 44 adversely affect the financial soundness of the MEWA.
- 45 (2) Benefits under the MEWA shall be available only to individuals who are (i)
- 46 employees of employers participating in the MEWA and dependents of those
- 47 employees or (ii) eligible for continuation of coverage of benefits under the
- 48 MEWA under State or federal law.
- 49 (3) The level of coverage for healthcare benefits under the MEWA is equal to or
- 50 greater than sixty percent (60%) of the actuarial value of allowed costs for the
- 51 covered benefits.

- 1 (4) MEWA funds shall only be invested or maintained in one of the following:
 2 a. Securities and other investments and assets permitted under State law
 3 for the investment of assets constituting the legal reserves of life
 4 insurance companies licensed in this State.
 5 b. Any security or investment permitted by the Commissioner.
 6 (5) The net worth of a MEWA shall be maintained at a minimum of five hundred
 7 thousand dollars (\$500,000).

8 **"§ 58-50A-55. Applicable provisions of this Chapter.**

9 (a) All of the following provisions of this Chapter apply to MEWAs licensed or
 10 administered under this Article:

- 11 (1) G.S. 58-2-190, Commissioner may require certain reports.
 12 (2) G.S. 58-3-150, Forms to be approved by Commissioner.
 13 (3) G.S. 58-7-21, Credit allowed a domestic ceding insurer.
 14 (4) G.S. 58-7-26, Asset or reduction from liability for reinsurance ceded by a
 15 domestic insurer to an assuming insurer not meeting the requirements of
 16 G.S. 58-7-21.
 17 (5) G.S. 58-7-30, Insolvent ceding insurer.
 18 (6) G.S. 58-7-46, Notification to Commissioner for president or chief executive
 19 officer changes.
 20 (7) G.S. 58-7-73, Dissolution of insurers.
 21 (8) Article 12 of this Chapter, Risk-Based Capital Requirements.
 22 (9) Part 1 of Article 53 of this Chapter, Continuation.

23 (b) This section shall neither serve as an exhaustive list of, nor shall it be construed to
 24 limit the applicability of, provisions of this Chapter that apply to MEWAs licensed or
 25 administered under this Article. If any provision of this Chapter or any other law applies to
 26 MEWAs licensed or administered under this Article but is not included in this section, then that
 27 provision or law shall have continued force and effect.

28 **"§ 58-50A-60. Multiple employer welfare arrangements; administrators.**

29 ...

30 (b) Each insurer licensed to do business in this State that administers a MEWA shall, at
 31 the request of the Commissioner, provide the Commissioner with ~~such~~ information regarding the
 32 insurer's administrative services contract or contracts with ~~such the~~ MEWA or MEWAs that the
 33 Commissioner requires. No unlicensed insurer shall administer any MEWA.

34 **"§ 58-50A-65. Multiple employer welfare arrangements; license required; penalty.**

35 (a) It is unlawful to operate, maintain, or establish a MEWA unless the MEWA has a
 36 valid license issued by the Commissioner. Any MEWA operating in this State without a valid
 37 license is an unauthorized insurer.

38 (b) ~~G.S. 58-50A-60~~ This section, G.S. 58-50A-60, and G.S. 58-50A-70 through
 39 G.S. 58-50A-95 do not apply to a MEWA that offers or provides benefits that are fully insured
 40 by an authorized insurer or to a MEWA that is exempt from state insurance regulation in
 41 accordance with the Employee Retirement Income Security Act of 1974, Public Law Number
 42 43-406.

43 **"§ 58-50A-70. Qualifications for licensure.**

44 (a) To meet the requirements for issuance of a license under this Article and to maintain
 45 ~~a MEWA, that license,~~ a MEWA must be: meet all of the following criteria:

- 46 (1) ~~Nonprofit.~~ The MEWA is a nonprofit organization or administered by a
 47 nonprofit organization.
 48 (2) ~~Either~~ One of the following: following applies to the MEWA:
 49 a. ~~Established~~ The MEWA is established or administered by a trade
 50 association, industry association, or professional association of
 51 employers or professionals that has-meets all of the following criteria:

- 1 1. ~~The association has a constitution or bylaws and that has been~~
2 bylaws.
- 3 2. The association was organized and has been maintained in
4 good faith for a continuous period of three years for purposes
5 other than that of obtaining or providing insurance.
- 6 b. ~~A Path 2 MEWA as defined in G.S. 58-50A-1.~~
- 7 c. The MEWA is established or administered by a statewide chamber of
8 commerce or a statewide business league that meets all of the
9 following criteria:
 - 10 1. The chamber of commerce or business league has a
11 constitution or bylaws.
 - 12 2. The chamber of commerce or business league was organized
13 and has been maintained in good faith for a continuous period
14 of five years for purposes other than that of obtaining or
15 providing insurance.
 - 16 3. The chamber of commerce or business league is exempt from
17 taxation by the Internal Revenue Service under section
18 501(c)(6) of the Internal Revenue Code.
- 19 (3) ~~Operated~~The MEWA is operated pursuant to a trust agreement by a board of
20 trustees that has complete fiscal control over the MEWA and that is
21 responsible for all operations of the MEWA. Except as provided in this
22 subdivision, the trustees must are required to be owners, partners, officers,
23 directors, or employees of one or more employers participating in the MEWA.
24 With the Commissioner's approval, a person an individual who is not such an
25 owner, partner, officer, director, or employee of one or more employers
26 participating in the MEWA may serve as a trustee if that person individual
27 possesses the expertise required for such service. the service as a trustee. A
28 trustee may shall not be an owner, officer officer, or employee of the
29 administrator or service company of the MEWA. The trustees have the
30 authority to approve applications of association members for participation in
31 the MEWA and to contract with an authorized administrator or service
32 company to administer the operations of the MEWA.
- 33 (4) ~~Neither~~Coverage under the MEWA is not offered nor or advertised to the
34 public generally.
- 35 (5) ~~Operated~~Operation of the MEWA is conducted in accordance with sound
36 actuarial principles.
- 37 (b) ~~The MEWA shall issue to each covered employee~~Each insured shall be issued a
38 policy, contract, certificate, summary plan description, or other evidence of the benefits and
39 coverages provided. provided under the MEWA plan. The evidence of benefits and coverages
40 provided shall contain, in boldface print in a conspicuous location, the following statement: "THE
41 BENEFITS AND COVERAGES DESCRIBED HEREIN ARE PROVIDED THROUGH A
42 TRUST FUND ESTABLISHED BY A GROUP OF EMPLOYERS-[name of MEWA]. EXCESS
43 INSURANCE IS PROVIDED BY A LICENSED INSURANCE COMPANY TO COVER
44 HIGH AMOUNT MEDICAL CLAIMS. THE TRUST FUND IS NOT SUBJECT TO ANY
45 INSURANCE GUARANTY ASSOCIATION, ALTHOUGH THE TRUST FUND IS
46 MONITORED BY THE NORTH CAROLINA DEPARTMENT OF INSURANCE. OTHER
47 RELATED FINANCIAL INFORMATION IS AVAILABLE FROM YOUR EMPLOYER OR
48 FROM THE [name of MEWA]." If applicable, the same documents shall contain, in boldface
49 print in a conspicuous location, the following statement: "PARTICIPATING EMPLOYERS
50 WILL BE RESPONSIBLE FOR FUNDING ALL CLAIMS INCURRED BY EMPLOYEES

1 COVERED UNDER THE TRUST." Any statement required by this subsection is not required
2 on identification cards issued to ~~covered employees or other insureds.~~

3 (c) Each MEWA shall maintain excess insurance written by an insurer authorized to do
4 business in this State with a retention level determined in accordance with sound actuarial
5 principles. ~~Such~~ The excess insurance contracts must be filed with the Commissioner and contain
6 notification provisions requiring at least 60 days' notice to the Commissioner from the insurer
7 issuing ~~such the~~ coverage prior to the termination or modification of ~~such the excess insurance~~
8 coverage. The Commissioner may ~~by rule prescribe~~ adopt rules prescribing the net retentions
9 levels for MEWAs in accordance with the number of risks insured.

10 (d) Each MEWA shall establish and maintain appropriate loss reserves determined in
11 accordance with sound actuarial principles.

12 (e) The Commissioner shall not grant or continue a license ~~to any MEWA under this~~
13 Article if the Commissioner deems that any makes any of the following determinations:

14 (1) A trustee, manager, or administrator of a MEWA is incompetent,
15 untrustworthy, or so lacking in insurance expertise as to make the operations
16 of the MEWA hazardous to the potential and existing insureds; that any
17 insureds.

18 (2) A trustee, manager, or administrator of a MEWA has been found guilty of or
19 has pled guilty or no contest to a felony, a crime involving moral turpitude, or
20 a crime punishable by imprisonment of one year or more under the law of any
21 state or country, whether or not a judgment or conviction has been entered;
22 that any entered.

23 (3) A trustee, manager, or administrator of a MEWA has had any type of
24 insurance license revoked in this or any other state; or that the business
25 operations of the MEWA are or have been characterized, to state.

26 (4) To the detriment of the employers participating in the MEWA, of persons
27 receiving benefits from the MEWA, or of creditors insureds, creditors, or the
28 public, the operations of the MEWA are characterized by the improper
29 manipulation of assets, accounts, or excess insurance or by bad faith.

30 (f) ~~To qualify for and retain a license, a MEWA shall file all~~ All contracts with
31 administrators between a MEWA and an administrator or service companies company shall be
32 filed with the Commissioner, and report any Commissioner. Any changes to such these contracts
33 to shall be filed with the Commissioner in advance of their implementation.

34 (g) Failure to maintain compliance with the eligibility requirements established by this
35 section is a ground for denial, suspension, or revocation of the license ~~of a MEWA under this~~
36 Article.

37 ...

38 **"§ 58-50A-80. Filing of application.**

39 ~~An association sponsoring a MEWA~~ Applicants for a license under this Article shall file with
40 the Commissioner an application for a license on a form prescribed by the Commissioner and
41 signed under oath by officers of the association entity requesting the licensure. The application
42 shall include or have attached all of the following:

43 (1) A copy of the articles of incorporation, constitution, and bylaws of the
44 ~~association;~~ applicant entity.

45 (2) A list of the names, addresses, and official capacities with the MEWA of the
46 individuals who will be responsible for the management and conduct of the
47 affairs of the MEWA, including all trustees, officers, and directors. ~~Such~~
48 These individuals shall fully disclose the extent and nature of any contracts or
49 arrangements between them and the MEWA, including possible conflicts of
50 interest.

- 1 (3) A copy of the articles of incorporation, bylaws, or trust agreement that governs
2 the operation of the MEWA.
- 3 (4) A copy of the policy, contract, certificate, summary plan description, or other
4 evidence of the benefits and coverages provided to covered employees,
5 including a table of the rates charged or proposed to be charged for each form
6 of ~~such the~~ contract. An actuary who is a member of the American Academy
7 of Actuaries or the Society of Actuaries and has experience in establishing
8 rates for a self-insured trust and health services being provided, shall certify
9 ~~that all of the following:~~
- 10 a. The rates are neither inadequate, nor excessive, nor unfairly
11 discriminatory.
- 12 b. The rates are appropriate for the classes of risks for which they have
13 been computed.
- 14 c. An adequate description of the rating methodology has been filed with
15 the Commissioner and ~~such that~~ methodology follows consistent and
16 equitable actuarial principles.
- 17 (5) A copy of a fidelity bond, in an amount determined by rules adopted by the
18 Commissioner, issued in the name of the MEWA and covering any individuals
19 managing or handling the funds or assets of the MEWA. In no case may the
20 bond be less than fifty thousand dollars (\$50,000) or more than five hundred
21 thousand dollars (\$500,000).
- 22 (6) A copy of the MEWA's excess insurance agreement.
- 23 (7) A feasibility study, made by an independent qualified actuary and an
24 independent certified public accountant with an opinion acceptable to the
25 Commissioner, that addresses market potential, market penetration, market
26 competition, operating expenses, gross revenues, net income, total assets and
27 liabilities, cash flow, and other items as the Commissioner requires. The study
28 shall be for the greater of three years or until the MEWA has been projected
29 to be profitable for 12 consecutive months. The study ~~must shall be required~~
30 to show that the MEWA would not, at any month end of the projection period,
31 have less than the reserves as required by G.S. 58-50A-70(d).
- 32 (8) A copy of an audited financial statement of the MEWA reflecting the
33 minimum statutory reserve ~~as required by G.S. 58-50A-70(d).~~
- 34 (9) Evidence satisfactory to the Commissioner showing that the MEWA will be
35 operated in accordance with sound actuarial principles. The Commissioner
36 shall not approve the MEWA unless it is determined that the MEWA is
37 designed to provide sufficient revenues to pay current and future liabilities, as
38 determined in accordance with sound actuarial principles.
- 39 (10) A copy of every contract between the MEWA and any administrator or service
40 company.
- 41 (11) ~~Such~~ Any additional information as the Commissioner may require.

42 **"§ 58-50A-85. Examinations; deposits; solvency regulation.**

43 (a) The provisions of Articles 2, 5, and 30 of this Chapter regarding examinations,
44 deposits, and supervision and receivership respectively apply to MEWAs. ~~The provisions of~~
45 ~~Article 62 of this Chapter and of Article 8B of Chapter 105 of the General Statutes do not apply~~
46 ~~to MEWAs.~~ MEWAs licensed under this Article.

47 (b) ~~An audit or examination of a MEWA shall be conducted only when there are~~
48 ~~circumstances to support a reasonable belief of a MEWA's noncompliance with this Article.~~

49 (c) Article 62 of this Chapter and Article 8B of Chapter 105 of the General Statutes do
50 not apply to MEWAs licensed under this Article.

51 **"§ 58-50A-90. Annual reports; actuarial certifications; quarterly reports.**

1 (a) ~~Every MEWA shall, within 150 days after the end of each of its fiscal years or within~~
 2 ~~any such extension of time that the Commissioner for good cause grants, Annually, a MEWA~~
 3 ~~shall file a report with the Commissioner, Commissioner that meets all of the following~~
 4 ~~requirements:~~

5 (1) The report is due no later than 150 days after the end of the fiscal year
 6 applicable to the operation of the MEWA. The Commissioner may, with good
 7 cause, grant an extension of this deadline.

8 (2) The report shall be submitted on forms prescribed by the Commissioner and
 9 verified by the oath of a member of the board of trustees and by an
 10 administrative executive appointed by the board, showing its board.

11 (3) The report shall indicate the financial condition of the MEWA on the last day
 12 of the preceding fiscal year.

13 (4) The report shall contain an audited financial statement of the MEWA prepared
 14 in accordance with statutory accounting principles, including its balance sheet
 15 and a statement of the operations for the preceding fiscal year certified by an
 16 independent certified public accountant.

17 (5) The report shall also include an analysis of the adequacy of reserves and
 18 contributions or premiums charged, based on a review of past and projected
 19 claims and expenses-expenses related to the operation of the MEWA.

20 (b) ~~In addition to the information called for and furnished in connection with the annual~~
 21 ~~report, submitted in the annual report required in subsection (a) of this section, if reasonable~~
 22 ~~grounds exist, the Commissioner may request information that summarizes paid and incurred~~
 23 ~~expenses and contributions or premiums received; and may request evidence satisfactory to the~~
 24 ~~Commissioner that the MEWA is actuarially sound. That information and evidence shall be~~
 25 ~~furnished by the MEWA not later than 30 days after the request, unless the Commissioner, for~~
 26 ~~good cause, grants an extension.~~

27 (c) Annually, in conjunction with the annual report required in subsection (a) of this
 28 section, the MEWA shall submit an actuarial certification prepared by an independent qualified
 29 actuary that indicates-indicates all of the following:

30 (1) The MEWA is actuarially sound, with the certification considering sound. The
 31 certification of actuarial soundness shall consider the rates, benefits, and
 32 expenses of, and any other funds available for the payment of obligations of,
 33 the MEWA;MEWA.

34 (2) The rates being charged and to be charged for contracts are actuarially
 35 adequate to the end of the period for which rates have been
 36 guaranteed;guaranteed.

37 (3) Incurred but not reported claims and claims reported but not fully paid have
 38 been adequately provided for; andfor.

39 (4) ~~Such~~ Any other information relating to the performance of the MEWA that is
 40 required by the Commissioner.

41 ...

42 **"§ 58-50A-95. Denial, suspension, or revocation of license.**

43 (a) ~~The Commissioner shall deny, suspend, or revoke a MEWA's the license of any~~
 44 ~~MEWA or any entity administering a MEWA if the Commissioner finds that the MEWA;any of~~
 45 ~~the following apply:~~

46 (1) ~~Is insolvent;~~ The MEWA is insolvent.

47 (2) ~~Is using such methods- Methods~~ and practices used in the conduct of its
 48 business as to render its further transaction of business in this State hazardous
 49 or injurious to its participating employers, covered employees and
 50 dependents, or to the public;public.

- (3) ~~Has~~ The MEWA or entity administering the MEWA failed to pay any final judgment rendered against it in a court of competent jurisdiction within 60 days after the judgment became ~~final~~; final.
- (4) ~~Is~~ The MEWA or the entity administering the MEWA is or has been in violation of or threatens to violate any provision of this ~~Article~~; Article.
- (5) ~~Is~~ The MEWA is no longer actuarially ~~sound~~; or sound.
- (6) ~~Is charging rates that~~ Rates charged for coverage under the MEWA are excessive, inadequate, or unfairly discriminatory.

(b) The Commissioner may deny, suspend, or revoke the license of any MEWA or any entity administering a MEWA if the Commissioner determines that ~~the MEWA~~; any of the following apply:

- (1) ~~Has~~ The MEWA or the entity administering the MEWA violated any lawful order or rule of the Commissioner; or any applicable provision of this Article; or
- (2) ~~Has~~ The MEWA or the entity administering the MEWA has refused to produce its accounts, records, or files for examination under G.S. 58-50A-85 or through any of its officers has refused to give information with respect to its affairs or to perform any other legal obligation as to an examination.

...
 (d) The Commissioner shall, in the order suspending the authority of a MEWA to enroll new insureds, specify the period during which the suspension is to be in effect and the conditions, if any, that must be met prior to reinstatement of its authority to enroll new insureds. The order of suspension is subject to rescission or modification by further order of the Commissioner before the expiration of the suspension period. Reinstatement shall not be made unless requested by the ~~MEWA; however, the~~ MEWA. The Commissioner shall not grant reinstatement if it is found that the circumstances for which suspension occurred still exist."

SECTION 3G.1.(c) G.S. 58-7-31(a) reads as rewritten:

"(a) Notwithstanding any other provision of this Article, this section applies to every domestic life and accident and health insurer, including a MEWA licensed under Article 50A of this Chapter, to every other licensed life and accident and health insurer that is not subject to a substantially similar statute or administrative rule in its domiciliary state, and to every licensed property and casualty insurer with respect to its accident and health business. This section does not apply to assumption reinsurance, yearly renewable term reinsurance, nor to certain nonproportional reinsurance, such as stop loss or catastrophe reinsurance."

SECTION 3G.1.(d) G.S. 58-63-5(2) reads as rewritten:

"(2) "Person" means any individual, corporation, association, multiple employer welfare arrangement, partnership, reciprocal exchange, interinsurer, Lloyds insurer, fraternal benefit society, and any other legal entity engaged in the business of insurance under this Chapter; and includes insurance producers, agents, brokers, limited representatives, and adjusters."

SECTION 3G.1.(e) This section is effective January 1, 2025, and applies to licenses issued under Article 50A of Chapter 58 of the General Statutes on or after that date.

SUBPART III-H. COMMERCE

MAJOR EVENTS, GAMES, AND ATTRACTIONS FUND MODIFICATIONS; CLARIFY LOCAL SCHOOL ADMINISTRATIVE UNITS AS ELIGIBLE RECIPIENTS OF SPORTS WAGERING TAX PROCEED DISTRIBUTIONS

SECTION 3H.1.(a) G.S. 143B-437.111(4) reads as rewritten:

"(4) Major event. – An entertainment, musical, political, sporting, or theatrical event that satisfies the following conditions:

- 1 a. The event is either of the following:
- 2 1. Held at (i) a sports ~~facility-facility~~, (ii) a facility that has hosted
- 3 an Association of Tennis Professionals event within the
- 4 preceding 12 months, or ~~(ii)-(iii)~~ (iii) an indoor venue that is not a
- 5 sports facility but that hosts sporting events and is designed to
- 6 host 22,000 or more live spectators.
- 7 2. Sponsored by the National Association for Stock Car Racing,
- 8 the Ladies Professional Golf Association, the Professional
- 9 Golfers' Association of America, the PGA Tour, or the United
- 10 States Golf Association.
- 11 b. The event is not held more often than annually.
- 12 c. The location of the event is determined by a site selection organization
- 13 through a competitive process.
- 14 d. The site selection organization considered multiple sites located
- 15 outside of the State for the event.
- 16 e. The site selection organization selected a site within this ~~State as the~~
- 17 ~~sole location for the event.~~State."

18 **SECTION 3H.1.(b)** G.S. 143B-437.112 reads as rewritten:

19 **"§ 143B-437.112. North Carolina Major Events, Games, and Attractions Fund.**

20 (a) There is established the North Carolina Major Events, Games, and Attractions Fund

21 to be administered by the Department. In order to foster job creation and investment in the

22 economy of this State, the Department may enter into multiparty agreements with site selection

23 organizations and local entities to provide grants in accordance with the provisions of this Part.

24 Before entering into an agreement, the Department must find that all of the following conditions

25 are met:

- 26 (1) The economic activity directly or indirectly attributable to the major event is
- 27 sufficient to justify the use and amount of State funds to attract or retain the
- 28 event in this State.
- 29 (2) It is anticipated that the major event will provide positive media exposure for
- 30 the ~~State, thereby supplementing State and supplement~~ the State's efforts to
- 31 promote travel and tourism within the State.
- 32 (3) The site selection organization ~~must have~~ considered multiple sites located
- 33 outside of the State for the event.
- 34 (4) The site selection organization ~~has~~ selected a site within this ~~State as the sole~~
- 35 ~~location for the event.~~State.
- 36 (5) The event is not held more often than annually.
- 37 (6) The project will benefit the people of this State by increasing opportunities for
- 38 employment and by strengthening this State's economy.
- 39 (7) The project is consistent with economic development goals for the State and
- 40 for the area where it will be located.
- 41 (8) A grant under this Part is necessary to attract or retain the major event within
- 42 this State.
- 43 ~~(9) The total benefits of the major event to the State outweigh its costs and render~~
- 44 ~~the grant appropriate for the major event.~~

45"

46 **SECTION 3H.1.(c)** G.S. 105-113.128(2)b. reads as rewritten:

- 47 "b. Awards may be given only to applicants who are either local
- 48 ~~governments-governments~~, including local school administrative
- 49 units, or nonprofit organizations exempt from taxation under section
- 50 501(c)(3) of the Internal Revenue Code."

1 **SECTION 3H.1.(d)** Subsections (a) and (b) apply to multiparty agreements entered
2 into on or after the effective date of this act.

3
4 **SUBPART III-J. EDUCATION**

5
6 **CLARIFY INDEPENDENCE OF SCHOOLS FOR THE DEAF AND BLIND**

7 **SECTION 3J.1.(a)** G.S. 115C-150.11 reads as rewritten:

8 "**§ 115C-150.11. ~~General supervision over~~ Establishment of the schools for the deaf and**
9 **blind.**

10 (a) Establishment. – The following are created as separate State agencies governed
11 respectively by boards of trustees:

12 (1) The Governor Morehead School for the Blind of the Department of Public
13 Instruction for the function, purpose, and duty of serving students who are
14 blind or visually impaired from birth to age 22. The Governor Morehead
15 School for the Blind shall include the Governor Morehead Preschool.

16 (2) The Eastern North Carolina School for the Deaf of the Department of Public
17 Instruction for the function, purpose, and duty of serving students who are
18 deaf or hard of hearing.

19 (3) The North Carolina School for the Deaf of the Department of Public
20 Instruction for the function, purpose, and duty of serving students who are
21 deaf or hard of hearing.

22 (a1) State Board of Education Supervision. – The State Board of Education shall have
23 general supervision over the schools for the deaf and blind in accordance with G.S. 115C-12 and
24 shall establish approximately equivalent service areas for each school for the deaf that cover the
25 entire State. In establishing the service area for each school for the deaf, the State Board shall
26 consider both the geographic proximity to the school for the deaf and the population of the service
27 area. The State Board shall evaluate the effectiveness of the schools for the deaf and blind and
28 shall, through the application of the accountability system developed under G.S. 115C-83.15 and
29 G.S. 115C-105.35, measure the educational performance and growth of students placed in each
30 school. If appropriate, the Board may modify this system to adapt to the specific characteristics
31 of these schools. The boards of trustees for the schools for the deaf and blind shall be subject to
32 rules adopted by the State Board of Education in accordance with Chapter 150B of the General
33 ~~Statutes.~~Statutes for public school units.

34 (b) ~~Independent Operation.~~ – ~~Except as otherwise provided for in this Article, the schools~~
35 ~~for the deaf and blind shall be housed administratively within the Department of Public~~
36 ~~Instruction for purposes of distribution of State funds, but each school for the deaf and blind shall~~
37 ~~operate independently with a board of trustees as the governing body.~~ Department of Public
38 Instruction Support. – The Department of Public Instruction shall include ~~employees of the~~
39 ~~schools for the deaf and blind and employees of those schools~~ in coverage for professional
40 ~~liability~~ liability, workers' compensation, property, and liability policies purchased by the
41 ~~Department for the Department or its employees~~ employees, and shall enter into a memorandum
42 of understanding with the schools to facilitate the purchase of other insurance policies for those
43 schools. In all other matters, the Department of Public Instruction shall provide services, support,
44 and assistance to schools for the deaf and blind in the same manner and degree as for a local
45 school administrative unit.

46 (c) Administrative Support. – The Department of Administration shall provide support
47 to each school in matters related to finance, human resources, and procurement, including for
48 information technology. Each school shall enter into a memorandum of understanding with the
49 Department of Administration with regard to this support. No civil liability shall attach to the
50 Department of Administration, or to any of its employees, individually or collectively, for any
51 acts or omissions of a school.

1 (d) Immunity. – In addition to all other immunities provided to them by applicable State
2 law, a school, its board of trustees, and the school's members, employees, and agents shall be
3 entitled to the specific immunities provided for in this Chapter applying to the State Board of
4 Education, Superintendent of Public Instruction, a local board of education, a local school
5 administrative unit, and their members and employees. Immunity established by this subsection
6 shall be deemed to be waived to the extent of indemnification under Article 31A and Article 31B
7 of Chapter 143 of the General Statutes and to the extent sovereign immunity is waived under the
8 State Tort Claims Act, as set forth in Article 31 of Chapter 143 of the General Statutes.

9 (e) Funding. – In addition to appropriations directed solely to the schools for the deaf and
10 blind, the schools shall be eligible to (i) receive the benefit of any regional or statewide systems
11 of support provided by the Department of Public Instruction to all public school units and (ii)
12 apply for any grants available to all public school units. The schools for the deaf and blind shall
13 not be eligible to receive funding allotments for local school administrative units unless otherwise
14 directed by the General Assembly. Notwithstanding any law to the contrary, the Department of
15 Public Instruction shall not remit money to the Pay Plan Reserve prior to distributing funds to
16 the schools for any automatic step increases authorized by law."

17 **SECTION 3J.1.(b)** G.S. 115C-150.16 reads as rewritten:

18 "**§ 115C-150.16. Applicability of Chapter.**

19 Except as otherwise provided in this Article and Article 7B of this Chapter, the requirements
20 of this Chapter shall not apply to the schools for the deaf and blind. Schools for the deaf and
21 blind shall ~~be considered a State agency, as defined in G.S. 143C-1-1, and shall comply with all~~
22 requirements for State agencies in State law unless otherwise specified in this Article. Schools
23 for the deaf and blind shall not be considered local school administrative units."

24 **SECTION 3J.1.(c)** This section is effective July 1, 2024. G.S. 115C-150.11(a), (b),
25 and (c) apply beginning July 1, 2025.

26
27 **CLARIFY QUORUM REQUIREMENTS AND QUALIFICATIONS OF BOARD**
28 **MEMBERS OF THE SCHOOLS FOR THE DEAF AND BLIND**

29 **SECTION 3J.2.(a)** G.S. 115C-150.12A(b) reads as rewritten:

30 "(b) Qualifications. – No employee of the school may be a member of the board of trustees
31 of that school. A board member that becomes an employee of that school shall be deemed to
32 resign from his or her membership on the board of trustees. Appointing entities are strongly
33 encouraged to fill the appointments to each board of trustees with persons with expertise or
34 experience in the areas of education for those who are deaf or hard of hearing or who are blind
35 or visually impaired, administration and governance, finance and budgeting, or who otherwise
36 have demonstrated concern for quality of education for those who are deaf or hard of hearing or
37 who are blind or visually impaired."

38 **SECTION 3J.2.(b)** G.S. 115C-150.12A(f) reads as rewritten:

39 "(f) Meetings. – A board of trustees shall meet at least four times a year and also at such
40 other times as it may deem necessary. A majority of the voting members of the board shall
41 constitute a quorum for the transaction of business. All meetings shall be subject to Article 33C
42 of Chapter 143 of the General Statutes. The members shall receive per diem compensation and
43 necessary travel and subsistence expenses while engaged in the discharge of their official duties,
44 in accordance with the provisions of G.S. 138-5."

45
46 **CLARIFY AUTHORITY OF SCHOOL LEADERS FOR SCHOOLS FOR THE DEAF**
47 **AND BLIND**

48 **SECTION 3J.3.(a)** G.S. 115C-150.10(5) is repealed.

49 **SECTION 3J.3.(b)** G.S. 115C-150.10 is amended by adding a new subdivision to
50 read:

"(10) Superintendent. – The chief administrator of a school for the deaf or the school for the blind."

SECTION 3J.3.(c) G.S. 115C-150.12B reads as rewritten:

"§ **115C-150.12B. Employees of schools for the deaf and blind.**

(a) ~~Director.~~ Superintendent. – Each board of trustees of a school shall appoint a ~~director~~ superintendent for that school, ~~who school who meets the requirements of G.S. 115C-271 for employment. The superintendent shall act as secretary to the board of trustees in accordance with G.S. 115C-150.12A and shall manage day-to-day operations of the school G.S. 115C-150.12A.~~ All acts of the boards of trustees, not in conflict with State law, shall be binding on the superintendent, and the superintendent shall carry out all rules and regulations of the board and other duties as prescribed by the board of trustees. For purposes of application to other statutes in this Chapter, the ~~director~~ superintendent shall be the equivalent of a superintendent of schools a local school administrative unit and shall fulfill the duties of a superintendent as provided in Article 18 of this Chapter.

(b) ~~Director-Superintendent Duties.~~ – The ~~director-superintendent~~ shall recommend school personnel to the board of trustees. The ~~director-superintendent~~ shall supervise the administrative staff of the school, including the principal, director of human resources, and director of business and finance.

...

(e) Human Resources. – The board of trustees is responsible for providing human resources and employment-related services for the school. The board of trustees may delegate some or all of this responsibility to the ~~director-superintendent~~ for the school or to the director of human resources, in its discretion."

SECTION 3J.3.(d) G.S. 115C-150.12C(14) reads as rewritten:

"(14) Conduct and duties of personnel. – The board of trustees, upon the recommendation of the ~~director-superintendent~~, shall have full power to make rules governing the conduct of teachers, principals, and supervisors; the kind of reports they shall make; and their duties in the care of school property. Prior to the beginning of each school year, the board of trustees shall identify all reports that are required for the school year and shall, to the maximum extent possible, eliminate any duplicate or obsolete reporting requirements and consolidate remaining reporting requirements. Prior to the beginning of each school year, the board of trustees shall also identify software protocols that could be used to minimize repetitive data entry and shall make them available to teachers and other employees."

SECTION 3J.3.(e) G.S. 115C-150.13A(c)(2)a. reads as rewritten:

"a. A chair designated by the ~~director-superintendent~~ of the school."

SECTION 3J.3.(f) G.S. 115C-150.13A(c)(4) reads as rewritten:

"(4) A final admissions determination made by the ~~director-superintendent~~ of the school or the ~~director-superintendent~~ of the school's designee."

SECTION 3J.3.(g) G.S. 115C-150.13A(e) reads as rewritten:

"(e) Disenrollment. – A student's continued enrollment in an educational program assignment status shall be subject to reevaluation by the admissions committee when determined necessary by the school to assess if the student continues to meet eligibility criteria. The disenrollment assessment shall follow the same procedures as the admissions process, and a final determination shall be made by the ~~director-superintendent~~ or the ~~director's-superintendent's~~ designee."

SECTION 3J.3.(h) G.S. 115C-150.15 reads as rewritten:

"§ **115C-150.15. Reporting to schools on deaf and blind children.**

(a) Request for Consent. – ~~Local superintendents~~ Superintendents of local school administrative units shall require that the following request for written consent, along with any

1 informational materials provided by the school for the blind or the school for the deaf in the
2 service area in which the local school administrative unit is located, be presented to parents or
3 custodians of any children who are deaf or hard of hearing or are blind or visually impaired no
4 later than October 1 of each school year: "North Carolina provides two public schools for the
5 deaf serving students who are deaf or hard of hearing: the Eastern North Carolina School for the
6 Deaf and the North Carolina School for the Deaf. North Carolina also has a public school for the
7 blind serving students who are blind or visually impaired: the Governor Morehead School for the
8 Blind. Do you consent to the release of your contact information and information regarding your
9 child and his or her hearing or vision status to these schools so that you can receive more
10 information on services offered by those campuses?"

11 (b) Annual Report to Schools for the Deaf and Blind. – ~~Local superintendents~~
12 Superintendents of local school administrative units shall report by November 30 each year the
13 names and addresses of parents or custodians of any deaf or hard of hearing or blind or visually
14 impaired children who have given written consent to the ~~directors~~ superintendents of the schools
15 for the deaf and blind. The report shall include whether the hearing and visual impairments range
16 from partial to total disability, and if the child has multiple disabilities with the visual or hearing
17 impairment not identified as the primary disability of the student. The report shall also be made
18 to the Department of Public Instruction.

19 (c) Confidentiality of Records. – The ~~directors~~ superintendents of the schools for the deaf
20 and blind shall treat any information reported to the schools by a ~~local superintendent of a local~~
21 school administrative unit under subsection (b) of this section as confidential, except that a
22 ~~director~~ superintendent of the schools for the deaf and blind or the ~~director's~~ superintendent's
23 designee may contact the parents or custodians of any hearing impaired or visually impaired
24 children whose information was included in the report. The information shall not be considered
25 a public record under G.S. 132-1.

26 (d) Transfer of Information. – Upon the written request of a parent or custodian of a
27 student who has applied to a school for the deaf or school for the blind, the ~~local superintendent~~
28 of a local school administrative unit or, if there is no superintendent, the staff member with the
29 highest decision-making authority in the public school unit shall share with the ~~director of the~~
30 school superintendent of the schools for the deaf and blind a copy of all current evaluation data
31 and a copy of the current or proposed individualized education plan for any child enrolled in that
32 public school unit who is identified as a child with a disability who is deaf, hard of hearing, blind,
33 or visually impaired."

34 **SECTION 3J.3.(i)** This section is effective July 1, 2025.

35 36 **AUTHORITY FOR SCHOOLS FOR THE DEAF AND BLIND TO PURCHASE** 37 **LIABILITY INSURANCE**

38 **SECTION 3J.4.(a)** G.S. 115C-150.12C(2) reads as rewritten:

39 "(2) Exercise judicial functions. – The board of trustees shall employ or contract
40 with private counsel to provide advice and representation for the school. The
41 board may institute all actions, suits, or proceedings against officers, persons,
42 or corporations, or their sureties, for the recovery, preservation, and
43 application of all money or property which may be due to or should be applied
44 to the support and maintenance of the school. In all actions brought in any
45 court against a board of trustees, the order or action of the board shall be
46 presumed to be correct, and the burden of proof shall be on the complaining
47 party to show the contrary. G.S. 114-2.3 and G.S. 147-17 shall not apply to
48 the schools for the deaf and blind. Upon the request of the board of trustees of
49 a school, the Attorney General shall provide representation as required by
50 G.S. 114-2. Each school shall be regarded as a State agency for the purposes

1 of the State Tort Claims Act and associated representation by the Office of the
2 Attorney General with regards to litigation defense."

3 **SECTION 3J.4.(b)** G.S. 115C-150.12C(27) reads as rewritten:

4 "(27) Group accident and health insurance for ~~students.~~ students, other liability
5 insurance. – A board of trustees may ~~purchase group~~ purchase:

6 a. Group accident, group health, or group accident and health insurance
7 for students in accordance with G.S. 58-51-81.

8 b. Liability insurance as provided in G.S. 115C-42 and directors and
9 officers insurance. G.S. 115C-42 shall apply to a school that purchases
10 liability insurance consistent with that section."

11 **SECTION 3J.4.(c)** This section is effective July 1, 2024.

12 13 **APPEALS OF ADMISSIONS ELIGIBILITY TO SCHOOLS FOR THE DEAF AND** 14 **BLIND BOARDS OF TRUSTEES**

15 **SECTION 3J.5.(a)** G.S. 115C-150.13A(f) reads as rewritten:

16 "(f) Free Appropriate Public Education. – The local school administrative unit or charter
17 school in which the student is enrolled shall have the initial responsibility of identifying and
18 evaluating the special education needs of the student and providing a special educational program
19 and related services in accordance with Article 9 of this Chapter. If a parent submits an
20 application to the school for enrollment of the parent's child in the school's educational program,
21 and if the child is determined to meet the eligibility criteria for admission to the school's
22 educational program, the school is responsible for the provision of a free appropriate public
23 ~~education.~~ education upon enrollment. However, a subsequent determination by the school that
24 the student no longer meets eligibility criteria immediately transfers the responsibility for the
25 provision of a special educational program and related services to ensure a free appropriate public
26 education back to the local school administrative unit or charter school in which the student was
27 previously enrolled."

28 **SECTION 3J.5.(b)** G.S. 115C-150.13A(h) reads as rewritten:

29 "(h) ~~Due Process Hearing.~~ Eligibility Appeal. – A parent may seek an ~~impartial due~~
30 ~~process hearing appeal~~ to the board of trustees following a final determination on a student's
31 eligibility by the director. If the parent pursues a due process hearing to challenge the school's
32 ineligibility determination, the student's "stay put" placement shall not be the school but shall be
33 the student's local school administrative unit or charter school superintendent. Parents may not
34 seek an impartial due process hearing regarding any eligibility determination."

35 **SECTION 3J.5.(c)** G.S. 150B-1(e) is amended by adding a new subdivision to read:

36 "(29) The Governor Morehead School for the Blind, Eastern North Carolina School
37 for the Deaf, and the North Carolina School for the Deaf, with respect to
38 eligibility determinations under G.S. 115C-150.13A."

39 40 **TRANSITION SUPPORT FOR SCHOOLS FOR THE DEAF AND BLIND**

41 **SECTION 3J.6.(a)** Section 5 of S.L. 2023-10 is repealed.

42 **SECTION 3J.6.(b)** For the 2024-2025 school year, the Department of Public
43 Instruction shall administratively house the Governor Morehead School for the Blind, Eastern
44 North Carolina School for the Deaf, and North Carolina School for the Deaf (Schools). The
45 Department of Public Instruction shall include the Schools and employees of the schools in
46 coverage for professional liability, workers' compensation, property, and liability policies
47 purchased by the Department of Public Instruction for the Department and its employees, and
48 shall enter into a memorandum of understanding with the Schools to facilitate the purchase of
49 other insurance policies for those Schools. The Department of Public Instruction and the Schools
50 shall enter into a memorandum of understanding with regards to administrative support. At a
51 minimum, the Department of Public Instruction shall provide administrative support in matters

1 related to finance, human resources, and procurement, including for information technology and
2 capital.

3 **SECTION 3J.6.(c)** No civil liability shall attach to the State Board of Education, the
4 Department of Public Instruction, the Superintendent of Public Instruction, or to any of their
5 members or employees, individually or collectively, for any acts or omissions of the Governor
6 Morehead School for the Blind, Eastern North Carolina School for the Deaf, and North Carolina
7 School for the Deaf, the boards of trustees of those schools, or their members and employees.

8 **SECTION 3J.6.(d)** The Schools, in coordination with the Department of Public
9 Instruction, shall provide a report to the Joint Legislative Education Oversight Committee by
10 March 15, 2025, on the implementation of the requirements of Article 9C of Chapter 115C of the
11 General Statutes and this Part, including (i) issues identified as part of the implementation process
12 and (ii) an estimate of the costs associated with implementation.

13 **SECTION 3J.6.(e)** The Department of Administration, in coordination with the
14 Schools, the Department of Public Instruction, and the Department of Information Technology,
15 shall study the costs and positions needed for support of the Schools and shall report this
16 information and any recommended legislation to the Fiscal Research Division and the Joint
17 Legislative Education Oversight Committee no later than May 1, 2025.

18 **SECTION 3J.6.(f)** The Office of the State Controller and the Office of State Budget
19 and Management shall ensure that the Schools are established as State agencies prior to July 1,
20 2025.

21 **SECTION 3J.6.(g)** The Department of Public Instruction, the Office of the State
22 Controller, the Office of State Budget and Management, and the Department of Administration
23 shall each designate an individual to serve as a liaison for the Schools to assist with technical and
24 administrative questions during the 2024-2025 school year.

25 **SECTION 3J.6.(h)** The North Carolina Collaboratory, in consultation with each of
26 the Schools, the Department of Public Instruction, and the Department of Administration, shall
27 study each School's administrative structure, operations, and policies, including the cost and
28 positions needed for the support of the Schools and how to optimize operation of that School to
29 maximize the educational outcomes for the School's students and ensure the School's success and
30 independence. The Collaboratory shall report its findings, recommendations for each School, and
31 any recommended legislation to the Fiscal Research Division and the Joint Legislative Education
32 Oversight Committee no later than May 1, 2025.

33 **SCHOOLS FOR THE DEAF AND BLIND TYPE I-LIKE TRANSFER**

34 **SECTION 3J.7.** Effective July 1, 2024, the powers, duties, and functions, records,
35 personnel, contracts, property, unexpended balances of appropriations, allocations or other funds,
36 including the functions of budgeting and purchasing, are transferred from the Department of
37 Public Instruction and the State Board of Education to the Governor Morehead School for the
38 Blind and Governor Morehead Preschool, Eastern North Carolina School for the Deaf, and North
39 Carolina School for the Deaf, respectively. The respective boards of trustees of the Governor
40 Morehead School for the Blind, Eastern North Carolina School for the Deaf, and North Carolina
41 School for the Deaf shall exercise all prescribed statutory powers, including the management
42 functions of planning, organizing, staffing, directing, coordinating, reporting, and budgeting.
43
44

45 **GOVERNOR MOREHEAD SCHOOL FACILITIES**

46 **SECTION 3J.8.(a)** The Department of Administration shall reassign all assets in
47 Complex 1-92-9 to the Governor Morehead School.

48 **SECTION 3J.8.(b)** The Governor Morehead School and the Department of Health
49 and Human Services shall enter into a memorandum of understanding related to use of the assets
50 in Complex 1-92-9 for shared services.
51

SCHOOLS FOR THE DEAF AND BLIND TECHNICAL CORRECTIONS

SECTION 3J.9.(a) G.S. 14-458.2(a) reads as rewritten:

"(a) The following definitions apply in this section:

(1) School employee. – The term means any of the following:

a. An employee of a ~~local board of education, a charter school authorized under G.S. 115C-218.5, a regional school created under G.S. 115C-238.62, a laboratory school created under G.S. 116-239.7,~~ public school unit or a nonpublic school which has filed intent to operate under Part 1 or Part 2 of Article 39 of Chapter 115C of the General Statutes.

b. An independent contractor or an employee of an ~~independent contractor of a local board of education, a charter school authorized under G.S. 115C-218.5, a regional school created under G.S. 115C-238.62, a laboratory school created under G.S. 116-239.7,~~ a public school unit or a nonpublic school which has filed intent to operate under Part 1 or Part 2 of Article 39 of Chapter 115C of the General Statutes, if the independent contractor carries out duties customarily performed by employees of the school.

(2) Student. – A person who has been assigned to a ~~school by a local board of education as provided in G.S. 115C-366 or has enrolled in a charter school authorized under G.S. 115C-218.5, a regional school created under G.S. 115C-238.62, a laboratory school created under G.S. 116-239.7,~~ public school unit or a nonpublic school which has filed intent to operate under Part 1 or Part 2 of Article 39 of Chapter 115C of the General Statutes, or a person who has been suspended or expelled from any of those schools within the last year."

SECTION 3J.9.(b) G.S. 115C-102.9(b) reads as rewritten:

"(b) Each public school unit shall annually submit all categories of information included in the digital learning dashboard no later than November 15. For subdivisions (2) and (3) of subsection (a) of this section, ~~residential~~ schools for the deaf and blind shall report on access and connectivity separately for the dormitories and the student's home."

CHARTER SCHOOL APPEAL CHANGES

SECTION 3J.10. G.S. 115C-218.9 reads as rewritten:

"§ 115C-218.9. Appeals to the State Board of Education.

(a) An ~~applicant, charter school, or the State Superintendent~~ applicant or charter school may appeal a final decision of the Review Board ~~to grant, renew, revoke, or amend~~ related to grants, renewals, revocations, or amendments of a charter by submitting notice to the Chair of the State Board of Education within 10 days of the Review Board's decision. Copies of the notice shall be sent to the Executive Director of the Office of Charter Schools, State Superintendent, the Chair of the Review Board, and the applicant or charter school affected.

(b) The State Board shall review appealed decisions de novo. The ~~party submitting the appeal, and the applicant or charter school affected,~~ submitting the appeal may provide any information to the State Board ~~the party~~ it believes the Board should consider in reviewing the Review Board's decision.

(c) The State Board shall issue a written decision in any matter appealed under this section within 60 days of the date the notice of appeal was submitted. The State Board of Education has the final decision-making authority on the approval of charter applications, renewals, revocations, and amendments."

NEW COOPERATIVE INNOVATIVE HIGH SCHOOLS

1 **SECTION 3J.11.** Beginning with the 2024-2025 school year and for subsequent
2 school years thereafter, notwithstanding G.S. 115C-238.51A(c), G.S. 115C-238.54, and any
3 other provision of law to the contrary, Dare Early College High School and Rockingham County
4 CTE Innovation High School shall be permitted to operate in accordance with G.S. 115C-238.53
5 and G.S. 115C-238.54 as cooperative innovative high schools approved under
6 G.S. 115C-238.51A(c) and shall be subject to the evaluation requirements of G.S. 115C-238.55.

7 8 **CHANGES TO THE AI SCHOOL SAFETY PILOT PROGRAM**

9 **SECTION 3J.12.** Section 7.36(h) of S.L. 2023-134, as amended by Section 3J.17(h)
10 of this act, reads as rewritten:

11 **"SECTION 7.36.(h)** Artificial Intelligence (AI) Pilot. – Of the funds appropriated to the
12 Department of Public Instruction by this act for the grants provided in this section for the 2024–
13 2025 fiscal year, the Department shall allocate (i) three million two hundred thousand dollars
14 (\$3,200,000) as a directed grant to New Hanover County Schools and (ii) two million dollars
15 (\$2,000,000) as a directed grant to Davidson County Schools for an AI School Safety Pilot
16 Program. In conducting the Pilot Program, participating public school units shall comply with
17 the following:

18 (1) Funds allocated for the Pilot Program shall be used for the implementation of
19 a school safety system that integrates AI technology into existing ~~access~~
20 ~~controls, alerting protocols, and intercom systems.~~ cameras, video
21 management systems, and alerting protocols.

22 (1a) The proposed school safety solution must offer the following performance
23 capabilities:

24 a. Threatening Object Detection.

25 b. Intruder Detection.

26 c. Person Down Detection.

27 d. Door Open Detection.

28 e. Tag and Track.

29 f. Facial Recognition.

30 g. Forensic Face Search.

31 h. License Plate Reader.

32 (1b) The participating public school units shall contract with the same vendor for
33 the Pilot Program. The vendor shall be determined by the first public school
34 unit to enter into a contract for a school safety solution.

35 (2) No later than January 15, 2026, the participating public school units, in
36 coordination with the Center for Safer Schools, shall report to the Joint
37 Legislative Education Oversight Committee the following information:

38 a. The schools that participated in the Pilot Program.

39 b. How grant funds were spent.

40 c. The impact the Pilot Program had on school safety outcomes.

41 d. Any noted capabilities of the AI system that could not be accomplished
42 by more traditional safety measures.

43 e. Any other information the participating public school units or the
44 Department deem relevant to the report."
45

46 **CHANGES TO THE SPECIAL NEEDS PILOT PROGRAM**

47 **SECTION 3J.13.** Section 7.53 of S.L. 2023-134, as amended by Section 2.5 of S.L.
48 2024-1, reads as rewritten:

49 **"SECTION 7.53.** Of the funds appropriated to the Department of Public Instruction, the sum
50 of nine hundred seventy-five thousand dollars (\$975,000) in nonrecurring funds for each year of
51 the 2023-2025 fiscal biennium shall be used to contract with Amplio Learning Technologies,

1 Inc., to create a new pilot program (Program) for a special education digital intervention software
2 platform in ~~Alamance County Schools, Catawba County Schools, and Nash County Schools~~
3 Cabarrus County Schools, Union County Schools, and Vance County Schools to increase
4 opportunities for students with special needs. The Program shall focus primarily on students
5 receiving interventions for speech language and reading development, including English
6 language learners, to provide more optimized progress for the interventions. To provide more
7 effective and efficient opportunities for Medicaid billing for speech language pathologists (SLP)
8 services and dyslexia-related services, the platform chosen should include digital evidence-based
9 curricula specifically aligned to speech, language, and literacy intervention goals. The chosen
10 solution should include real-time automatic measurements, data collection, and documentation,
11 as well as goal tracking and administrative dashboards. The platform chosen should be a
12 web-based application accessible on multiple devices allowing flexible application across
13 classroom-based, small group, and individual intervention models and utilized by a variety of
14 intervention team members, including special educators, SLPs, Reading Interventionists, SLP
15 assistants, and educational aides. The Department of Public Instruction shall provide an interim
16 report on the results of the Program to the Joint Legislative Education Oversight Committee and
17 the Fiscal Research Division by June 30, 2025. The Department of Public Instruction shall report
18 on the final results of the Program to the Joint Legislative Education Oversight Committee and
19 the Fiscal Research Division by October 15, ~~2025-2027~~. The report shall include at least (i) a
20 comparison of Medicaid reimbursements paid out to participating public school units compared
21 against public school units that did not participate in the Program and (ii) a comparison of
22 Medicaid reimbursements paid out to public school units after participating in the Program
23 compared against Medicaid reimbursements paid out to participating public school units prior to
24 their participation in the Program."

25 **EXPAND AVAILABILITY AND ELIGIBLE CREDITS OF SPARKNC PILOT**

26 **SECTION 3J.14.** Section 7.62 of S.L. 2023-134 reads as rewritten:

27 "SECTION 7.62.(a) There is established the SparkNC Pilot Program (Program) for the
28 2023-2025 fiscal biennium. The pilot program authorizes SparkNC, a North Carolina nonprofit
29 corporation, in partnership with selected public school units, to develop a nontraditional,
30 student-driven pathway through which students may select and complete modular learning
31 experiences that, when aggregated, will provide a competency-based equivalency to a traditional
32 elective course credit. SparkNC shall provide a menu of modular learning experiences that
33 include opportunities for work-based learning. For purposes of this section, "Learning
34 Accelerator" is either a High-Tech or Health Science Learning Accelerator. The
35 competency-based elective credit shall be denoted on student transcripts as ~~High-Tech a Learning~~
36 Accelerator credit and be focused on science, technology, engineering, and mathematics
37 (STEM). A student may earn up to four credits in Learning Accelerators but may not complete
38 the same learning experience more than once for credit.

39 "SECTION 7.62.(b) Each public school unit partnering with SparkNC in accordance with
40 this section (partnering public school units) shall enter a memorandum of understanding with
41 SparkNC to meet certain requirements for the Program. These requirements shall include the
42 provision of a physical learning lab staffed by a learning lab facilitator, operated on a schedule
43 agreed upon by the public school unit and SparkNC, that will provide a site for collaborative
44 learning and ~~virtual~~-networking. Learning lab facilitators shall facilitate interdistrict instruction,
45 provide student advising, design learning experiences, coordinate with industry partners, and
46 validate student work.

47 "SECTION 7.62.(c) Notwithstanding any State Board of Education rules, partnering public
48 school units shall award the elective credit in ~~High-Tech a Learning Accelerator~~ to any student
49 who completes a combination of ~~modules-learning experiences~~ determined by SparkNC to
50 provide the competency-based elective credit in that course upon verification of successful
51

1 completion of the learning experiences and integrity of student work products by the learning lab
 2 facilitator. The elective credit shall be denoted as achieved ~~mastery~~ competency on the student's
 3 transcript. A student's participation in ~~modules-learning experiences~~ but failure to earn elective
 4 credit shall not be denoted as a fail on the student's transcript.

5 **"SECTION 7.62.(d)** The following provisions shall apply to the Program:

6 ...

7 (2) For the purposes of student participation in the Program, the requirements of
 8 Part 2 of Article 8 of Chapter 115C of the General Statutes (Calendar) shall
 9 not apply. Students may continue to participate in the Program and aggregate
 10 learning experiences throughout the time the students are enrolled in the
 11 public school unit and shall not be limited to a semester or school year.
 12 Learning experiences may be provided to students in person, remotely, or
 13 through asynchronous ~~modules-learning experiences~~.

14 ...

15 (4) If a course in computer science is required for high school graduation,
 16 completion of the competency-based elective credit of a High-Tech Learning
 17 Accelerator shall be deemed to satisfy that requirement if approved by the
 18 Superintendent of Public Instruction upon recommendation of the Department
 19 of Public Instruction that the course meets the required domains of computer
 20 science. ~~the requirement.~~

21 **"SECTION 7.62.(e)** For the 2023-2024 and 2024-2025 school years, ~~the following public~~
 22 ~~school units may partner with SparkNC to participate in the Program:~~ all public school units are
 23 eligible to participate in the Program.

- 24 (1) ~~Asheboro City Schools~~
- 25 (2) ~~Cabarrus County Schools~~
- 26 (3) ~~Chapel Hill Carrboro City Schools~~
- 27 (4) ~~Chatham County Schools~~
- 28 (5) ~~Cumberland County Schools~~
- 29 (6) ~~Edgecombe County Schools~~
- 30 (7) ~~Elizabeth City Pasquotank Public Schools~~
- 31 (8) ~~Granville County Schools~~
- 32 (9) ~~Guilford County Schools~~
- 33 (10) ~~Lexington City Schools~~
- 34 (11) ~~Mt. Airy City Schools~~
- 35 (12) ~~New Hanover County Schools~~
- 36 (13) ~~Rockingham County Schools~~
- 37 (14) ~~Rowan Salisbury Schools~~
- 38 (15) ~~Scotland County Schools~~
- 39 (16) ~~Vance County Schools~~
- 40 (17) ~~Wake County Public School System~~
- 41 (18) ~~Warren County Schools~~

42 **"SECTION 7.62.(f)** The nonrecurring funds appropriated to the Department of Public
 43 Instruction ~~by this act in the 2023-2024 and 2024-2025 fiscal year to be used to contract with~~
 44 years for the purposes of this section shall be allocated as a directed grant to SparkNC to provide
 45 students a nontraditional pathway to earn a competency-based High-Tech Learning Accelerator
 46 elective credit credits. Funds allocated pursuant to this section shall not revert to the General
 47 Fund at the end of the 2023-2024 fiscal year but shall remain available until the end of the
 48 2024-2025-2025-2026 fiscal year. SparkNC shall utilize the grant to partner with and provide
 49 services in the maximum number of public school units possible.

50 **"SECTION 7.62.(g)** SparkNC, in consultation with the partnering public school units, shall
 51 provide an interim report to the Joint Legislative Education Oversight Committee by March 1,

2025, on the following information, disaggregated for each public school unit by grade level and school, when possible:

- (1) Number and percentage of student participation in the Program.
- (2) Student retention and persistence in the Program.
- (3) Student completion of ~~the High-Tech Learning Accelerator elective credit-credits~~ and student achievement of personalized learning goals within the Program.
- (4) Student evaluation of the Program.
- (5) Student interest in science, technology, engineering, and mathematics following participation in the Program.
- (6) Cost per student for Program participation.
- (7) The number and percentage of ~~courses awarded credit that demonstrate concentration leading toward a career pathway~~ students who have participated in the Program who choose to pursue a career pathway or further study in a STEM field.
- (8) Public school unit persistence in the Program.
- (9) Recommendations for Program changes, including recommended legislative changes and changes needed to ensure that federal funding for career and technical education can be used for the Program.

"SECTION 7.62.(h) SparkNC, in consultation with the partnering public school units, shall provide a final report to the Joint Legislative Education Oversight Committee by ~~March 1, 2026,~~ February 15, 2027, on the following information, disaggregated for each public school unit by grade level and school, when possible:

- (1) Number and percentage of student participation in the Program.
- (2) Student retention and persistence in the Program.
- (3) Student completion of the High-Tech Learning Accelerator ~~elective credit-elective.~~
- (4) Student evaluation of the Program.
- (5) Student interest in science, technology, engineering, and mathematics following participation in the Program.
- (6) Cost per student for Program participation.
- (7) The number and percentage of ~~courses awarded credit that demonstrate concentration leading toward a career pathway~~ students who have participated in the Program who choose to pursue a career pathway or further study in a STEM field.
- (8) Public school unit persistence in the Program.
- (9) Recommendations for Program changes, including recommended legislative changes and changes needed to ensure that federal funding for career and technical education can be used for the Program.
- (10) Recommendations on development of a ~~mastery-competency~~ transcript."

PRINCIPAL LICENSURE PORTFOLIO WAIVER

SECTION 3J.15. Notwithstanding any law, rule, or policy to the contrary, the State Board of Education shall waive the portfolio requirement for an administrator license required by G.S. 115C-270.20(b)(1)d. for any individual who meets the following criteria:

- (1) Prior to August 31, 2025, the individual completed at least one course as part of an approved administrator preparation program.
- (2) The individual meets all licensure requirements in State law, rule, or policy not otherwise waived by this section.
- (3) The individual does not qualify for a waiver pursuant to S.L. 2021-170, as amended by S.L. 2022-71.

UPDATE ADVANCED TEACHING ROLES PROGRAM

SECTION 3J.16.(a) Chapter 115C of the General Statutes is amended by adding a new Article to read:

"Article 20A.

"Advanced Teaching Roles.

"§ 115C-310.1. Purpose.

The State Board of Education shall establish a program to develop advanced teaching roles and organizational models that link teacher performance and professional growth to salary increases for classroom teachers in selected local school administrative units. The purpose of the Advanced Teaching Roles program is to do the following:

- (1) Allow highly effective classroom teachers to advance by either (i) teaching an increased number of students or (ii) becoming a lead classroom teacher responsible for the student performance of all students taught by teachers on that lead classroom teacher's team.
- (2) Enable local school administrative units to provide salary supplements to classroom teachers in advanced teaching roles. Selection of a classroom teacher for an advanced teaching role and award of related salary supplements shall be made on the basis of demonstrated effectiveness and additional responsibilities.
- (3) Enable local school administrative units to create innovative compensation models that focus on classroom teacher professional growth that lead to measurable improvements in student outcomes.
- (4) Utilize local plans to establish organizational changes related to compensation in order to sustain evidence-based teaching practices that have the capacity to be replicated throughout the State.

"§ 115C-310.3. Definitions.

The following definitions apply to this Article:

- (1) Adult leadership teacher. – An ATR team lead who meets the following criteria:
 - a. Works in the classroom providing instruction for at least thirty percent (30%) of the instructional day.
 - b. Leads a team of between three and eight teachers.
 - c. Shares responsibility for the performance of the students of all teachers on the adult leadership teacher's team.
 - d. Is not a school administrator.
- (2) Advanced teaching role. – A teaching assignment that includes either (i) teaching an increased number of students or (ii) becoming an ATR team lead.
- (3) ATR plan. – A local board of education's plan to implement advanced teaching roles under this Article.
- (4) ATR school. – A school that is included in an ATR unit's ATR plan.
- (5) ATR team lead. – A teaching assignment that includes leading one or more teachers and being responsible for the student performance of all students taught by teachers on that lead teacher's team.
- (6) ATR unit. – A local school administrative unit operating under an ATR plan approved by the State Board of Education.
- (7) Classroom excellence teacher. – A classroom teacher serving in an advanced teaching role who assumes and maintains responsibility for at least twenty percent (20%) of additional students as compared to the most recent prior school year in which the teacher did not receive a salary supplement pursuant to this section.

- 1 (8) Classroom teacher. – A teacher who works in the classroom providing
2 instruction to students at least seventy percent (70%) of the instructional day
3 and who is not instructional support personnel.

4 **"§ 115C-310.5. Advanced teaching roles plan approval.**

5 (a) Proposals. – By July 15 of each year, the State Board of Education shall issue a
6 Request for Proposal (RFP) to allow local boards of education to submit ATR plans for approval.
7 Local boards of education shall submit their proposed ATR plans by August 15. The RFP shall
8 require that proposals include the following information, at a minimum:

- 9 (1) Description of the plan structure, including both of the following:

- 10 a. The process for teacher advancement based on performance,
11 professional growth, or the advanced teaching roles assumed by the
12 teacher.
13 b. Plans for how the local school administrative unit will utilize and train
14 teachers in advanced teaching roles. These plans shall describe how
15 the proposed use and training of teachers in advanced teaching roles
16 will improve student outcomes.

- 17 (2) Descriptions of the advanced teaching roles, including the following
18 information for each advanced role:

- 19 a. Minimum qualifications for the position that include at least two of the
20 following:

- 21 1. Advanced certifications, such as National Board for
22 Professional Teaching Standards Certification, or a master's
23 degree in the area in which the teacher is licensed and teaching.
24 2. A rating of at least accomplished on each of the Teacher
25 Evaluation Standards 1-5 on the North Carolina Teacher
26 Evaluation instrument.
27 3. Evidence that the teacher has an average Education
28 Value-Added Assessment System (EVAAS) student growth
29 index score from the three previous school years of 1.5 or
30 greater and no individual EVAAS student growth index score
31 below zero.
32 4. Equivalent demonstrated mastery of teaching skills as required
33 by the new local compensation model.

- 34 b. Job responsibilities for each advanced teaching role that include at
35 least one of the following:

- 36 1. Teaching an increased number of students and being
37 responsible for their performance as the teacher of record for
38 those students.
39 2. Becoming an ATR team lead and participating in EVAAS
40 according to a model developed by the Department of Public
41 Instruction. The Department shall publish and explain the
42 model on the Department's website and update it within 30
43 days of any change to the model.

- 44 (3) Salary supplement information including the following:

- 45 a. The amount of the salary supplements for each advanced teaching role
46 and the source of funding for each supplement.

- 47 b. A statement by the local board of education that the salary supplements
48 will be paid as a supplement to the teacher's regular salary and not be
49 included in the average salary calculation used for budgeting State
50 allotments.

- 1 c. A statement by the local board of education that if a teacher in an
2 advanced teaching role (i) fails to maintain the minimum criteria
3 established for the position, (ii) is not successfully performing the
4 additional duties associated with the advanced teaching role, or (iii)
5 voluntarily relinquishes the advanced teaching role, the teacher shall
6 only be paid the salary applicable to that individual on the State teacher
7 salary schedule and any other local supplements that would otherwise
8 apply to the teacher's compensation.
- 9 d. The amount of the salary supplements at all levels of the proposed new
10 compensation model in relation to the State teacher salary schedule.
- 11 (4) An implementation plan consistent with subsection (d) of this section,
12 including the number of schools in the local school administrative unit that
13 will have advanced teaching roles and any new proposed compensation
14 model, the number of advanced teaching roles at each of those schools, the
15 number of students whose teacher of record will be a teacher in an advanced
16 teaching role, and the number of teachers overall who would be eligible for
17 the proposed new compensation model.
- 18 (5) Plans for long-term financial sustainability once any grant money that may be
19 awarded under G.S. 115C-310.11 to the local school administrative unit is no
20 longer available. This plan shall include a description of how the unit intends
21 to provide supplemental compensation for teachers in an advanced teaching
22 role without grant money.
- 23 (6) Description of how the local school administrative unit will inform all
24 employees and the public on the criteria and selection for the advanced
25 teaching roles, the continued eligibility requirements for the advanced
26 teaching roles, and how the individuals selected for the advanced teaching
27 roles will be evaluated.
- 28 (7) Description of how the local school administrative unit will inform all
29 employees and the public on the criteria for movement on the proposed new
30 local compensation model.
- 31 (8) The process for the voluntary relinquishment of an advanced teaching role,
32 including the associated additional duties.
- 33 (9) A description of how the local school administrative unit could partner with
34 local educator preparation programs, institutions of higher education, or
35 community colleges to improve teacher effectiveness and student outcomes.
- 36 (b) Selection of ATR Units. – By October 15 of each year, the State Board of Education
37 shall review proposals and select local school administrative units to participate in the program
38 in accordance with the criteria established by the State Board of Education consistent with this
39 section.
- 40 (c) Advanced Teaching Roles Designation. – ATR units shall designate participating
41 schools within the unit as ATR schools.
- 42 (d) Implementation Limitations. – The following limitations apply to the implementation
43 of advanced teaching roles in an ATR unit:
- 44 (1) For the first year of implementation, the ATR unit may include in its ATR
45 plan at least one school up to the lesser of (i) five of the ATR unit's schools or
46 (ii) twenty-five percent (25%) of the ATR unit's schools.
- 47 (2) For the second and third years of implementation, the ATR unit may include
48 in its ATR plan at least one school up to the lesser of (i) 10 of the ATR unit's
49 schools or (ii) fifty percent (50%) of the ATR unit's schools.
- 50 (3) For any years following the third year of implementation, the ATR unit's plan
51 may include any number of the unit's schools.

1 (e) Loss of Advanced Teaching Role. – Loss of an advanced teaching role, including
2 voluntary relinquishment, shall not be considered a demotion under Part 3 of Article 22 of
3 Chapter 115C of the General Statutes.

4 (f) Material Revisions of Plans. – ATR units shall submit material revisions of an
5 approved ATR plan to the State Board of Education for approval.

6 **"§ 115C-310.7. Advanced teaching roles unit flexibility.**

7 (a) Class Size Flexibility. – Notwithstanding G.S. 115C-301, with the approval of the
8 State Board of Education, ATR schools may exceed the maximum class size requirements for
9 kindergarten through third grade during any term of up to three years in which State funds are
10 awarded to the ATR unit where the school is located. At the conclusion of the term, any class
11 size flexibility approved for an ATR school pursuant to this subsection shall expire.

12 (b) Budget Flexibility. – Subject to the budget flexibility limitations identified in
13 G.S. 115C-105.25(b), the State Board of Education shall authorize ATR units to use any
14 available State funds to provide salary supplements to teachers in an advanced teaching role as
15 long as the ATR unit complies with policies of the State Board of Education, federal law, and
16 any State programs with specific restrictions on the use of funds, including bonus and grant
17 programs.

18 **"§ 115C-310.9. Renewal and termination of program participation.**

19 (a) ATR Unit Review. – The State Board of Education shall review each ATR unit once
20 every five years to ensure the unit is complying with the approved ATR plan. As part of the
21 review, the State Board of Education shall consider at least the following information:

22 (1) The total number of teachers in advanced teaching roles in the unit, the number
23 of teachers in each advanced teaching role identified in the unit's ATR plan,
24 and the number of students receiving instruction from those teachers.

25 (2) For each ATR school in the ATR unit, the total number of teachers in
26 advanced teaching roles in the school, the number of teachers in each
27 advanced teaching role identified in the unit's ATR plan in the school, the
28 number of students receiving instruction from those teachers, and the number
29 of teachers led by each ATR team lead.

30 (3) Growth scores for students calculated pursuant to G.S. 115C-83.15.

31 (4) Achievement scores for students calculated pursuant to G.S. 115C-83.15.

32 (5) Retention of effective teachers.

33 (6) Results of the Teacher Working Conditions Survey.

34 (7) Ratings of teachers through the North Carolina Teacher Evaluation System.

35 (8) Evidence that higher performing teachers have been selected to serve in an
36 advanced teaching role.

37 (9) A description of the activities undertaken by ATR team leads to (i) support
38 the professional development of teachers on their team and (ii) enhance
39 instruction by better aligning teachers' strengths with student needs.

40 (10) The amount and funding source for any salary supplement received by
41 teachers in advanced teaching roles in the unit.

42 (11) A description of the amount of release time given to each ATR team lead, how
43 the release time is spent, and how the school facilitates providing that release
44 time.

45 (b) Renewal or Termination. – Following the five-year review, the State Board of
46 Education may, in its discretion, renew or terminate the plan of any ATR unit or any ATR school
47 within the ATR unit that fails to meet criteria established by the State Board of Education.

48 (c) No later than October 15 of each year, the State Board of Education shall report the
49 results of any review conducted pursuant to this section and a copy of the information listed in
50 subsection (a) of this section to the Fiscal Research Division and the Joint Legislative Education
51 Oversight Committee.

1 (d) Access to Review Information. – An ATR unit shall provide any information or
2 access needed to review the unit's compliance with this section that is requested by the State
3 Board of Education.

4 (e) Implementation Assistance. – If a review conducted in accordance with this section
5 results in the State Board of Education determining that an ATR unit is having difficulties
6 implementing the unit's ATR plan, the Department of Public Instruction shall provide guidance
7 and support to the unit, including information on how to implement best practices according to
8 the latest research.

9 **"§ 115C-310.11. Advanced teaching roles grants.**

10 (a) Term. – Any funds awarded to an ATR unit pursuant to this section shall be subject
11 to availability and awarded for a term of up to three years, in the discretion of the State Board of
12 Education. An ATR unit shall not be eligible to receive funding for more than two terms. The
13 State Board of Education shall authorize a second term of State funds in accordance with
14 subsection (c) of this section.

15 (b) Use of State Funds. – State funds shall be used for any of the following purposes, as
16 defined by the State Board of Education:

17 (1) Development of ATR plans.

18 (2) Development of professional development courses for teachers in advanced
19 teaching roles that lead to improved student outcomes.

20 (3) Transition costs associated with designing and implementing ATR plans.
21 Transition costs may include employing staff members or contractors to assist
22 with design and implementation of the plan.

23 (4) Development of the design and implementation of compensation plans that
24 focus on teacher professional growth and student outcomes and the transition
25 costs associated with designing and implementing new compensation plans,
26 including employing staff members or contractors to assist with design and
27 implementation of the plan.

28 (c) Renewal of Award of State Funds. – An ATR unit that received an initial award of
29 State funds pursuant to this section may apply for a second term of funding for up to three years.
30 Renewal of an award of State funds is in the discretion of the State Board of Education. The ATR
31 unit may apply at any time (i) after the initial award of State funds expires or (ii) within 90 days
32 prior to the date the initial award of State funds is set to expire. Upon receipt of an application
33 for renewal, the State Board of Education shall do the following:

34 (1) Review the unit to ensure the unit is complying with the approved ATR plan
35 and criteria established by the State Board of Education.

36 (2) Grant or deny the application within 60 days of its receipt.

37 (d) Non-Reversion. – Funds awarded to an ATR unit under this section shall not revert
38 at the end of each fiscal year but shall remain available until October 1 of the subsequent fiscal
39 year.

40 **"§ 115C-310.13. Advanced teaching roles salary supplements.**

41 (a) ATR units may designate up to fifteen percent (15%) of the teachers in each ATR
42 school as adult leadership teachers and five percent (5%) of the teachers in each ATR school as
43 classroom excellence teachers. To the extent funds are made available for the purpose, teachers
44 -serving in an advanced teaching role are eligible to receive salary supplements as follows:

45 (1) Ten thousand dollars (\$10,000) for adult leadership teachers.

46 (2) Three thousand dollars (\$3,000) for classroom excellence teachers.

47 (b) Notwithstanding G.S. 115C-310.5, to the extent funds are made available for this
48 purpose, the State Board of Education shall award funds to ATR units for annual salary
49 supplements for teachers, and the receiving ATR units shall provide the salary supplement to
50 participating teachers in accordance with this section. If State funds are insufficient to cover the
51 full amount of supplement identified in subsection (a) of this section, the State Board of

1 Education and the ATR unit shall disburse any supplement funds pro rata. If funds have been
2 disbursed pro rata, ATR units are encouraged but not required to fund the remainder of the
3 supplement from alternate funding sources.

4 (c) The following additional requirements apply to salary supplements received pursuant
5 to this section:

6 (1) Loss of a salary supplement received pursuant to this section for any reason
7 shall not be considered a demotion under Part 3 of Article 22 of Chapter 115C
8 of the General Statutes.

9 (2) A teacher is eligible to continue receiving a salary supplement pursuant to this
10 section as long as he or she remains an adult leadership teacher or a classroom
11 excellence teacher.

12 (3) A teacher is eligible to receive no more than one annual salary supplement
13 pursuant to this section at any time.

14 (d) The Department of Public Instruction shall issue guidance to ATR units on how to
15 effectively develop staffing plans and budgets, including how to maximize resources across
16 multiple funding sources and the reach of teachers in advanced teaching roles to a greater number
17 of students.

18 **§ 115C-310.15. Program evaluation.**

19 (a) The State Board of Education shall evaluate how the advanced teaching roles program
20 and new compensation plans have accomplished, at a minimum, the following:

21 (1) Improvement in the quality of classroom instruction and increases in
22 school-wide growth or the growth of teachers who are mentored or impacted
23 by a teacher in an advanced teaching role.

24 (2) An increase in the attractiveness of teaching.

25 (3) Recognition, impact, and retention of high-quality classroom teachers.

26 (4) Assistance to and retention of beginning classroom teachers.

27 (5) Improvement in and expansion of the use of technology and digital learning.

28 (6) Improvement in school culture based on school climate survey results.

29 (b) No later than October 15 of each year, the State Board of Education shall report the
30 results of the evaluation conducted pursuant to this section to the Fiscal Research Division and
31 the Joint Legislative Education Oversight Committee.

32 (c) Access to Review Information. – An ATR unit shall provide any information or
33 access needed to review the advanced teaching roles program that is requested by (i) the State
34 Board of Education or (ii) an independent research organization selected by the State Board of
35 Education to evaluate the program pursuant to this section."

36 **SECTION 3J.16.(b)** G.S. 115C-311 and G.S. 115C-312 are repealed.

37 **SECTION 3J.16.(c)** Notwithstanding G.S. 115C-310.5(d), as enacted by this
38 section, for any ATR unit approved by the State Board of Education prior to July 1, 2024, the
39 ATR unit may implement advanced teaching roles in the number of schools included in its
40 approved ATR plan.

41 **SECTION 3J.16.(d)** Notwithstanding G.S. 115C-310.15, as enacted by this section,
42 for the advanced teaching roles evaluation report due October 15, 2025, the State Board of
43 Education shall contract with an independent research organization to perform the evaluation.

44 **SECTION 3J.16.(e)** The Department of Public Instruction shall study the feasibility
45 of measuring class size by student-to-teacher ratio, including the method to determine student
46 ratios when a teacher is serving as an ATR team lead. No later than March 15, 2025, the
47 Department shall report the results of the study to the Joint Legislative Education Oversight
48 Committee, including recommendations on the technology needed to implement the student
49 accounting model.

1 **SECTION 3J.16.(f)** Subsection (b) of this section is effective July 1, 2025. Except
2 as otherwise provided, this section is effective when it becomes law and applies beginning with
3 the 2025-2026 school year.
4

5 **TRANSFER CENTER FOR SAFER SCHOOLS TO THE STATE BUREAU OF**
6 **INVESTIGATION AND REPEAL THE TASK FORCE FOR SAFER SCHOOLS**

7 **SECTION 3J.17.(a)** The Center for Safer Schools is transferred to the State Bureau
8 of Investigation. Except as otherwise provided in subsection (w) of this section, this transfer has
9 all of the elements of a Type I transfer, as described in G.S. 143A-6.

10 **SECTION 3J.17.(b)** Article 13A of Chapter 143B of the General Statutes is
11 amended by adding a new Part 3 to be entitled "The Center for Safer Schools."

12 **SECTION 3J.17.(c)** G.S. 115C-105.57 is recodified in Part 3 of Article 13A of
13 Chapter 143B of the General Statutes, as enacted by subsection (b) of this section, as
14 G.S. 143B-1209.59 and reads as rewritten:

15 **"§ 143B-1209.59. Center for Safer Schools.**

16 (a) Center for Safer Schools Established. – There is established the Center for Safer
17 Schools. The Center for Safer Schools shall be administratively located in the ~~Department of~~
18 ~~Public Instruction~~ State Bureau of Investigation. The Center for Safer Schools shall consist of
19 an Executive Director appointed by the ~~Superintendent of Public Instruction~~ Director of the State
20 Bureau of Investigation and such other professional, administrative, technical, and clerical
21 personnel as may be necessary to assist the Center for Safer Schools in carrying out its powers
22 and duties.

23 (b) Executive Director. – The Executive Director shall report to and serve at the pleasure
24 of the ~~Superintendent of Public Instruction~~ Director of the State Bureau of Investigation at a
25 salary established by the ~~Superintendent~~ Director within the funds appropriated for this purpose.

26 (c) Powers and Duties. – The Center for Safer Schools shall have the following duties,
27 and all other powers and duties provided in ~~this Article~~ Article 8C of Chapter 115C of the General
28 Statutes;

29 ...

30 (e) Annual Census of School Resource Officers. – The Center for Safer Schools shall
31 conduct an annual census of school resource officers located in each public school unit. As part
32 of the census, each public school unit shall report to the Center by January 15 of each year with
33 the following information regarding school resource officers in the unit:

34 ...

35 The Center shall compile the information submitted pursuant to this subsection and submit a
36 report detailing this information at the statewide and local levels to the Joint Legislative
37 Education Oversight ~~Committee~~ Committee, the State Bureau of Investigation, and the State
38 Board of Education by March 1 of each year.

39 ~~(f) Task Force Guidance. – The Center for Safer Schools shall receive guidance and~~
40 ~~advice from the Task Force for Safer Schools."~~

41 **SECTION 3J.17.(d)** G.S. 115C-105.60 is recodified in Part 3 of Article 13A of
42 Chapter 143B of the General Statutes, as enacted by subsection (b) of this section, as
43 G.S. 143B-1209.60 and reads as rewritten:

44 **"§ 143B-1209.60. School resource officer grants.**

45 ...

46 (b) Program; Purpose. – The ~~Superintendent of Public Instruction~~ Executive Director of
47 the Center for Safer Schools shall establish the School Resource Officer Grants Program
48 (Program). To the extent funds are made available for the Program, its purpose shall be to
49 improve safety in qualifying public school units by providing grants for school resource officers.

50 (c) Grant Applications. – A qualifying public school unit may submit an application to
51 the ~~Superintendent of Public Instruction~~ Executive Director of the Center for Safer Schools for

1 one or more grants pursuant to this section. The application shall include an assessment, to be
2 performed in conjunction with a local law enforcement agency, of the need for improving school
3 safety within the qualifying public school unit that would receive the funding. The application
4 shall identify current and ongoing needs and estimated costs associated with those needs.

5 (d) ~~Criteria and Guidelines. – By November 1, 2019, and August 1 of each year thereafter~~
6 ~~in which funds are made available for the Program, the Superintendent of Public Instruction~~
7 Executive Director of the Center for Safer Schools shall develop criteria and guidelines for the
8 administration and use of the grants pursuant to this section, including any documentation
9 required to be submitted by applicants. In assessing grant applications, the ~~Superintendent of~~
10 ~~Public Instruction~~ Executive Director shall consider at least all of the following factors:

- 11 (1) The level of resources available to the qualifying public school unit that would
12 receive the funding.
- 13 (2) Whether the qualifying public school unit has received other grants for school
14 safety.
- 15 (3) The overall impact on student safety in the qualifying public school unit if the
16 identified needs are funded.

17 (e) ~~Award of Funds. – From funds made available for grants for school resource officers,~~
18 ~~the Superintendent of Public Instruction~~ Executive Director of the Center for Safer Schools shall
19 award grants to qualifying public school units for school resource officers in elementary and
20 middle schools, as follows:

- 21 (1) Public school units located, in whole or in part, in a county with at least one
22 local school administrative unit that received low-wealth supplemental
23 funding in the previous fiscal year shall have grants matched on the basis of
24 four dollars (\$4.00) in State funds for every one dollar (\$1.00) in non-State
25 funds. All other public school units shall be matched on the basis of two
26 dollars (\$2.00) in State funds for every one dollar (\$1.00) in non-State funds.
- 27 (2) Qualifying public school units may use these funds to employ school resource
28 officers in elementary and middle schools, to train them, or both.
- 29 (3) Training shall be provided, in partnership with the qualifying public school
30 unit, by a community college, a local law enforcement agency, or the North
31 Carolina Justice Academy. Any training shall include instruction on research
32 into the social and cognitive development of elementary school and middle
33 school children.

34 ...

35 (g) ~~Report. – No later than April 1, 2020, 2025, and each year thereafter in which funds~~
36 ~~are made available for the Program, the Superintendent of Public Instruction~~ Executive Director
37 of the Center for Safer Schools shall report on the Program to the Joint Legislative Education
38 Oversight Committee, the Joint Legislative Oversight Committee on Health and Human Services,
39 the Joint Legislative Oversight Committee on Justice and Public Safety, the Joint Legislative
40 Commission on Governmental Operations, and the Fiscal Research Division. The report shall
41 include the identity of each entity that received a grant through the Program, the amount of
42 funding provided to each entity that received a grant, the use of funds by each entity that received
43 a grant, and recommendations for the implementation of additional effective school safety
44 measures.

45 (h) Disbursement. – The Executive Director of the Center for Safer Schools may enter
46 into a memorandum of understanding with the Department of Public Instruction to disburse
47 grants awarded under this section."

48 **SECTION 3J.17.(e)** G.S. 115C-105.49A is recodified in Part 3 of Article 13A of
49 Chapter 143B of the General Statutes, as enacted by subsection (b) of this section, as
50 G.S. 143B-1209.61.

51 **SECTION 3J.17.(f)** G.S. 115C-105.55 is repealed.

1 **SECTION 3J.17.(g)** G.S. 115C-105.56 is repealed.

2 **SECTION 3J.17.(h)** Section 7.36 of S.L. 2023-134 reads as rewritten:

3 " ...

4 "**SECTION 7.36.(b)** Program; Purpose. – ~~The Superintendent of Public Instruction~~
5 ~~Executive Director of the Center for Safer Schools~~ shall establish the School Safety Grants
6 Program (Program) for the ~~2023-2025 fiscal biennium~~, 2024-2025 fiscal year. The purpose of
7 the Program shall be to improve safety in public school units by providing grants in ~~each fiscal~~
8 ~~year of the 2023-2025 fiscal biennium~~ the 2024-2025 fiscal year for (i) services for students in
9 crisis, (ii) school safety training, (iii) safety equipment in schools, and (iv) subsidizing the School
10 Resource Officer Grants Program.

11 "**SECTION 7.36.(c)** Grant Applications. – A public school unit may submit an application
12 to the ~~Superintendent of Public Instruction~~ Executive Director of the Center for Safer Schools
13 for one or more grants pursuant to this section in ~~each year of the 2023-2025 fiscal biennium~~, the
14 2024-2025 fiscal year. The application shall include an assessment, to be performed in
15 conjunction with a local law enforcement agency, of the need for improving school safety within
16 the public school unit that would receive the funding or services. The application shall identify
17 current and ongoing needs and estimated costs associated with those needs.

18 "**SECTION 7.36.(d)** Criteria and Guidelines. – ~~By January 15, 2024, the Superintendent of~~
19 ~~Public Instruction~~ The Executive Director of the Center for Safer Schools shall develop criteria
20 and guidelines for the administration and use of the grants pursuant to this section, including any
21 documentation required to be submitted by applicants. In assessing grant applications, the
22 ~~Superintendent of Public Instruction~~ Executive Director shall consider at least all of the following
23 factors:

- 24 (1) The level of resources available to the public school unit that would receive
25 the funding.
- 26 (2) Whether the public school unit has received other grants for school safety.
- 27 (3) The overall impact on student safety in the public school unit if the identified
28 needs are funded.

29 "**SECTION 7.36.(e)** Grants for Students in Crisis. – ~~Of the funds appropriated to the~~
30 ~~Department of Public Instruction~~ by this act for the grants provided in this section, the
31 ~~Superintendent of Public Instruction~~, Executive Director of the Center for Safer Schools, in
32 consultation with the Department of Health and Human Services, shall award grants to public
33 school units to contract with community partners to provide or pay for the provision of any of
34 the following crisis services:

- 35 (1) Crisis respite services for parents or guardians of an individual student to
36 prevent more intensive or costly levels of care.
- 37 (2) Training and expanded services for therapeutic foster care families and
38 licensed child placement agencies that provide services to students who (i)
39 need support to manage their health, welfare, and safety and (ii) have any of
40 the following:
- 41 a. Cognitive or behavioral problems.
- 42 b. Developmental delays.
- 43 c. Aggressive behavior.
- 44 (3) Evidence-based therapy services aligned with targeted training for students
45 and their parents or guardians, including any of the following:
- 46 a. Parent-child interaction therapy.
- 47 b. Trauma-focused cognitive behavioral therapy.
- 48 c. Dialectical behavior therapy.
- 49 d. Child-parent psychotherapy.
- 50 (4) Any other crisis service, including peer-to-peer mentoring, that is likely to
51 increase school safety. ~~Of the funds appropriated to the Department of Public~~

1 ~~Instruction~~—by this act for the grants provided in this section, the
2 ~~Superintendent~~ Executive Director shall use no more than three hundred fifty
3 thousand dollars (\$350,000) in ~~each year of the 2023–2025 fiscal biennium~~ the
4 2024-2025 fiscal year for the services identified in this subdivision.

5 **"SECTION 7.36.(f)** Grants for Training to Increase School Safety. – Of the funds
6 ~~appropriated to the Department of Public Instruction~~ by this act for the grants provided in this
7 section, the ~~Superintendent of Public Instruction~~, Executive Director of the Center for Safer
8 Schools, in consultation with the Department of Health and Human Services, shall award grants
9 to public school units to contract with community partners to address school safety by providing
10 training to help students develop healthy responses to trauma and stress. The training shall be
11 targeted and evidence-based and shall include any of the following services:

- 12 (1) Counseling on Access to Lethal Means (CALM) training for school health
13 support personnel, local first responders, and teachers on the topics of suicide
14 prevention and reducing access by students to lethal means.
- 15 (2) Training for school health support personnel on comprehensive and
16 evidence-based clinical treatments for students and their parents or guardians,
17 including any of the following:
 - 18 a. Parent-child interaction therapy.
 - 19 b. Trauma-focused cognitive behavioral therapy.
 - 20 c. Behavioral therapy.
 - 21 d. Dialectical behavior therapy.
 - 22 e. Child-parent psychotherapy.
- 23 (3) Training for students and school employees on community resilience models
24 to improve understanding and responses to trauma and significant stress.
- 25 (4) Training for school health support personnel on Modular Approach to
26 Therapy for Children with Anxiety, Depression, Trauma, or Conduct
27 problems (MATCH-ADTC), including any of the following components:
 - 28 a. Trauma-focused cognitive behavioral therapy.
 - 29 b. Parent and student coping skills.
 - 30 c. Problem solving.
 - 31 d. Safety planning.
- 32 (5) Any other training, including the training on the facilitation of peer-to-peer
33 mentoring, that is likely to increase school safety. Of the funds appropriated
34 ~~to the Department of Public Instruction~~ by this act for the grants provided in
35 this section, the ~~Superintendent~~ Executive Director shall use no more than
36 three hundred fifty thousand dollars (\$350,000) in ~~each year of the 2023–2025~~
37 ~~fiscal biennium~~ the 2024-2025 fiscal year for the services identified in this
38 subdivision.

39 **"SECTION 7.36.(g)** Grants for Safety Equipment. – Of the funds appropriated ~~to the~~
40 ~~Department of Public Instruction~~ by this act for the grants provided in this section, the
41 ~~Superintendent of Public Instruction~~ Executive Director of the Center for Safer Schools shall
42 award grants to public school units for (i) the purchase of safety equipment for school buildings
43 and (ii) training associated with the use of safety equipment purchased pursuant to this
44 subsection. Notwithstanding G.S. 115C-218.105(b), charter schools may receive grants for
45 school safety equipment pursuant to this subsection.

46 **"SECTION 7.36.(h)** Artificial Intelligence (AI) Pilot. – Of the funds appropriated to the
47 Department of Public Instruction by this act for the grants provided in this section for the ~~2023–~~
48 ~~2024~~ 2024-2025 fiscal year, the Department shall allocate (i) three million two hundred thousand
49 dollars (\$3,200,000) as a directed grant to New Hanover County Schools and (ii) two million
50 dollars (\$2,000,000) as a directed grant to Davidson County Schools for an AI School Safety

1 Pilot Program. In conducting the Pilot Program, participating public school units shall comply
2 with the following:

- 3 (1) Funds allocated for the Pilot Program shall be used for the implementation of
4 a school safety system that integrates AI technology into existing access
5 controls, alerting protocols, and intercom systems.
- 6 (2) No later than ~~January 15, 2025~~, January 15, 2026, the participating public
7 school units, in coordination with the ~~Department of Public Instruction~~, Center
8 for Safer Schools, shall report to the Joint Legislative Education Oversight
9 Committee the following information:
 - 10 a. The schools that participated in the Pilot Program.
 - 11 b. How grant funds were spent.
 - 12 c. The impact the Pilot Program had on school safety outcomes.
 - 13 d. Any noted capabilities of the AI system that could not be accomplished
14 by more traditional safety measures.
 - 15 e. Any other information the participating public school units or the
16 Department deem relevant to the report.

17 **"SECTION 7.36.(i)** Subsidizing School Resource Officer Grants Program. – If the
18 ~~Superintendent of Public Instruction~~ Executive Director of the Center for Safer Schools receives
19 applications for grants for school resource officers under ~~G.S. 115C-105.60~~ G.S. 143B-1208.20
20 in excess of the amount of funding appropriated for school resource officer grants in the
21 ~~2023-2025 fiscal biennium~~, 2024-2025 fiscal year, the ~~Superintendent~~ Executive Director may
22 use the funds appropriated ~~to the Department of Public Instruction~~ for the grants provided for in
23 this section to cover the unmet need for school resource officer grants.

24 ...

25 **"SECTION 7.36.(k1)** Disbursement. – The Executive Director of the Center for Safer
26 Schools may enter into a memorandum of understanding with the Department of Public
27 Instruction to disburse grants awarded under this section.

28 **"SECTION 7.36.(l)** Nonrevert. – Notwithstanding any provision of law to the contrary, the
29 nonrecurring funds appropriated to the Department of Public Instruction in the 2022-2023 fiscal
30 year for the 2021-2023 School Safety Grants Program under Section 7.19 of S.L. 2021-180 and
31 the nonrecurring funds appropriated by this act ~~to the Department of Public Instruction~~ for the
32 2023-2025 School Safety Grants Program shall not revert to the General Fund but shall remain
33 available for the purposes for which they were appropriated until June 30, 2025.

34 **"SECTION 7.36.(m)** Program Report. – No later than ~~April 1~~ of each fiscal year in which
35 funds are awarded pursuant to this section, ~~April 1, 2025~~, the ~~Superintendent of Public Instruction~~
36 Executive Director of the Center for Safer Schools shall report on the Program to the Joint
37 Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on
38 Health and Human Services, the Joint Legislative Oversight Committee on Justice and Public
39 Safety, the Joint Legislative Commission on Governmental Operations, the Senate
40 Appropriations/Base Budget Committee, the House Committee on Appropriations, and the Fiscal
41 Research Division. The report shall include at least the following information:

- 42 (1) The identity of each public school unit and community partner that received
43 grant funds through the Program.
- 44 (2) The amount of funding received by each entity identified pursuant to
45 subdivision (1) of this subsection.
- 46 (3) The services, training, and equipment purchased with grant funds by each
47 entity that received a grant.
- 48 (4) Recommendations for the implementation of additional effective school
49 safety measures.

50"

51 **SECTION 3J.17.(i)** G.S. 115C-105.51 reads as rewritten:

1 **"§ 115C-105.51. Anonymous tip lines and monitoring and response applications.**

2 ...

3 (b) ~~The Department of Public Instruction and the~~ Center for Safer Schools, in
4 collaboration with the Department of Public Instruction and the Department of Public Safety,
5 Division of Emergency Management, shall implement and maintain an anonymous safety tip line
6 application available statewide for purposes of receiving anonymous student information on
7 internal or external risks to the school population, school buildings, and school-related activities.
8 Public secondary schools shall inform students about the application and provide opportunities
9 for students to learn about its purpose and function. The governing body of each public secondary
10 school shall work with the ~~Department of Public Instruction, Division of School Operations, and~~
11 ~~the~~ Center for Safer Schools Schools, in collaboration with the Department of Public Instruction,
12 Division of School Operations, to ensure that employees of the public secondary schools receive
13 adequate training in its operation.

14 ...

15 (d) The Department of Public Instruction and the Department of Public Safety shall
16 ensure that the anonymous safety tip line application is integrated with and supports the statewide
17 School Risk and Response Management System (SRRMS) as provided in ~~G.S. 115C-105.49A-~~
18 G.S. 143B-1209.61. Where technically feasible and cost efficient, the Department of Public
19 Instruction and the Department of Public Safety are encouraged to implement a single solution
20 supporting both the anonymous safety tip line application and panic alarm system.

21"

22 **SECTION 3J.17.(j)** G.S. 115C-105.52(a) reads as rewritten:

23 "(a) ~~The Department of Public Instruction and the~~ Center for Safer Schools, in
24 consultation with the Department of Public Instruction and the Department of Public Safety, shall
25 develop and adopt policies on the placement of school crisis kits in schools and on the contents
26 of those kits. The kits shall include, at a minimum, basic first-aid supplies and communications
27 devices."

28 **SECTION 3J.17.(k)** G.S. 115C-105.53(b) reads as rewritten:

29 "(b) ~~The Department of Public Instruction and the~~ Center for Safer Schools, in
30 consultation with the Department of Public Instruction and the Department of Public Safety, shall
31 develop standards and guidelines for the preparation and content of schematic diagrams and
32 necessary updates. Public school units and participating nonpublic schools may use these
33 standards and guidelines to assist in the preparation of their schematic diagrams."

34 **SECTION 3J.17.(l)** G.S. 115C-105.65 reads as rewritten:

35 **"§ 115C-105.65. Threat assessment teams.**

36 ...

37 (b) The Center for Safer Schools shall develop guidance for threat assessment teams for
38 public school units and all public school units shall have access to the guidance. The Center shall
39 develop the guidance by (i) collecting information and best practices from schools with existing
40 threat assessment teams and (ii) consulting with the ~~Task Force for Safer Schools,~~ Department
41 of Public Instruction, the Disability Rights North Carolina, the North Carolina School
42 Psychology Association, the State Bureau of Investigation, and relevant State government
43 agencies. This guidance shall not reference or reveal any information that has been excluded as
44 a public record under G.S. 115C-47(40), Part 2 of Article 8C of this Chapter, or any other relevant
45 statute. The guidance shall include, at a minimum, the best practices for the following:

46 ...

47 (f) Any information shared among members of the threat assessment team pursuant to
48 this ~~subsection~~ section shall remain confidential, shall not be a public record subject to Chapter
49 132 of the General Statutes, and shall only be released in connection with an emergency under
50 the standards established by the Family Educational Rights and Privacy Act in 20 U.S.C. §
51 1232g(b)(1)(I).

1"

2 **SECTION 3J.17.(m)** G.S. 115C-12(40) reads as rewritten:

3 "(40) Adopt School Risk Management Plans. – Each local board of education shall,
4 in coordination with local law enforcement and emergency management
5 agencies, adopt a School Risk Management Plan (SRMP) relating to incidents
6 of school violence for each school in its jurisdiction. In constructing and
7 maintaining these plans, local boards of education and local school
8 administrative units shall utilize the School Risk and Response Management
9 System (SRRMS) established pursuant to ~~G.S. 115C-105.49A-~~
10 G.S. 143B-1209.61. These plans are not a public record as the term "public
11 record" is defined under G.S. 132-1 and shall not be subject to inspection and
12 examination under G.S. 132-6."

13 **SECTION 3J.17.(n)** G.S. 115C-12(47) reads as rewritten:

14 "(47) Duty Regarding Child Abuse and Neglect. – The State Board of Education, in
15 consultation with the Superintendent of Public Instruction, shall adopt a rule
16 requiring information on child abuse and neglect, including age-appropriate
17 information on sexual abuse, to be provided by public school units to students
18 in grades six through 12. This rule shall also apply to high schools under the
19 control of The University of North Carolina. Information shall be provided in
20 the form of (i) a document provided to all students at the beginning of each
21 school year, (ii) a display posted in visible, high-traffic areas throughout each
22 public secondary school, and (iii) a video, produced in accordance with
23 ~~G.S. 115C-105.57(e)(2a), G.S. 143B-1209.59(c)(2a)~~, shown to all students no
24 more than five days after the first day of the school year. The document,
25 display, and video shall include, at a minimum, the following information:
26 a. Likely warning signs indicating that a child may be a victim of abuse
27 or neglect, including age-appropriate information on sexual abuse.
28 b. The telephone number used for reporting abuse and neglect to the
29 department of social services in the county in which the school is
30 located, in accordance with G.S. 7B-301.
31 c. A statement that information reported pursuant to sub-subdivision b.
32 of this subdivision shall be held in the strictest confidence, to the extent
33 permitted by law, pursuant to G.S. 7B-302(a1).
34 d. Repealed by Session Laws 2023-65, s. 7.2(a), effective June 29, 2023,
35 and applicable beginning with the 2023-2024 school year."

36 **SECTION 3J.17.(o)** G.S. 115C-150.12C(17)a. reads as rewritten:

37 "a. School Risk Management Plan. – The board of trustees, in
38 coordination with local law enforcement agencies, shall adopt a
39 School Risk Management Plan (SRMP) relating to incidents of school
40 violence. In constructing and maintaining these plans, the board of
41 trustees shall utilize the School Risk and Response Management
42 System established pursuant to ~~G.S. 115C-105.49A-~~
43 G.S. 143B-1209.61. These plans are not considered a public record as
44 the term "public record" is defined under G.S. 132-1 and shall not be
45 subject to inspection and examination under G.S. 132-6."

46 **SECTION 3J.17.(p)** G.S. 115C-551(b)(1) reads as rewritten:

47 "(1) School Risk Management Plan. – In coordination with local law enforcement
48 agencies, adopt a School Risk Management Plan (SRMP) relating to incidents
49 of school violence. In constructing and maintaining these plans, the school
50 may utilize the School Risk and Response Management System (SRRMS)
51 established pursuant to ~~G.S. 115C-105.49A-~~G.S. 143B-1209.61. These plans

1 are not considered a public record as the term "public record" is defined under
2 G.S. 132-1 and shall not be subject to inspection and examination under
3 G.S. 132-6."

4 **SECTION 3J.17.(q)** G.S. 115C-559(b)(1) reads as rewritten:

5 "(1) School Risk Management Plan. – In coordination with local law enforcement
6 agencies, adopt a School Risk Management Plan (SRMP) relating to incidents
7 of school violence. In constructing and maintaining these plans, the school
8 may utilize the School Risk and Response Management System (SRRMS)
9 established pursuant to ~~G.S. 115C-105.49A~~, G.S. 143B-1209.61. These plans
10 are not considered a public record as the term "public record" is defined under
11 G.S. 132-1 and shall not be subject to inspection and examination under
12 G.S. 132-6."

13 **SECTION 3J.17.(r)** G.S. 166A-19.12(22) reads as rewritten:

14 "(22) Serving as the lead State agency for the implementation and maintenance of
15 the statewide School Risk and Response Management System (SRRMS)
16 under ~~G.S. 115C-105.49A~~, G.S. 143B-1209.61."

17 **SECTION 3J.17.(s)** Applications for grant funds under Section 7.36 of S.L.
18 2023-134 and G.S. 115C-105.60 that are received by the Department of Public Instruction prior
19 to the effective date of this act are not abated or affected by this section. Grant award decisions
20 for applications described in this subsection shall be made in accordance with the provisions of
21 Section 7.36 of S.L. 2023-134, as amended by subsection (h) of this section, or
22 G.S. 143B-1209.60, as recodified by subsection (d) of this section, as appropriate.

23 **SECTION 3J.17.(t)** Grant funds awarded under Section 7.36 of S.L. 2023-134 and
24 G.S. 115C-105.60 before the effective date of this act are not abated or affected by this act, and
25 the laws that would be applicable but for this section remain applicable to those grant funds.

26 **SECTION 3J.17.(u)** Except for the funds allocated in Section 7.36(h) of S.L.
27 2023-134, the Department of Public Instruction shall transfer to the State Bureau of Investigation
28 any funds that did not revert under Section 7.36(l) of S.L. 2023-134 that are to be used for any
29 grant program administered by the Center for Safer Schools. Funds allocated in Section 7.36(h)
30 of S.L. 2023-134 shall remain available for use in accordance with that subsection until the
31 reversion date set forth in Section 7.36(l) of S.L. 2023-134. Nothing in this subsection shall be
32 construed as abrogating or amending the date set forth in Section 7.36(l) of S.L. 2023-134 by
33 which the funds shall revert to the General Fund.

34 **SECTION 3J.17.(v)** Except as otherwise prohibited by federal law, the Department
35 of Public Instruction shall transfer to the State Bureau of Investigation any federal funds received
36 by the Department for any program administered by the Center for Safer Schools.

37 **SECTION 3J.17.(w)** Within the State Bureau of Investigation's General Fund
38 budget code, a new budget fund shall be established for the Center for Safer Schools and all funds
39 supporting the Center shall be transferred to the new fund. The Executive Director of the Center
40 for Safer Schools is responsible for (i) administering the fund established under this subsection
41 and (ii) deciding all matters related to the budget of the Center.

42 **SECTION 3J.17.(x)** There is appropriated from the General Fund to the State
43 Bureau of Investigation the sum of three hundred seventy thousand dollars (\$370,000) in
44 recurring funds for the 2024-2025 fiscal year to create four new full-time criminal justice
45 specialist positions at the Center for Safer Schools. The Office of State Human Resources shall
46 establish classifications for these positions and collaborate with the Center for Safer Schools and
47 the State Bureau of Investigation to create job descriptions for the new positions established
48 pursuant to this subsection.

49 **SECTION 3J.17.(y)** The Department of Public Instruction shall transfer position
50 number 60009394 and associated costs to the Center for Safer Schools.

51

PROPRIETARY SCHOOLS CHANGES

SECTION 3J.18.(a) G.S. 115D-89.1(b) reads as rewritten:

"(b) The State Board of Proprietary Schools shall consist of seven members as follows:

- (1) The President of the North Carolina Community College System or the President's designee.
- (2) Two members appointed by the Governor.
- (3) Two members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, one of whom shall be the owner or director of a proprietary school licensed in the State with less than 100 total annual enrollment of students and one the owner or director of a proprietary school or group of proprietary schools licensed in the State with ~~more than 750~~ 100 or more total annual enrollment of students.
- (4) Two members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, one of whom shall be the owner or director of a proprietary school licensed in the State with ~~between less than 100 and 750~~ less than 100 and 750 total annual enrollment of students and one the owner or director of a proprietary school or group of proprietary schools licensed in the ~~State~~ State with 100 or more total annual enrollment of students.

The appointing authorities shall appoint members who have a demonstrated history of experience in proprietary or public postsecondary education, an understanding of standards of quality in postsecondary education, and leadership beyond a particular institution."

SECTION 3J.18.(b) G.S. 115D-90(b) reads as rewritten:

"(b) Application for a license shall be filed in the manner and upon the forms prescribed and furnished by the State Board of Proprietary Schools for that purpose. Such application shall be signed by the applicant and properly verified and shall contain such of the following information as may apply to the particular school for which a license is sought:

...

- (7) Such additional information as the State Board, acting by and through the State Board of Proprietary Schools, may deem necessary to enable it to determine the adequacy of the program of instruction and matters pertaining thereto. Each application shall be accompanied by a copy of the current bulletin or catalog of the school which shall be in published form and certified by an authorized official of the school as being current, true, and correct in content and policy. The school bulletin shall contain the following information:

...

- i. Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom. The For institutions receiving federal funds, the policy and regulations shall require the institution to comply with federal law requirements for refunds. For all other institutions, the policy and regulations shall provide for, at a minimum, a full refund if a student withdraws before the first day of class or the school cancels the class and a seventy five percent (75%) refund if the student withdraws within the first twenty five percent (25%) of the period of enrollment for which the student was charged. the following provisions:
 1. If any of the following occur prior to the first day of class, a student shall receive a one hundred percent (100%) refund, including nonrefundable fees already paid:
 - I. The student withdraws.

- 1 II. The student is caused to withdraw by the school.
- 2 III. The school cancels the class.
- 3 2. If the student withdraws or is caused to withdraw by the school
- 4 on or before completing twenty-five percent (25%) of the
- 5 period of enrollment for which the student was charged, the
- 6 student shall receive a refund of seventy-five percent (75%),
- 7 excluding any disclosed nonrefundable fees.

8"

9 **SECTION 3J.18.(c)** G.S. 115D-95(b) reads as rewritten:

10 "(b) Amount. – An applicant for a license must file a bond with the North Carolina State
 11 Board of Community Colleges executed by the applicant as a principal and by a bonding
 12 company authorized to do business in this State. The bond must be payable to the State Board of
 13 Community Colleges, must be conditioned on fulfillment of the school's obligations, and must
 14 remain in effect until cancelled by the bonding company. The bonding company may cancel the
 15 bond upon 30 days' notice to the State Board of Community Colleges.

16 The application must set out calculations made by the applicant to determine the amount of
 17 bond required with the application. The required amount is determined as follows:

18 (1) Initial licensure. – For an applicant for initial licensure of a school, the bond
 19 amount is the amount determined by the State Board that is adequate to
 20 provide indemnification to any student, or the student's parent or guardian who
 21 has suffered a loss of tuition, fees, or any other instructional-related expenses
 22 paid to the school. A bond amount shall be at least twenty-five thousand
 23 dollars (\$25,000).

24 (2) ~~First four renewals.~~ Renewal of licensure. – ~~For a school that has been licensed~~
 25 ~~for one year but less than six years,~~ For an applicant for renewal of licensure
 26 of a school, the bond shall be in an amount equal to the greatest amount of
 27 unearned paid tuition in the school's possession at ~~anytime~~ any time during
 28 the prior fiscal year.

29 (2a) Evaluations. – Bond amounts shall be evaluated as follows:

30 a. ~~The~~ For a school that has been licensed for one year, but less than six
 31 years, the bond amount shall be evaluated by the school quarterly and
 32 reported to the State Board or its representative. For a school that has
 33 been licensed for six years or more, if the State Board deems an
 34 evaluation necessary, the State Board may require the bond amount to
 35 be evaluated by the school quarterly and reported to the State Board or
 36 its representative.

37 b. A quarterly evaluation requiring an increase of five percent (5%) or
 38 more in the amount of the bond held by the school shall require an
 39 immediate increase in the bond amount.

40 c. Bond amounts ~~also~~ shall be evaluated pursuant to this subdivision and
 41 the rules of the State Board of Community Colleges and State Board
 42 of Proprietary Schools at the time of the school's annual license
 43 renewal and increased if necessary regardless of the amount of the
 44 change.

45 (3) ~~Schools in operation more than five years.~~ A guaranty bond shall be required
 46 for license renewal for a school that has been continuously licensed to operate
 47 for more than five years in the State, as follows:

48 a. ~~If the balance of the Student Protection Fund in G.S. 115D-95.1 is~~
 49 ~~below the catastrophic loss amount, the school shall file a guaranty~~
 50 ~~bond in an amount equal to the maximum amount of prepaid tuition~~

held by the school during the prior fiscal year multiplied by the percentage amount the fund is deficient.

b. ~~If the school held prepaid tuition in excess of the Student Protection Fund catastrophic loss amount during the prior fiscal year, in addition to any bond amount required by sub-subdivision a. of this subdivision, the school shall file a guaranty bond for the difference between the prepaid tuition amount held in the previous fiscal year and the Fund catastrophic loss amount."~~

SECTION 3J.18.(d) G.S. 115D-95.1 reads as rewritten:

§ 115D-95.1. Student Protection Fund.

(a) Definitions. – As used in this section:

(1) "Catastrophic loss amount" means the amount of funds required to protect prepaid student tuition in case of a large-scale event that would draw against the Student Protection Fund. The amount is ~~one million dollars (\$1,000,000)~~one million five hundred thousand dollars (\$1,500,000).

(2) "Fund cap amount" means the catastrophic loss amount plus a reserve amount. The amount is ~~one million five hundred thousand dollars (\$1,500,000)~~two million dollars (\$2,000,000).

...

(f) Suspension of Payments. – ~~If the Student Protection Fund balance is equal to or exceeds the Fund cap amount, the State Board of Proprietary Schools shall suspend payments into the Fund for schools that have been continuously licensed in the State for more than eight years. The State Board of Proprietary Schools shall require schools to resume payments into the Fund if the balance of the Fund is less than the catastrophic loss amount.~~The State Board of Proprietary Schools shall suspend payments into the Fund, as follows:

(1) For schools that are currently licensed in this State, if the Student Protection Fund balance is equal to or exceeds the catastrophic loss amount.

(2) For schools applying for initial licensure with the State, if the Student Protection Fund balance is equal to or exceeds the fund cap amount.

(3) If the Student Protection Fund balance decreases below the catastrophic loss amount, the State Board shall reinstate the requirement for schools to make payments into the Fund.

...."

SECTION 3J.18.(e) Subsection (a) of this section applies beginning with appointments made on or after the date this act becomes law. Subsections (b), (c), and (d) of this section become effective July 1, 2025, and apply to licenses issued or renewed on or after that date.

EXPAND CAREER AND COLLEGE READY GRADUATE PROGRAM

SECTION 3J.19. Section 10.13(a) of S.L. 2015-241, as amended by Section 10.5 of S.L. 2016-94 and Section 9.4 of S.L. 2018-5, reads as rewritten:

"SECTION 10.13.(a) The State Board of Community Colleges, in consultation with the State Board of Education, shall develop a program for implementation beginning with model programs in the 2016-2017 school year that introduces the college developmental mathematics and developmental reading and English curriculums in the high school senior ~~year-year~~, including the immediately preceding summer, and provides opportunities for college remediation for students prior to high school graduation through cooperation with community college partners. Professional development for high school faculty shall begin with the 2018-2019 school year. The program shall be phased in by cohorts developed by the Department of Public Instruction beginning with the 2019-2020 school year. The program shall be fully implemented in all high schools statewide beginning with the 2020-2021 school year. Students who are enrolled in the

1 Occupational Course of Study to receive their high school diplomas shall not be required to
2 participate in the program or be required to take mandatory remedial courses as provided for in
3 this section, unless a parent specifically requests through the individualized education program
4 (IEP) process that the student participates. The program shall require the following:

5"

6
7 **PERMIT UNC TO ENTER INTO AGREEMENTS WITH VENDORS TO BUY BACK**
8 **OR TRADE IN TECHNOLOGICAL EQUIPMENT**

9 SECTION 3J.20. G.S. 143-64.03 reads as rewritten:

10 "**§ 143-64.03. Powers and duties of the State agency for surplus property.**

11 ...

12 (b1) Nothing in this Article, or any administrative rules promulgated under this Article,
13 shall be deemed to prohibit The University of North Carolina from ~~conveying~~ doing the
14 following:

15 (1) Conveying surplus computer equipment at no cost and cost. The University of
16 North Carolina is encouraged to prioritize distribution to nonprofit entities that
17 refurbish computers to donate to low-income students or households in the
18 State. Any conveyance to a nonprofit under this ~~subsection~~ subdivision shall
19 be conditioned upon, and in consideration of, the nonprofit's promise to
20 refurbish the computer equipment and its donation to low-income students or
21 households in the State and the nonprofit's reporting of information required
22 by ~~this subsection~~ subsection (b2) of this section. After an initial conveyance,
23 The University of North Carolina shall not convey additional surplus
24 computer equipment to a nonprofit, unless that nonprofit has reported the
25 information required by ~~this subsection~~ subsection (b2) of this section for prior
26 conveyances.

27 (2) Entering into agreements with one or more vendors to trade in any
28 technological equipment purchased from the vendor or to allow a vendor to
29 buy back any technological equipment even if the equipment was not
30 purchased from that vendor.

31 (b2) When making a distribution under this subsection, either distributing surplus
32 computer equipment as provided in subdivision (1) of subsection (b1) of this section or entering
33 into a trade-in or buyback agreement under subdivision (2) of subsection (b1) of this section, The
34 University of North Carolina shall keep records on the type of computer equipment ~~distributed,~~
35 distributed or the technological equipment subject to the agreement, the number ~~distributed,~~ of
36 computers distributed or the type and quantity of technological equipment subject to the
37 agreement, the name of the nonprofit that received the ~~distributions,~~ distributions or the name of
38 the vendor subject to the agreement, and the nonprofit's report on donations of refurbished
39 computers to low-income students or households in the State. If the nonprofit is unable to
40 refurbish computer equipment for any reason, its report shall include the disposition of such
41 computer equipment. A nonprofit shall provide a report to the Board of Governors of The
42 University of North Carolina by February 1, 2022, and by February 1 of each year thereafter. The
43 report shall contain the information required by this subsection and any other information the
44 Board of Governors deems reasonably necessary to ensure the conditions required under this
45 subsection are satisfied. The Board of Governors of The University of North Carolina shall
46 submit a report containing the information required to be collected under this subsection to the
47 Joint Legislative Education Oversight Committee by December 1, 2022, and by ~~December~~ March
48 1 of each year thereafter.

49"

50
51 **COMMON DIGITAL CREDENTIAL PILOT**

1 **SECTION 3J.21.** Section 8A.15 of S.L. 2023-134 is amended by adding a new
2 subsection to read:

3 "SECTION 8A.15.(d) Of the funds allocated to the Authority under this section, the
4 Authority shall transfer up to one million dollars (\$1,000,000) to the Community Colleges
5 System Office to conduct a digital credential pilot program with a digital credential provider. The
6 Community Colleges System Office shall select at least one community college that is currently
7 enrolling students in a digital credential program for the fall semester of the 2024-2025 academic
8 year to participate in the pilot program. No later than June 15, 2025, the community college, in
9 consultation with the Community Colleges System Office, the digital credential provider, and
10 any other participating educational institution, shall report to the Joint Legislative Education
11 Oversight Committee on the implementation and outcomes of the digital credential pilot
12 program."

13 14 **DATA SHARING FOR CHILDREN OF WARTIME VETERANS SCHOLARSHIPS**

15 **SECTION 3J.22.(a)** Definitions. – The following definitions apply to this section:

- 16 (1) Authority. – The State Education Assistance Authority, established under
17 Article 23 of Chapter 116 of the General Statutes.
- 18 (2) Department. – The Department of Military and Veterans Affairs, established
19 under Article 14 of Chapter 143B of the General Statutes.
- 20 (3) Enrolling institution. – The State educational institution or private educational
21 institution approved by the Veterans' Affairs Commission for an academic
22 year that may receive funds under the Scholarship on behalf of a scholarship
23 recipient.
- 24 (4) Scholarship. – Scholarship for Children of Wartime Veterans established
25 pursuant to Part 2 of Article 14 of Chapter 143B of the General Statutes.
- 26 (5) Student data. – Personally identifiable information directly related to a student
27 or member of a student's household, including the name, birthdate, address,
28 Social Security number, identification number, telephone number, email
29 address, or any other information that would provide information about a
30 specific student or members of a specific student's household, including
31 identification of the enrolling institution and status as a scholarship recipient.

32 **SECTION 3J.22.(b)** The General Assembly finds that the Department is the State
33 agency responsible for selection of recipients of the scholarships and the Authority acts as the
34 fiscal agent for administering the funds for the scholarship, including accounting activities and
35 disbursement of funds as it deems necessary as the agency receiving the appropriation of funds
36 for the scholarships. Therefore, to meet its responsibilities under the State Budget Act to ensure
37 funds are used for the purpose for which they are appropriated, the Authority requires certain
38 information from the Department related to scholarships.

39 **SECTION 3J.22.(c)** The Department and the Authority shall enter into a data sharing
40 agreement for the protection of student data related to scholarships by December 2, 2024, that
41 addresses the disclosure, sharing, and use of student data for recipients of scholarships as required
42 by this section and the protection of records maintained by the Department regarding the
43 eligibility of recipients and the records maintained by the Authority as the fiscal agent in
44 disbursing funds for the scholarships. The agreement shall require compliance with all applicable
45 State and federal laws governing student data, including the Family Educational Rights and
46 Privacy Act, 20 U.S.C. § 1232g.

47 **SECTION 3J.22.(d)** No later than 10 business days after the execution of the data
48 sharing agreement entered into pursuant to subsection (c) of this section, the Department shall
49 provide the Authority with all of the following for the 2024-2025 academic year:

- 50 (1) The list of recipients of a scholarship deemed eligible by the Veterans' Affairs
51 Commission, the amount of each recipient's scholarship, and a certification by

1 the Secretary of the Department that the information for recipients of a
2 scholarship is true and accurate.

3 (2) Any student data the Authority requests from the Department, in the manner
4 and format requested by the Authority that the Authority deems necessary to
5 administer the scholarship.

6 (3) The recipients who qualify for a scholarship to be funded with monies from
7 the Escheat Fund and any supporting documentation requested by the
8 Authority that was used by the Department for making that determination for
9 an eligible student.

10 (4) Any additional information the Authority deems necessary for its
11 disbursement of scholarships.

12 **SECTION 3J.22.(e)** The Authority shall use the information provided by the
13 Department pursuant to subsection (d) of this section to acquire certification of the enrollment of
14 eligible recipients and any other necessary information directly from the enrolling institutions in
15 the manner deemed necessary by the Authority for the disbursement of funds, including
16 administering funds through the electronic grant disbursement system utilized by the Authority
17 in a manner consistent with other State-funded financial assistance programs administered by the
18 Authority. If the Authority determines that an enrolling institution has not certified the enrollment
19 and eligibility of a recipient consistent with the scholarship requirements and this section, the
20 Authority shall notify the Department within 30 days of the determination.

21 **SECTION 3J.22.(f)** The Department shall provide the Authority with any additional
22 information the Authority deems necessary for its disbursement of scholarships within 10
23 business days of the Department obtaining the information.

24 **SECTION 3J.22.(g)** This section is effective July 1, 2024, and applies to the
25 2024-2025 academic year.

26 **REPORTS ON OPPORTUNITY SCHOLARSHIP TESTING**

27 **SECTION 3J.23.(a)** Subsections (i) and (j) of Section 8A.6 of S.L. 2023-134 are
28 repealed.

29 **SECTION 3J.23.(b)** The Office of Learning Research at The University of North
30 Carolina, as established by Section 2A.8 of this act, shall study and report the following to the
31 Joint Legislative Education Oversight Committee by December 31, 2025:

32 (1) For the purpose of comparing student performance, recommendations for
33 nationally standardized tests for use in third grade and eighth grade that would
34 be appropriate for administering to (i) students in nonpublic schools who are
35 receiving Opportunity Scholarships beginning with the 2026-2027 school year
36 and (ii) students attending schools in public school units. To the extent
37 practicable, the Office of Learning Research shall recommend only one test
38 for use in third grade and one test for use in eighth grade.

39 (2) Alignment between the nationally standardized tests selected pursuant to
40 subdivision (1) of this subsection and the standard course of study for third
41 grade and eighth grade, respectively, including a crosswalk between the
42 standards assessed by the nationally standardized tests and the standard course
43 of study.

44 (3) Feasibility of developing a through-grade assessment for third and eighth
45 grade that would meet the following criteria:

46 a. Assess mastery of the standard course of study.

47 b. Consist of multiple testing events throughout the year that are
48 aggregated into a summative score.

49 c. Replace the current end-of-grade assessments for third and eighth
50 grade.
51

- 1 d. Yield data that can be used with the Education Value-Added
2 Assessment System (EVAAS).
3 e. Comply with federal law.

4 **SECTION 3J.23.(c)** The State Education Assistance Authority shall designate as the
5 nationally standardized assessments to be administered by nonpublic schools, in accordance with
6 G.S. 115C-562.5(a)(4), the tests recommended by the Office of Learning Research at The
7 University of North Carolina for use in third grade and eighth grade in accordance with
8 subsection (b) of this section.

9 **SECTION 3J.23.(d)** Notwithstanding G.S. 115C-562.7(c), the State Education
10 Assistance Authority shall submit the report required by G.S. 115C-562.7(c) by December 1,
11 2027, and annually thereafter, based on the data submitted by nonpublic schools in accordance
12 with G.S. 115C-562.5(c)(1) beginning with the 2026-2027 school year.

13 **SUBPART III-K. LOCAL GOVERNMENT**

14 **NO LOCAL GOVERNMENT INITIATED DOWN-ZONING WITHOUT CONSENT OF** 15 **AFFECTED PROPERTY OWNER**

16 **SECTION 3K.1.(a)** G.S. 160D-601(d) reads as rewritten:

17 ~~"(d) Down-Zoning. – No amendment to zoning regulations or a zoning map that~~
18 ~~down-zones property shall be initiated nor is it enforceable initiated, enacted, or enforced~~
19 ~~without the written consent of all property owners whose property is the subject of the down-zoning~~
20 ~~amendment, unless the down-zoning amendment is initiated by the local government.~~
21 ~~amendment.~~ For purposes of this section, "down-zoning" means a zoning ordinance that affects
22 an area of land in one of the following ways:
23

- 24
- 25 (1) By decreasing the development density of the land to be less dense than was
26 allowed under its previous usage.
 - 27 (2) By reducing the permitted uses of the land that are specified in a zoning
28 ordinance or land development regulation to fewer uses than were allowed
29 under its previous usage.
 - 30 (3) By creating any type of nonconformity on land not in a residential zoning
31 district, including a nonconforming use, nonconforming lot, nonconforming
32 structure, nonconforming improvement, or nonconforming site element."

33 **SECTION 3K.1.(b)** If any provision of this section is declared unconstitutional or
34 invalid by the courts, it does not affect the validity of this section as a whole or any part other
35 than the part so declared to be unconstitutional or invalid.

36 **SECTION 3K.1.(c)** This section is effective when it becomes law and applies to
37 local government ordinances adopted on or after that date and any local government ordinance
38 enacting down-zoning of property during the 180 days prior to the date this section becomes
39 effective. Ordinances adopted in violation of this section shall be void and unenforceable.
40

41 **PART IV. MISCELLANEOUS PROVISIONS**

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

45 **SECTION 4.2.** Effective Date. – Except as otherwise provided, this act is effective
46 when it becomes law.