

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 607
State and Local Government Committee Substitute Adopted 4/18/23
Third Edition Engrossed 4/26/23
House Committee Substitute Favorable 6/26/24

Short Title: Regulatory Reform Act of 2024.

(Public)

Sponsors:

Referred to:

April 6, 2023

A BILL TO BE ENTITLED
AN ACT TO PROVIDE ADDITIONAL REGULATORY RELIEF TO THE CITIZENS OF
NORTH CAROLINA.

The General Assembly of North Carolina enacts:

PART I. OCCUPATIONAL LICENSING AND ADMINISTRATIVE PROCEDURES

**ESTABLISH THE NORTH CAROLINA HEALING ARTS COMMISSION AND TO
CREATE LICENSURE PROCESSES FOR REFLEXOLOGISTS, MUSIC
THERAPISTS, AND NATUROPATHIC DOCTORS**

SECTION 1.(a) Chapter 90 of the General Statutes is amended by adding a new
Article to read:

"Article 44.

"Healing Arts.

"Part 1. North Carolina Healing Arts Commission.

"§ 90-750.1. Title and purpose.

(a) This Article shall be known and may be cited as the "North Carolina Healing Arts
Act."

(b) The North Carolina Healing Arts Act is established to safeguard the public health,
safety, and welfare; to protect the public from being harmed by unqualified persons; to assure
the highest degree of professional services and conduct on the part of practitioners of the healing
arts; to provide for the establishment of licensure requirements; and to ensure the availability of
healing arts services of high quality to persons in need of such services.

"§ 90-750.2. Definitions.

The following definitions apply in this Article:

- (1) Advisory committee. – A committee charged with supervising the day-to-day
regulation of a healing arts profession. Advisory committees shall screen
applicants for licensure and conduct all investigations necessary to give
recommendations to the Commission.
- (2) Commission. – The North Carolina Healing Arts Commission, as established
pursuant to G.S. 90-750.3.
- (3) Healing arts. – The use of allopathic, complementary, or alternative
approaches to the art and science of medicine for the prevention,
identification, and treatment of human physical or mental conditions, diseases,



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ailments, illnesses, infirmities, pain, defects, or injuries and the promotion and restoration of health and wellness.

(4) Healing arts profession. – Any of the professions listed in G.S. 90-750.8.

(5) North Carolina Healing Arts License. – A license in a healing arts profession issued pursuant to this Article.

"§ 90-750.3. North Carolina Healing Arts Commission; composition; terms; compensation.

(a) Establishment. – The North Carolina Healing Arts Commission is hereby created. The Commission shall consist of the following members appointed to three-year terms as follows:

(1) One reflexologist appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate.

(2) One music therapist appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate or the Speaker of the House of Representatives, alternating each subsequent term.

(3) One naturopathic doctor appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(4) One reflexologist appointed by the Governor.

(5) One music therapist appointed by the Governor.

(6) One naturopathic doctor appointed by the Governor.

(7) One member of the public appointed by the Governor.

(b) Vacancies. – Any vacancies on the Commission shall be filled by the appointing authority as provided in subsection (a) of this section, except that any vacancy in appointments by the General Assembly shall be filled in accordance with G.S. 120-122. Individuals appointed to fill vacancies shall serve until the normal expiration of the term they were appointed to fill.

(c) Qualifications. –

(1) All members appointed to the Commission shall be citizens of the United States and residents of the State of North Carolina.

(2) All members appointed to the Commission, except for the public member appointed by the Governor under subdivision (7) of subsection (a) of this section, shall be required to hold a North Carolina Healing Arts License in their respective profession, and remain in good standing for the duration of their terms.

(3) Public members of the Commission shall not be:

a. An agent or employee trained or experienced in the practice of healing arts.

b. An agent or employee of a person engaged in the practice of healing arts.

c. A spouse of an individual licensed pursuant to this Article.

d. Any person with significant financial interest in a health service or profession.

(d) New Healing Arts Professions. – Any healing arts professions created after January 1, 2025, shall have two members on the Commission, both of whom shall serve three-year terms. One of these members shall be appointed by the Governor. The second member shall be appointed by the General Assembly. The Speaker of the House of Representatives shall make a recommendation to be approved by the General Assembly for the first term, and the President Pro Tempore of the Senate shall make a recommendation to be approved by the General Assembly for the second term. The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall thereafter alternate recommendations for subsequent terms.

(e) Removal. – The Commission may remove any of its members for neglect of duty, incompetence, or unprofessional conduct. A member subject to disciplinary proceedings as a licensed healing arts professional shall be disqualified from participating in the official business

of the Commission until the charges have been resolved. Any member of the Commission may be removed from office by the Governor for good cause shown.

(f) Compensation of Members; Meetings. – A Commission member may not receive compensation but may receive reimbursement as provided in G.S. 93B-5. The officers of the Commission shall include a chair, a secretary, and any other officers deemed necessary by the Commission to carry out the purposes of this Article. All officers shall be elected annually by the Commission at its first meeting held after appointments to the Commission are made. The Commission shall hold a meeting within 45 days after the appointment of new Commission members. All officers shall serve one-year terms and shall serve until their successors are elected and qualified. No person shall chair the Commission for more than five consecutive years. The Commission may adopt rules governing the calling, holding, and conducting of regular and special meetings. A majority of Commission members present and voting constitutes a quorum, and no action may be taken without a quorum.

"§ 90-750.4. Powers of the Commission.

The Commission shall have the following powers and duties:

- (1) Administer, coordinate, and enforce the provisions of this Article.
- (2) Adopt, amend, or repeal rules necessary to conduct its business, carry out its duties, and administer this Article.
- (3) Appoint and maintain advisory committees to fulfill the daily regulation of healing arts professions.
- (4) Issue, renew, deny, suspend, or revoke Healing Arts Licenses, order probation, issue reprimands, and conduct any disciplinary actions authorized by this Article.
- (5) Authorize expenditures deemed necessary to carry out the provisions of this Article from fees paid to the Commission pursuant to this Article.
- (6) Remit to advisory committees funds sufficient for those advisory committees to carry out their duties.
- (7) Conduct investigations for the purpose of discovering violations of this Article or grounds for disciplinary actions.
- (8) Conduct any administrative hearings necessary for the administration of this Article, including disciplinary hearings to enforce the provisions of this Article.
- (9) Establish fees as necessary for the administration of this Article.

"§ 90-750.5. Expenses and fees.

(a) All fees shall be payable to and deposited in the name of the Commission in financial institutions designated by the Commission as official depositories. These fees shall be used to carry out the purposes of this Article.

(b) All salaries, compensation, and expenses incurred or allowed to carry out the purposes of this Article shall be paid by the Commission exclusively out of the fees received by the Commission as authorized by this Article or funds received from other sources. In no case shall any salary, expense, or other obligation authorized by this Article be charged against the State treasury.

(c) The Commission shall establish fees for healing arts professions not exceeding the following amounts:

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| (1) | <u>Issuance of a North Carolina Healing Arts License.....</u> | <u>\$300.00</u> |
| (2) | <u>License application and examination.....</u> | <u>\$200.00</u> |
| (2) | <u>North Carolina Healing Arts License renewal (annually).....</u> | <u>\$350.00</u> |
| (4) | <u>Late renewal</u> | <u>\$200.00.</u> |

"§ 90-750.6. Violations.

(a) Except as provided in subsection (b) of this section, any person violating any provision of this Article shall be punished as follows:

- (1) For the first violation, the individual shall receive a written warning.
- (2) For the second violation, the individual shall be subject to a civil penalty of no more than two hundred dollars (\$200.00).
- (3) For the third and each subsequent violation, the individual shall be subject to a civil penalty of no more than two hundred dollars (\$200.00) for each violation and shall be guilty of a Class 1 misdemeanor.

(b) Any person violating any provision of Part 4 of this Article shall be punished as a Class 1 misdemeanor.

(c) The clear proceeds of a civil penalty assessed under this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

"§ 90-750.7. Injunction.

As an additional remedy, the Commission may proceed in superior court to enjoin and restrain any person from violating the prohibitions of this Article. The Commission shall not be required to post bond when seeking an injunction pursuant to this section.

"§ 90-750.8. Healing arts professions.

The following are the healing arts professions subject to this Article:

- (1) Reflexologists.
- (2) Music therapists.
- (3) Naturopathic doctors.

"Part 2. Reflexology.

"§ 90-750.10. Reflexology as a healing arts profession.

It is the policy of this State that the practice of reflexology shall be considered a healing arts profession.

"§ 90-750.11. Definitions.

The following definitions apply in this Part:

- (1) Certifying entity. – The American Reflexology Certification Board or its successor.
- (2) Committee. – The North Carolina Reflexology Advisory Committee.
- (3) National certification. – A determination by the certifying entity that an individual has passed the certifying entity's national exam and that the individual has an active status with the certifying entity.
- (4) North Carolina Licensed Reflexologist. – An individual that (i) is certified by the certifying entity as a certified reflexologist and (ii) has been issued a North Carolina Healing Arts License in reflexology by the Commission.
- (5) Reflexology. – A protocol of manual techniques, including thumb- and finger-walking, hook and backup, and rotating-on-a-point, that are applied to specific reflex areas predominantly on the feet and hands and that stimulate the complex neural pathways linking body systems and support the body's efforts to function optimally. The practice of reflexology is not massage and bodywork therapy as defined in Article 36 of this Chapter.

"§ 90-750.12. North Carolina Reflexology Advisory Committee.

(a) Establishment. – The North Carolina Reflexology Advisory Committee is created. The Committee consists of three members serving staggered terms. The initial Committee members shall be appointed on or before January 1, 2025, as follows:

- (1) The Commission shall appoint from a list of names submitted by the North Carolina Reflexology Association or its successor two reflexologists eligible for licensure under this Article. One member shall serve an initial term of three years, and one member shall serve an initial term of two years.
- (2) The Commission shall appoint one public member who shall serve an initial term of one year.

1 Upon the expiration of the terms of the initial Committee members, each subsequent member
2 shall be appointed for a term of three years. The term of a member shall begin on January 1 of
3 each year. A member shall serve until the member's successor is appointed. No member shall
4 serve on the Committee for more than two consecutive full terms.

5 (b) Qualifications. – The initial reflexologist appointees shall be citizens of the United
6 States and North Carolina residents for at least two years prior to appointment, certified by the
7 certifying entity as a reflexologist, and eligible to obtain a North Carolina Healing Arts License
8 in reflexology under G.S. 90-750.14. Upon appointment, each initial reflexologist appointee shall
9 immediately seek to obtain a North Carolina Healing Arts License in reflexology under this
10 Article and shall remain in good standing with the Committee during the appointee's term.
11 Subsequent reflexologist appointees shall be citizens of the United States, residents of North
12 Carolina, North Carolina Licensed Reflexologists, and appointed by the Commission from a list
13 of names supplied by the North Carolina Reflexology Association or its successor. Public
14 members of the Committee shall not be:

15 (1) An agent or employee trained or experienced in the practice of reflexology.

16 (2) An agent or employee of a person engaged in the practice of reflexology.

17 (3) A member of a healing arts profession or a person enrolled in a program to
18 become a member of a healing arts profession.

19 (4) A spouse of an individual licensed under this Article.

20 (5) Any person with significant financial interest in a health service or profession.

21 (c) Meetings. – The Committee shall elect annually a chair and other officers as it deems
22 necessary to carry out the purposes of this Article. The Committee may hold additional meetings
23 upon the call of the chair or any two Committee members. A majority of the Committee shall
24 constitute a quorum.

25 (d) Compensation of Members; Expenses; Employees. – Members of the Committee
26 shall receive no compensation for their services but shall receive per diem and necessary travel
27 and subsistence expenses as provided in G.S. 138-5 and G.S. 138-6. In no event shall the State
28 of North Carolina be liable for expenses incurred by the Committee in excess of the income
29 derived from this Article.

30 **"§ 90-750.13. Powers and duties of Committee.**

31 The Committee shall have the following powers and duties:

32 (1) Administer and coordinate the provisions of this Part.

33 (2) Make recommendations to the Commission to adopt, amend, or repeal rules
34 to administer and enforce this Part.

35 (3) Establish and determine qualification and fitness of applicants for a North
36 Carolina Healing Arts License in reflexology under this Part.

37 (4) Make recommendations to the Commission to issue, renew, deny, suspend,
38 revoke, or refuse to issue or renew a North Carolina Healing Arts License in
39 reflexology under this Article.

40 (5) Make recommendations to the Commission to discipline North Carolina
41 Licensed Reflexologists.

42 (6) Advise the Commission to seek civil and criminal penalties against
43 nonlicensed individuals engaged in the practice of reflexology.

44 (7) Provide all North Carolina Licensed Reflexologists with a wallet-sized card
45 identifying the bearer as a North Carolina Licensed Reflexologist.

46 (8) Maintain a list of all individuals in the State who hold a North Carolina
47 Healing Arts License in reflexology.

48 **"§ 90-750.14. Healing arts licensure in reflexology application and requirements.**

49 Each individual desiring to obtain a North Carolina Healing Arts License in reflexology under
50 this Article shall apply to the Committee in accordance with the procedures and rules prescribed
51 by the Commission. The Committee shall recommend that the Commission issue a North

Carolina Healing Arts License in reflexology to any applicant who furnishes evidence satisfactory to the Committee that the applicant meets all of the following criteria:

- (1) The applicant is at least 18 years of age.
- (2) The applicant is of good moral character as determined by the Committee.
- (3) The applicant holds a national certification issued by the certifying entity.
- (4) The applicant has paid all applicable fees to the Commission as specified in G.S. 90-750.5.

"§ 90-750.15. License renewal.

Every North Carolina Healing Arts License in reflexology issued by the Commission shall be renewed on or before January 1 every year. The Committee shall recommend that the Commission renew the North Carolina Healing Arts License in reflexology of any individual who files a renewal application with the committee and who meets the criteria set forth in G.S. 90-750.14.

"§ 90-750.16. Compensation for reflexology services; prohibited acts.

(a) Compensation may be received for reflexology services only when those services are performed by an individual holding a North Carolina Healing Arts License in reflexology. Nonlicensed individuals who provide reflexology services or who engage in the practice of reflexology are subject to the penalties in G.S. 90-750.6 or an injunction under G.S. 90-750.7 unless any of the following applies:

- (1) The individual is a reflexology student working to obtain a certification of completion from a nationally recognized reflexology education program.
- (2) The individual holds a certification of completion from a nationally recognized reflexology education program, and that program was completed no more than six months prior to that individual receiving compensation for reflexology services.

(b) Unless all reflexology services are performed by individuals holding a North Carolina Healing Arts License in reflexology, a place of business where reflexology services are offered for compensation shall be subject to a civil penalty of no more than five hundred dollars (\$500.00) for each violation and a suspension of any license to operate the business for no more than 90 days. The clear proceeds of the civil penalty assessed under this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. The Commission shall enforce the provisions of this subsection.

"§ 90-750.17. License to be displayed; advertising.

(a) At all places of business in which compensated reflexology services are offered, a valid and up-to-date license for all individuals offering compensated reflexology services shall be displayed in a prominent place.

(b) All public advertising designed to attract clients for reflexology services shall identify that the services will be performed by an individual holding a North Carolina Healing Arts License in reflexology.

(c) No individual shall use the title "North Carolina Licensed Reflexologist" unless that individual holds a valid North Carolina Healing Arts License in reflexology issued by the Commission. Individuals holding themselves out as North Carolina Licensed Reflexologists shall carry the identification card described in G.S. 90-750.13(7) at all times when providing reflexology services. Individuals in violation of this subsection are subject to the penalties in G.S. 90-750.6 or an injunction under G.S. 90-750.7.

"§ 90-750.18. Reciprocity.

The Committee may recommend that the Commission grant, upon application and payment of proper fees, a North Carolina Healing Arts License in reflexology to a person who has been licensed or certified to practice reflexology in another state or territory of the United States whose standards of competency are substantially equivalent to the requirements for licensure provided in this Article.

"§ 90-750.19. Exemptions.

This Part shall not apply to an individual who may apply pressure to the reflex areas on the hands, feet, and outer ears in the regular course of that individual's work, so long as (i) the individual is licensed by this State as a massage and bodywork therapist, physician, chiropractor, acupuncturist, physical therapist, cosmetologist, registered nurse, or as a member of other professions licensed by the State and (ii) this application of pressure to the reflex areas on the hands, feet, and outer ears accounts for no more than twenty-five percent (25%) of that individual's work.

"Part 3. Music Therapy.**"§ 90-750.20. Music therapy as a healing arts profession.**

It is the policy of this State that the practice of music therapy shall be considered a healing arts profession.

"§ 90-750.21. Definitions.

The following definitions apply in this Part:

- (1) Certifying entity. – The Certification Board for Music Therapists or its successor.
- (2) Committee. – The North Carolina Music Therapy Advisory Committee.
- (3) Music therapy. – The clinical and evidence-based use of music interventions to accomplish individualized goals within a therapeutic relationship by a credentialed professional who has completed an approved music therapy program, including (i) assessment of a client's emotional, physical, and spiritual health; social functioning; communication abilities; and cognitive skills through the client's history and observation and interaction of the client in music and nonmusic settings, (ii) development and implementation of treatment plans, based on a client's assessed needs, using music interventions, including music improvisation, receptive music listening, song writing, lyric discussion, music and imagery, music performance, learning through music, and movement to music, and (iii) evaluation and documentation of the client's response to treatment.
- (4) Music therapy services. – The provision of services to accomplish music therapy goals, including (i) conducting an individualized assessment for the purpose of collecting systematic, comprehensive, and accurate data necessary to determine the course of action subsequent to the individualized treatment plan, (ii) planning and developing the individualized music therapy treatment plan that identifies an individual's goals, objectives, and potential treatment intervention strategies, (iii) implementing the individualized music therapy treatment plan consistent with the individual's overall treatment program, (iv) systematically evaluating and comparing the individual's response to the individualized music therapy treatment plan and suggesting modifications, as appropriate, (v) developing a discharge plan in collaboration with the individual, the individual's family, treatment team, and other identified support networks, when appropriate, (vi) minimizing the impact of environmental constraints as a barrier to participation in least restrictive environments for individuals engaging in music therapy, (vii) collaborating with and educating the individual, family, caregiver, and others to foster an environment responsive to the developmental needs of the individual as addressed in music therapy, and (viii) consulting with groups, programs, organizations, or communities to improve accessibility to music therapy services.

(5) National certification. – A determination by the certifying entity that an individual has satisfied the certifying entity's requirements and that the individual has an active status with the certifying entity.

(6) North Carolina Licensed Music Therapist. – An individual who has been issued a North Carolina Healing Arts License in music therapy by the Commission.

"§ 90-750.22. North Carolina Music Therapy Advisory Committee.

(a) Establishment. – The North Carolina Music Therapy Advisory Committee is created. The Committee consists of three members serving staggered terms. The initial Committee members shall be appointed on or before January 1, 2025, as follows:

(1) The Commission shall appoint from a list of names submitted by the Music Therapy Association of North Carolina or its successor two music therapists eligible to obtain a North Carolina Healing Arts License in music therapy under this Article. One member shall serve an initial term of three years, and one member shall serve an initial term of two years.

(2) The Commission shall appoint one public member who shall serve an initial term of one year.

Upon the expiration of the terms of the initial Committee members, each subsequent member shall be appointed for a term of three years. The term of a member shall begin on January 1 of each year. A member shall serve until the member's successor is appointed. No member shall serve on the Committee for more than two consecutive full terms.

(b) Qualifications. – The initial music therapist appointees shall be citizens of the United States and North Carolina residents for at least two years prior to appointment, certified by the certifying entity as a music therapist, and eligible to obtain a North Carolina Healing Arts License in music therapy under G.S. 90-750.24. Upon appointment, each initial music therapist appointee shall immediately seek to obtain a North Carolina Healing Arts License in music therapy under this Article and shall remain in good standing with the Committee during the appointee's term. Subsequent music therapist appointees shall be citizens of the United States, residents of North Carolina, North Carolina Licensed Music Therapists, and appointed by the Commission from a list of names supplied by the Music Therapy Association of North Carolina or its successor. Public members of the Committee shall not be:

(1) An agent or employee trained or experienced in the practice of music therapy.

(2) An agent or employee of a person engaged in the practice of music therapy.

(3) A member of a healing arts profession or a person enrolled in a program to become a member of a healing arts profession.

(4) A spouse of an individual licensed under this Article.

(5) Any person with significant financial interest in a health service or profession.

(c) Meetings. – The Committee shall elect annually a chair and other officers as it deems necessary to carry out the purposes of this Article. The Committee may hold additional meetings upon the call of the chair or any two Committee members. A majority of the Committee shall constitute a quorum.

(d) Compensation of Members; Expenses; Employees. – Members of the Committee shall receive no compensation for their services but shall receive per diem and necessary travel and subsistence expenses as provided in G.S. 138-5 and G.S. 138-6. In no event shall the State of North Carolina be liable for expenses incurred by the Committee in excess of the income derived from this Article.

"§ 90-750.23. Powers and duties of Committee.

The Committee shall have the following powers and duties:

(1) Administer and coordinate the provisions of this Part.

(2) Make recommendations to the Commission to adopt, amend, or repeal rules to administer and enforce this Part.

- (3) Establish and determine qualification and fitness of applicants for a North Carolina Healing Arts License in music therapy under this Part.
- (4) Make recommendations to the Commission to issue, renew, deny, suspend, revoke, or refuse to issue or renew a North Carolina Healing Arts License in music therapy under this Article.
- (5) Make recommendations to the Commission to discipline North Carolina Licensed Music Therapists.
- (6) Advise the Commission to seek civil and criminal penalties against nonlicensed individuals engaged in the practice of music therapy.
- (7) Provide all North Carolina Licensed Music Therapists with a wallet-sized card identifying the bearer as a North Carolina Licensed Music Therapist.
- (8) Maintain a list of all individuals in the State who hold a North Carolina Healing Arts License in music therapy.

"§ 90-750.24. North Carolina Healing Arts License in music therapy requirements.

Each individual desiring to obtain a North Carolina Healing Arts License in music therapy under this Article shall apply to the Committee in accordance with the procedures and rules prescribed by the Commission. The Committee shall recommend that the Commission issue a North Carolina Healing Arts License in music therapy to any applicant who furnishes evidence satisfactory to the Committee that the applicant meets all of the following criteria:

- (1) Is 18 years of age or older.
- (2) Is of good moral character as determined by the Committee.
- (3) Has successfully completed an academic program accredited by the American Music Therapy Association (AMTA) with at least a bachelor's degree majoring in music therapy from an accredited college or university.
- (4) Has successfully completed the certification examination offered by the certifying entity to become a Music Therapist-Board Certified (MT-BC).
- (5) Has successfully completed a minimum of 1,200 hours of clinical training with at least 180 hours in preinternship experiences and at least 900 hours in internship experiences. For purposes of this subdivision, the internship may be approved by an academic institution, the AMTA, or both.
- (6) Has paid all applicable fees to the Commission as specified under G.S. 90-750.5.

"§ 90-750.25. License renewal.

Every North Carolina Healing Arts License in music therapy issued by the Commission shall be renewed on or before January 1 every five years. The Committee shall recommend that the Commission renew the license of any individual who files a renewal application with the committee and who meets the licensure criteria set forth in G.S. 90-750.24.

"§ 90-750.26. Compensation for music therapy services; prohibited acts.

Compensation may be received for music therapy services only when those services are performed by an individual holding a North Carolina Healing Arts License in music therapy. Nonlicensed individuals who provide music therapy services or who engage in the practice of music therapy are subject to the penalties in G.S. 90-750.6 or an injunction under G.S. 90-750.7.

"§ 90-750.27. North Carolina Licensed Music Therapist.

No individual shall use the title "North Carolina Licensed Music Therapist" unless that individual holds a valid North Carolina Healing Arts License in music therapy issued by the Commission. Individuals holding themselves out as North Carolina Licensed Music Therapists shall carry the identification card described in G.S. 90-750.23(7) at all times when providing music therapy. Individuals in violation of this section are subject to the penalties in G.S. 90-750.6 or an injunction under G.S. 90-750.7.

"§ 90-750.28. Reciprocity.

The Committee may recommend that the Commission grant, upon application and payment of proper fees, a North Carolina Healing Arts License in music therapy to a person who has been licensed or certified to practice music therapy in another state or territory of the United States whose standards of competency are substantially equivalent to the requirements for licensure provided in this Article.

"Part 4. Naturopathic Doctors.

"§ 90-750.30. Naturopathic medicine as a healing arts profession.

It is the policy of this State that the practice of naturopathic medicine shall be considered a healing arts profession.

"§ 90-750.31. Definitions.

The following definitions apply in this Part:

- (1) Approved program of naturopathic medicine. – A program that meets all of the following conditions:
 - a. A program that provides graduate-level, full-time didactic and supervised clinical training in naturopathic medicine that is accredited, or has achieved candidacy status for accreditation, by the Council on Naturopathic Medical Education or an equivalent federally recognized accrediting body for the naturopathic medical profession recognized by the Committee, or if the program existed prior to the existence of the Council on Naturopathic Medical Education, the program must (i) have provided graduate-level, full-time didactic and supervised clinical training in naturopathic medicine for a duration of not less than 132 weeks and required completion within a period of not less than 35 months, (ii) be recognized as a reputable program by, and in good standing with, the Committee, and (iii) if the program is still in existence, be currently accredited, or have achieved candidacy status for accreditation by the Council on Naturopathic Medical Education or an equivalent federally recognized accrediting body for the naturopathic medical profession recognized by the Committee.
 - b. A program that is offered by an institution of higher education that is accredited by a regional or national institutional accrediting body recognized by the United States Secretary of Education.
 - c. If the program is offered in the United States, a program that awards the degree of Doctor of Naturopathy or Doctor of Naturopathic Medicine. If the program is offered in Canada, a program that awards the degree or diploma of Doctor of Naturopathy or Doctor of Naturopathic Medicine and is offered by an institution of higher education that has provincial approval for participation in government-funded student aid programs.
 - d. A program that has been approved by the Committee to meet the standards established by its rules.
- (2) Committee. – The North Carolina Naturopathic Medicine Advisory Committee.
- (3) Council. – The Naturopathic Doctors Formulary Council.
- (4) Criminal history. – A history of conviction, or of having pled guilty or no contest to a State or federal crime, whether a misdemeanor or felony.
- (5) Integrative medicine. – As defined in G.S. 90-1.1.
- (6) Natural medicines. – Any herbal, nutritional, supplemental, homeopathic, or other nonprescription remedies.
- (7) Naturopathic medicine. – A system of natural health care that employs diagnosis and treatment using diagnostic techniques and natural therapies for

the promotion, maintenance, and restoration of health and the prevention of disease, including all of the following:

- a. The administration or provision of any of the following for preventive and therapeutic purposes: natural medicines, natural therapies, natural topical medicines, hydrotherapy, dietary therapy, and naturopathic physical medicine.
- b. The use of diagnostic procedures, including physical and orificial examination, but excluding endoscopy, sigmoidoscopy, and colonoscopy.
- c. The ordering, performing, and interpretation of laboratory tests and diagnostic imaging.

(8) Naturopathic physical medicine. – The manual use of massage, stretching, resistance, or naturopathic manipulation.

(9) North Carolina Licensed Naturopathic Doctor or naturopathic doctor. – An individual who has been issued a North Carolina Healing Arts License in naturopathic medicine by the Commission.

"§ 90-750.32. Practice of naturopathic medicine; scope of practice.

(a) Practice of Naturopathic Medicine. – A naturopathic doctor is a licensed health care provider having the same responsibilities as other licensed or registered health care providers regarding public health laws, reportable diseases and conditions, communicable disease control and prevention, and the recording of vital statistics. In diagnosing and treating an individual, a naturopathic doctor may employ the following therapies:

- (1) Dispense, administer, order, and advise the use of natural remedies derived from or substantially similar to molecular structure or function to natural sources for preventive and therapeutic purposes, including food, extracts of food, nutraceuticals, vitamins, minerals, amino acids, enzymes, botanicals and their extracts, homeopathic remedies prepared according to the Homeopathic Pharmacopoeia of the United States, and all dietary supplements and nonprescription drugs, as defined by the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301 et seq.
- (2) Order and perform physical examinations and physiological function tests.
- (3) Order, perform, and interpret laboratory tests, including performing waived tests, as defined by the United States Food and Drug Administration Clinical Laboratory Improvement Amendments of 1988 (CLIA), including obtaining specimens to access and treat disease.
- (4) Order diagnostic imaging, including X ray, MRI, CT scan, ultrasound, mammogram, and bone densitometry. The scope of this subdivision excludes electrocardiograms, echocardiograms, electroencephalograms, and nuclear imaging.
- (5) Perform hot or cold hydrotherapy, naturopathic physical medicine, electromagnetic therapy, and therapeutic exercise.
- (6) Perform health education and health counseling, including dietary and lifestyle counseling.
- (7) Utilize routes of administration for substances, including oral, nasal, auricular, ocular, rectal, vaginal, and transdermal.
- (8) Perform care incidental to superficial lacerations and abrasions, including the application of topical and local anesthetics and antimicrobials.

(b) Prohibitions. – A naturopathic doctor may practice only within the scope of practice authorized in this Article. A naturopathic doctor may not practice as any other health care professional licensed or registered under another Article of this Chapter unless otherwise licensed

or registered by this State to do so. A naturopathic doctor may not perform any of the following functions unless otherwise licensed by this State to do so:

- (1) Prescribe, dispense, or administer any prescription drug or controlled substance, except as authorized by this Article.
- (2) Use general or spinal anesthetics.
- (3) Perform surgical procedures.
- (4) Administer ionizing radioactive substances for therapeutic purposes.
- (5) Child delivery.
- (6) Diagnose and treat cancer. This prohibition does not apply to adjunctive or complementary care of patients who have previously been or are currently diagnosed with cancer.

"§ 90-750.33. North Carolina Licensed Naturopathic Doctor; license required; exemptions.

(a) No individual shall practice, attempt to practice, or claim to practice naturopathic medicine unless the person has been licensed under the provisions of this Article.

(b) Only an individual licensed under this Article may use the titles "Naturopathic Doctor," "Doctor of Naturopathic Medicine," "Doctor of Naturopathy," "Naturopathic Medicine," "Naturopath," "Licensed Naturopathic Doctor," or the abbreviations "N.D." or "ND," or any other titles, words, letters, abbreviations, or insignia indicating or implying that the individual is a licensed naturopathic doctor unless the individual has been licensed as a naturopathic doctor under this Article.

(c) Exemptions. – Nothing in this Part shall be construed to prohibit or affect any of the following:

- (1) The practice of a profession by an individual who is licensed or registered under other laws of this State and is performing services within the authorized scope of practice.
- (2) The practice of naturopathic medicine by an individual employed by the federal government while the person is engaged in the performance of duties prescribed by laws and regulations of the United States.
- (3) A person rendering aid in an emergency situation when no fee or other compensation for the service is received.
- (4) The practice of naturopathic medicine by an individual duly licensed or registered in another state, territory, or the District of Columbia when called into this State to consult with a licensed or registered health care provider for a period not to exceed six months.
- (5) The practice of naturopathic medicine by students completing a clinical requirement for graduation from an approved program of naturopathic medicine, so long as the practice is performed under the supervision of a physician licensed under Article 1 of this Chapter or a naturopathic doctor licensed under this Article and the clinical requirement does not exceed one year.
- (6) A person who does not hold himself or herself out to be a naturopathic doctor when furnishing information to customers or selling, administering, or utilizing nutritional supplements, herbs, food, homeopathic preparations, and such physical forces as heat, cold, water, touch, and light at the person's retail, health spa, or health consulting establishment.

"§ 90-750.34. North Carolina Naturopathic Medicine Advisory Committee.

(a) Establishment. – The North Carolina Naturopathic Medicine Advisory Committee is created. The Committee consists of three members serving staggered terms. The initial Committee members shall be appointed on or before January 1, 2025, as follows:

- (1) The Commission shall appoint from a list of names submitted by the North Carolina Association of Naturopathic Physicians or its successor two

1 naturopathic doctors eligible to obtain a North Carolina Healing Arts License
2 in naturopathic medicine under this Article. One member shall serve an initial
3 term of three years, and one member shall serve an initial term of two years.

- 4 (2) The Commission shall appoint one public member who shall serve an initial
5 term of one year.

6 Upon the expiration of the terms of the initial Committee members, each subsequent member
7 shall be appointed for a term of three years. The term of a member shall begin on January 1 of
8 each year. A member shall serve until the member's successor is appointed. No member shall
9 serve on the Committee for more than two consecutive full terms.

10 (b) Qualifications. – The initial naturopathic doctor appointees shall be citizens of the
11 United States and North Carolina residents for at least two years prior to appointment, graduates
12 of an approved program of naturopathic medicine, and eligible to obtain a North Carolina Healing
13 Arts License in naturopathic medicine under G.S. 90-750.37. Upon appointment, each initial
14 naturopathic doctor appointee shall immediately seek to obtain a North Carolina Healing Arts
15 License in naturopathic medicine under this Article and shall remain in good standing with the
16 Committee during the appointee's term. Subsequent naturopathic doctor appointees shall be
17 citizens of the United States, residents of North Carolina, North Carolina Licensed Naturopathic
18 Doctors, and appointed by the Commission from a list of names supplied by the North Carolina
19 Association of Naturopathic Physicians or its successor. Public members of the Committee shall
20 not be:

- 21 (1) An agent or employee trained or experienced in the practice of naturopathic
22 medicine.
23 (2) An agent or employee of a person engaged in the practice of naturopathic
24 medicine.
25 (3) A member of a healing arts profession or a person enrolled in a program to
26 become a member of a healing arts profession.
27 (4) A spouse of an individual licensed under this Article.
28 (5) Any person with significant financial interest in a health service or profession.

29 (c) Meetings. – The Committee shall elect annually a chair and other officers as it deems
30 necessary to carry out the purposes of this Article. The Committee may hold additional meetings
31 upon the call of the chair or any two Committee members. A majority of the Committee shall
32 constitute a quorum.

33 (d) Compensation of Members; Expenses; Employees. – Members of the Committee
34 shall receive no compensation for their services but shall receive per diem and necessary travel
35 and subsistence expenses as provided in G.S. 138-5 and G.S. 138-6. In no event shall the State
36 of North Carolina be liable for expenses incurred by the Committee in excess of the income
37 derived from this Article.

38 **"§ 90-750.35. Powers and duties of Committee.**

39 The Committee shall have the following powers and duties:

- 40 (1) Administer and coordinate the provisions of this Part.
41 (2) Make recommendations to the Commission to adopt, amend, or repeal rules
42 to administer and enforce this Part, including rules for approved continuing
43 education.
44 (3) Establish and determine qualification and fitness of applicants for a North
45 Carolina Healing Arts License in naturopathic medicine under this Part.
46 (4) Make recommendations to the Commission to issue, renew, deny, suspend,
47 revoke, or refuse to issue or renew a North Carolina Healing Arts License in
48 naturopathic medicine under this Article.
49 (5) Make recommendations to the Commission to discipline North Carolina
50 Licensed Naturopathic Doctors.

- (6) Advise the Commission to seek civil and criminal penalties against nonlicensed individuals engaged in the practice of naturopathic medicine.
- (7) Maintain a list of all naturopathic doctors in the State who hold a North Carolina Healing Arts License in naturopathic medicine.
- (8) Make recommendations to the Commission to adopt a formulary based on the recommendations of the Council made under G.S. 90-750.36. The Committee may modify or reject any recommendation of the Council regarding the formulary.

"§ 90-750.36. Naturopathic Doctors Formulary Council.

(a) Composition and Terms. – The Naturopathic Doctors Formulary Council is formed within and appointed by the Committee and exists under the supervision of the Committee. The Council shall develop and recommend to the Committee, on an ongoing basis, a formulary for naturopathic doctors to use in practice.

(1) The Council consists of the following members:

- a. Two naturopathic doctors who (i) hold a North Carolina Healing Arts License in naturopathic medicine, (ii) practice naturopathic medicine in North Carolina, (iii) have a minimum of two years of experience practicing naturopathic medicine, and (iv) have resided in North Carolina for at least two years prior to appointment.
- b. One physician licensed under Article 1 of Chapter 90 of the General Statutes who is involved in the practice of integrative medicine or teaches integrative medicine at a medical school and practices in the State.
- c. One physician licensed under Article 1 of Chapter 90 of the General Statutes who practices in the State.
- d. One pharmacist who has a background in pharmacognosy and who practices in the State.
- e. One member of the public who is not a licensed or registered health care professional and is not employed in a health care profession and resides in this State.

(2) Members appointed under subdivision (1) of this subsection shall serve for a term of three years and shall continue to serve after the expiration of the term until a successor is appointed by the Committee.

(b) Powers and Duties. – The Council shall have the following powers and duties:

- (1) Develop and recommend to the Committee a formulary for use by licensed naturopathic doctors.
- (2) Review, annually and at the discretion of the Committee, the formulary adopted by the Commission to determine whether any changes are necessary for compliance with current prescribing standards or the practice of naturopathic standards.
- (3) Recommend to the Committee any changes that, in the Council's discretion, need to be implemented to improve the formulary.

(c) The formulary recommended to the Committee by the Council shall include natural remedies that may require a prescription or a remedy derived from or substantially similar in molecular structure or function to natural sources that may require a prescription. Substances included in the formulary must be allowed within the scope of practice and should be protected within the future scope of practice for naturopathic doctors.

(d) The Committee shall designate the chair of the Council and shall provide staff necessary to carry out the Council's powers and duties.

(e) A Council member may not receive compensation but may receive reimbursement, as provided in G.S. 93B-5.

"§ 90-750.37. North Carolina Healing Arts License in naturopathic medicine requirements.

Each individual desiring to obtain a North Carolina Healing Arts License in naturopathic medicine under this Article shall apply to the Committee in accordance with the procedures and rules prescribed by the Commission. The Committee shall recommend that the Commission issue a North Carolina Healing Arts License in naturopathic medicine to any applicant who furnishes evidence satisfactory to the Committee that the applicant meets all of the following criteria:

- (1) Is 18 years of age or older.
- (2) Is of good moral and ethical character as determined by the Committee.
- (3) Has graduated from an approved program of naturopathic medicine as defined in G.S. 90-750.31.
- (4) Meets either of the following two conditions:
 - a. Has successfully passed the Naturopathic Physicians Licensing Examination (NPLEX), a competency-based national naturopathic licensing examination administered by the North American Board of Naturopathic Examiners or an equivalent successor agency recognized by the Committee.
 - b. Has successfully passed a competency-based state or Canadian province naturopathic licensing examination administered prior to the existence of NPLEX and approved by the Committee.
- (5) Has submitted to the Committee a written attestation that is approved by the Committee and that complies with all of the following criteria:
 - a. The applicant attests to having a collaboration and consultation agreement with a physician licensed under Article 1 of Chapter 90 of the General Statutes and provides the name and license number of the physician identified in the collaboration and consultation agreement.
 - b. An attestation that the physician has been informed of the collaboration and consultation agreement.
 - c. The applicant attests to refer patients to physicians and to consult with physicians and other health care providers licensed or registered in this State.
 - d. The applicant attests that the collaboration and consultation agreement does not require or implement supervision of the applicant by the physician or health care professional identified in the collaboration or consultation agreement.
- (6) Has submitted to any criminal history record check required by the Commission. The Committee is responsible for providing to the North Carolina Department of Justice the fingerprints of the person to be checked, a form signed by the person consenting to the criminal record check and the use of fingerprints and other identifying information required by the State or national repositories, and any additional information required by the Department of Justice. The Committee and Commission shall keep all information obtained pursuant to this section confidential. If a criminal history record check reveals one or more convictions, the conviction does not automatically bar licensure, in accordance with Chapter 93B of the General Statutes. The Committee shall consider all of the following factors regarding the conviction:
 - a. The level of seriousness of the crime.
 - b. The date of the crime.
 - c. The age of the person at the time of the conviction.
 - d. The circumstances surrounding the commission of the crime, if known.

- e. The nexus between the criminal conduct of the person and the job duties of the position to be filled.
- f. The person's prison, jail, probation, parole, rehabilitation, and employment records since the date the crime was committed.
- g. The subsequent commission of a crime by the person.
- h. Any additional criteria specified in G.S. 93B-8.1.
- (7) Has submitted to the Committee any other documentation the Committee deems necessary to determine the applicant's fitness for licensure under this Article. This documentation may include successful completion of a Committee-approved jurisprudence examination on State laws and rules related to naturopathic medicine.
- (8) Has paid all applicable fees to the Commission as specified under G.S. 90-750.5.

"§ 90-750.38. License renewal and reinstatement.

(a) Renewal. – Every North Carolina Healing Arts License in naturopathic medicine issued by the Commission shall be renewed on or before January 1 every year. The Committee shall recommend that the Commission renew the license of any individual who files a renewal application with the Committee, meets the licensure criteria set forth in G.S. 90-750.37, and has completed at least 20 hours of continuing education approved by the Committee within the one-year period immediately prior to the renewal date.

(b) Reinstatement. – An individual who held a North Carolina Healing Arts License in naturopathic medicine who has allowed the license to lapse by failure to renew within the time allowed under subsection (a) of this section may apply for reinstatement. The Committee may recommend reinstatement of the applicant's license if the applicant pays the required fees, furnishes a statement of the reason for failure to apply for renewal before the deadline, and complies with any other requirements established in rules adopted by the Commission. If the license has lapsed for five years or longer, the Committee may recommend that the Commission require the applicant to satisfactorily complete one or more skills assessment or remediation courses approved by the Commission or to provide proof of active licensure, or registration within the past five years in another state, district, territory, or Canadian province.

"§ 90-750.39. Reciprocity.

The Committee may recommend the Commission issue, upon application and payment of fees, a North Carolina Healing Arts License in naturopathic medicine to a person who resides in this State and is actively licensed or registered to practice naturopathic medicine in another state, district, territory, or Canadian province, if both of the following conditions are met:

- (1) The standards for licensure or registration in the state, district, territory, or province in which the person is actively licensed or registered to practice naturopathic medicine are substantially equivalent to those provided in this Article.
- (2) The applicant provides proof of licensure or registration in good standing in all states, districts, territories, and provinces in which the applicant has been licensed or registered.

"§ 90-750.40. Reports; immunity from suit.

(a) Report. – A person who has reasonable cause to suspect misconduct or incapacity of a North Carolina Licensed Naturopathic Doctor, or who has reasonable cause to suspect that a person is in violation of this Part, may report the relevant facts to the Committee. Upon receipt of a charge, the Committee shall recommend that the Commission investigate the charge and take appropriate action, including discipline, if necessary. Upon receipt of a charge, the Commission may give notice of an administrative hearing or may, after diligent investigation, dismiss unfounded charges. A person who, in good faith, makes a report pursuant to this section is immune from any criminal prosecution or civil liability resulting from making the report.

(b) Limited Immunity. – Both the Commission and the Committee, including their officers, employees, and staff, are immune from any criminal prosecution or civil liability for exercising, in good faith, the powers and duties given under this Article.

"§ 90-750.41. Third-party reimbursement.

Nothing in this Article shall be construed to require direct third-party reimbursement to persons licensed under this Article."

SECTION 1.(b) G.S. 90-18(c) reads as rewritten:

"(c) The following shall not constitute practicing medicine or surgery as defined in this Article:

...

(21) The practice of naturopathic medicine by a naturopathic doctor licensed under Article 44 of this Chapter."

SECTION 1.(c) G.S. 90-624 is amended by adding a new subdivision to read:

"(9) A licensed reflexologist engaged in the practice of reflexology, as defined in G.S. 90-750.11."

SECTION 1.(d) Article 13 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-975. Criminal record checks for applicants for licensure as a naturopathic doctor.

(a) The Department of Public Safety may provide to the North Carolina Healing Arts Commission a criminal history record from the State and National Repositories of Criminal Histories for applicants for licensure as a naturopathic doctor. Along with a request for criminal history records, the Commission shall provide to the Department of Public Safety the fingerprints of the applicant or subject, a form signed by the applicant consenting to the criminal history record check and use of the fingerprints and other identifying information required by the Repositories, and any additional information required by the Department. The fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of fingerprints to the Federal Bureau of Investigation for a national criminal history record check. The Commission shall keep all information obtained pursuant to this section confidential.

(b) The Department of Public Safety may charge a fee to offset the cost incurred by the Department of Public Safety to conduct a criminal history record check under this section, but the fee shall not exceed the actual cost of locating, editing, researching, and retrieving the information."

SECTION 2.(a) Notwithstanding G.S. 90-750.3, as enacted by Section 1(a) of this act, the North Carolina Healing Arts Commission shall be appointed as follows:

- (1) The General Assembly, upon the recommendation of the President Pro Tempore of the Senate, shall appoint one reflexologist to serve an initial term of three years.
- (2) The General Assembly, upon the recommendation of the Speaker of the House of Representatives, shall appoint one music therapist to serve an initial term of two years.
- (3) The General Assembly, upon the recommendation of the Speaker of the House of Representatives, shall appoint one naturopathic doctor to serve an initial term of two years.
- (4) The Governor shall appoint one reflexologist to serve an initial term of three years.
- (5) The Governor shall appoint one music therapist to serve an initial term of two years.
- (6) The Governor shall appoint one naturopathic doctor who shall serve an initial term of one year.

(7) The Governor shall appoint one member of the public who shall serve an initial term of three years.

SECTION 2.(b) The reflexologists appointed to the Commission pursuant to subsection (a) of this section shall have been North Carolina residents for at least two years prior to appointment, certified by a national entity that certifies reflexologists, and eligible for licensure under G.S. 90-750.14, as enacted by Section 1(a) of this act. Upon appointment, the reflexologist appointees shall seek to obtain a North Carolina Healing Arts License in reflexology as soon as the first application period begins, and shall remain in good standing with the Commission.

SECTION 2.(c) The music therapists appointed to the Commission pursuant to subsection (a) of this section shall have been North Carolina residents for at least two years prior to appointment, certified by a national entity that certifies music therapists, and eligible for licensure under G.S. 90-750.24, as enacted pursuant to Section 1(a) of this act. Upon appointment, the initial music therapist appointees shall seek to obtain a North Carolina Healing Arts License in music therapy as soon as the first application period begins, and shall remain in good standing with the Commission.

SECTION 2.(d) The naturopathic doctors appointed to the Commission pursuant to subsection (a) of this section shall have been North Carolina residents for at least two years prior to appointment, graduates of an approved program of naturopathic medicine, and eligible for licensure under G.S. 750.37, as enacted by Section 1(a) of this act. Upon appointment, the initial naturopathic doctor appointees shall seek to obtain a North Carolina Healing Arts License in naturopathic medicine as soon as the first application period begins, and shall remain in good standing with the Commission.

SECTION 2.(e) The appointments required by this section shall be made on or before December 1, 2024, and the initial terms of the appointees shall begin on January 1, 2025. Once these initial terms expire, all vacancies shall be filled according to the provisions of G.S. 90-750.3, as enacted in Section 1(a) of this act.

SECTION 2.(f) G.S. 90-750.6 and G.S. 90-750.7, as enacted by Section 1(a) of this act, become effective on the date that is the first day of a month that begins 180 days after the Chair of the Healing Arts Commission certifies to the Revisor of Statutes that the Commission has begun accepting applications for Healing Arts Licenses and apply to acts committed on or after that date. This section and the remainder of Section 1 are effective when they become law.

EXEMPT CERTAIN ACTIVITIES FROM REQUIRING LICENSURE AS A BARBER OR COSMETOLOGIST

SECTION 3.(a) G.S. 86B-32 reads as rewritten:

"§ 86B-32. Persons exempt from the provisions of this Article.

The following persons are exempt from the provisions of this Article while engaged in the proper discharge of their duties:

- (1) Persons authorized under the laws of the State to practice medicine and surgery, and those working under their supervision.
- (2) Commissioned medical or surgical officers of the United States Army or other components of the Armed Forces of the United States, and those working under their supervision.
- (3) Registered nurses and licensed practical nurses and those working under their supervision.
- (4) Licensed embalmers and funeral directors and those working under their supervision.
- (5) Persons who are working in licensed cosmetic shops or beauty schools and are licensed by the State Board of Cosmetic Art Examiners pursuant to Chapter 88B of the General Statutes.

- (6) Persons who are working in barbershops and are licensed by the State Board of Cosmetic Art Examiners pursuant to Chapter 88B of the General Statutes, provided that those persons shall comply with G.S. 86B-31.
- (7) Inmates under the jurisdiction of the North Carolina Department of Adult Correction.
- (8) Persons who are employed by barbershops and whose duties are expressly confined to the shampooing or blow drying of hair, provided that the person shall comply with G.S. 86B-31."

SECTION 3.(b) G.S. 88B-25 reads as rewritten:

"§ 88B-25. Exemptions.

The following persons are exempt from the provisions of this Chapter while engaged in the proper discharge of their professional duties:

- (1) Undertakers and funeral establishments licensed under G.S. 90-210.25.
- (2) Persons authorized to practice medicine or surgery under Chapter 90 of the General Statutes.
- (3) Nurses licensed under Chapter 90 of the General Statutes.
- (4) Commissioned medical or surgical officers of the United States Army, Air Force, Navy, Marine, or Coast Guard.
- (5) A person employed in a cosmetic art shop ~~to shampoo hair~~ whose duties are expressly confined to the shampooing or blow drying of hair, provided that the person shall comply with rules adopted by the Board relating to sanitary management of cosmetic art shops."

SECTION 3.(c) This section is effective when it becomes law.

INCREASE THE AMOUNT OF TRAINING REQUIRED FOR LICENSURE BY THE NORTH CAROLINA BOARD OF MASSAGE AND BODYWORK THERAPY

SECTION 4.(a) G.S. 90-629 reads as rewritten:

"§ 90-629. Requirements for licensure to practice.

Upon application to the Board and the payment of the required fees, an applicant may be licensed as a massage and bodywork therapist if the applicant meets all of the following qualifications:

- (1) Has obtained a high school diploma or equivalent.
- (2) Is 18 years of age or older.
- (3) Is of good moral character as determined by the Board.
- (4) Has successfully completed a training program consisting of a minimum of ~~500-650~~ in-class hours of supervised instruction at a Board-approved school.
- (5) Has passed a competency assessment examination that meets generally accepted psychometric principles and standards and is approved by the Board.
- (6) Has submitted fingerprint cards in a form acceptable to the Board at the time the license application is filed and consented to a criminal history record check by the State Bureau of Investigation.
- (7) Demonstrates satisfactory proof of proficiency in the English language."

SECTION 4.(b) This section becomes effective July 1, 2024, and applies to licenses issued on or after that date.

REPEAL THE RESIDENCY REQUIREMENT FOR ELECTROLOGISTS

SECTION 5. G.S. 86B-53 reads as rewritten:

"§ 86B-53. Requirements for licensure as an electrologist.

(a) Any person who desires to be licensed as an "electrologist" pursuant to this Chapter shall:

- (1) Submit an application on a form approved by the Board.

- (2) ~~Be a resident of North Carolina.~~
- (3) Be 21 years of age or older.
- (4) Meet the requirements of subsection (b) of this section.
- (5) Pass an examination given by the Board.
- (6) Submit the application and examination fees required in G.S. 86B-70.
- (b) An applicant for licensure under this section shall provide one of the following:
 - (1) Proof of graduation from a school certified by the Board pursuant to G.S. 86B-67.
 - (2) Proof satisfactory to the Board that, for at least one year prior to the date of ~~application or the date of initial residence in this State, whichever is earlier,~~ application, the applicant was engaged in the practice of electrology in a state that does not license electrologists.

Subdivision (2) of this subsection applies only to applicants ~~whose residence in this State began on or after January 31, 1994,~~ who do not meet the qualifications of subdivision (1) of this subsection or G.S. 86B-57.

(c) At least twice each year, the Board shall give an examination to applicants for licensure to determine the applicants' knowledge of the basic and clinical sciences relating to the theory and practice of electrology. The Board shall give applicants notice of the date, time, and place of the examination at least 60 days in advance.

(d) When the Board determines that an applicant has met all the requirements for licensure, and has submitted the initial license fee required in G.S. 86B-70, the Board shall issue a license to the applicant.

~~(e) An applicant otherwise qualified for licensure who is not a resident of this State may nevertheless submit a statement of intent to begin practicing electrology in this State and receive a license. The applicant must provide to the Board within six months of receiving a license evidence satisfactory to the Board that the applicant has actually begun to practice electrology in this State. The Board may revoke the license of an applicant who fails to submit this proof or whose proof fails to satisfy the Board."~~

AMEND EFFECTIVE DATES FOR RULES SUBMITTED TO THE CODIFIER OF RULES BY CERTAIN AGENCIES EXEMPT FROM THE STANDARD RULEMAKING PROCESS

SECTION 6. G.S. 150B-21.21 reads as rewritten:

"§ 150B-21.21. Publication of rules of North Carolina State Bar, Building Code Council, and exempt agencies.

(a) State Bar. – The North Carolina State Bar must submit a rule adopted or approved by it and entered in the minutes of the North Carolina Supreme Court to the Codifier of Rules for inclusion in the North Carolina Administrative Code. The State Bar must submit a rule within 30 days after it is entered in the minutes of the Supreme Court. The Codifier of Rules must compile, make available for public inspection, and publish a rule included in the North Carolina Administrative Code under this subsection in the same manner as other rules in the Code.

(a1) Building Code Council. – The Building Code Council shall publish the North Carolina State Building Code as provided in G.S. 143-138(g). The Codifier of Rules is not required to publish the North Carolina State Building Code in the North Carolina Administrative Code.

(b) Exempt Agencies. – Notwithstanding any other provision of law, an agency that is exempted from this Article by G.S. 150B-1 or any other statute must submit a temporary or permanent rule adopted by it to the Codifier of Rules for inclusion in the North Carolina Administrative Code. These exempt agencies must submit a rule to the Codifier of Rules within 30 days after adopting the rule.

(c) Publication. – A rule submitted to the Codifier of Rules under this section must be in the physical form specified by the Codifier of Rules. The Codifier of Rules must compile, make available for public inspection, and publish a rule submitted under this section in the same manner as other rules in the North Carolina Administrative Code.

(d) Effective Dates. – A rule submitted to the Codifier of Rules under this section becomes effective on the first day of the month following submission for inclusion in the North Carolina Administrative Code."

FACILITATE THE ELIMINATION OF NONRESPONSIVE BOARDS, COMMITTEES, AND COMMISSIONS

SECTION 7.(a) The Legislative Library is directed to send a request for documentation and confirmation of activity to all boards, committees, and commissions that have not expired or been repealed. The documentation required by this section includes the current membership, last reported minutes, current bylaws, and a listing of the entities to which reports are to be submitted. For any board, committee, or commission that either (i) fails to respond within 120 days to the request required by this section or (ii) responds but has not met within the previous 12 months, the Legislative Library will add the board, committee, or commission to a list and will submit the final compiled list to the Joint Legislative Administrative Procedure Oversight Committee. The Committee is directed to recommend legislation to repeal the boards, committees, and commissions on the list required by and submitted pursuant to this section.

SECTION 7.(b) The Joint Legislative Administrative Procedure Oversight Committee is directed to recommend legislation to the 2025 Regular Session of the 2025 General Assembly upon its convening to repeal the boards, committees, and commissions on the list required by, and submitted to it pursuant to, subsection (b) of this section.

PART II. ENERGY, ENVIRONMENT, NATURAL RESOURCES, AND UTILITIES

DELAY FISHERIES HARVEST REPORTING SYSTEM BY ONE YEAR

SECTION 8. Section 6(f) of S.L. 2023-137 reads as rewritten:

"SECTION 6.(f) Subsection (a) of this section becomes effective ~~December 1, 2024,~~ December 1, 2025, and applies to violations committed on or after that date. Subsection (b) of this section becomes effective ~~December 1, 2025,~~ December 1, 2026, and applies to violations committed on or after that date. Subsection (c) of this section becomes effective ~~December 1, 2026,~~ December 1, 2027, and applies to violations committed on or after that date. The remainder of this section is effective when it becomes law."

INCREASE THE PUNISHMENT FOR PROPERTY CRIMES COMMITTED AGAINST CRITICAL INFRASTRUCTURE, INCLUDING PUBLIC WATER SUPPLIES, WASTEWATER TREATMENT FACILITIES, AND MANUFACTURING FACILITIES, AND MAKE CONFORMING CHANGES TO UPDATE STATUTES RELATING TO DAMAGE TO UTILITIES

SECTION 9.(a) G.S. 14-159.1 reads as rewritten:

"§ 14-159.1. Contaminating or injuring a public water system; ~~system;~~ injuring a wastewater treatment facility.

(a) ~~A person commits the offense of contaminating a public water system, as defined in G.S. 130A-313(10), if he willfully or wantonly:~~ Contaminating a Public Water System. –

(1) ~~Contaminates, adulterates or otherwise impurifies or attempts~~ It is unlawful to knowingly and willfully contaminate, adulterate, or otherwise impurify, or attempt to contaminate, adulterate or otherwise impurify-impurify, the water in a public water system, as defined in G.S. 130A-313(10), including the water source, with any toxic chemical, biological agent or radiological substance

that is harmful to human health, except those added in approved concentrations for water treatment ~~operations; or operations.~~

~~(2) Damages or tampers with the property or equipment of a public water system with the intent to impair the services of the public water system.~~

(b) Injuring a Public Water System. – It is unlawful to knowingly and willfully stop, obstruct, impair, weaken, destroy, injure, or otherwise damage, or attempt to stop, obstruct, impair, weaken, destroy, injure, or otherwise damage, the property or equipment of a public water system, as defined in G.S. 130A-313(10), with the intent to impair the services of the public water system.

(c) Injuring a Wastewater Treatment System. – It is unlawful to knowingly and willfully stop, obstruct, impair, weaken, destroy, injure, or otherwise damage, or attempt to stop, obstruct, impair, weaken, destroy, injure, or otherwise damage, the property or equipment of a wastewater treatment system that is owned or operated by a (i) public utility, as that term is defined under G.S. 62-3, or (ii) local government unit, as defined in G.S. 159G-20(13). For purposes of this section, the term "wastewater treatment facility" means the various facilities and devices used in the treatment of sewage, industrial waste, or other wastes of a liquid nature, including the necessary interceptor sewers, outfall sewers, nutrient removal equipment, pumping equipment, power and other equipment, and their appurtenances.

~~(b)(d)~~ Any person who commits the offense defined in Punishment. – A person who violates subsection (a), (b), or (c) of this section is guilty of a Class C felony. Additionally, a person who violates subsection (a), (b), or (c) of this section shall be ordered to pay a fine of two hundred fifty thousand dollars (\$250,000).

(e) Merger. – Each violation of this section constitutes a separate offense and shall not merge with any other offense.

(f) Civil Remedies. – Any person whose property or person is injured by reason of a violation of subsection (a), (b), or (c) of this section shall have a right of action on account of such injury done against the person who committed the violation and any person who acts as an accessory before or after the fact, aids or abets, solicits, conspires, or lends material support to the violation of this section. If damages are assessed in such case, the plaintiff shall be entitled to recover treble the amount of damages fixed by the verdict or punitive damages pursuant to Chapter 1D of the General Statutes, together with costs, including attorneys' fees. A violation of subsection (a), (b), or (c) of this section shall constitute willful or wanton conduct within the meaning of G.S. 1D-5(7) in any civil action filed as a result of the violation. The rights and remedies provided by this subsection are in addition to any other rights and remedies provided by law. For purposes of this subsection, the term "damages" includes actual and consequential damages.

(g) The provisions of subsection (f) of this section relating to treble damages shall not be made known to the trier of fact through any means, including voir dire, the introduction into evidence, argument, or instructions to the jury.

(h) Nothing in this section shall apply to work or activity that is performed at or on a public water system or wastewater treatment facility by the owner or operator of the facility, or an agent of the owner or operator authorized to perform such work or activity by the owner or operator.

(i) For purposes of this section, the term "property or equipment" shall include hardware, software, or other digital infrastructure necessary for the operations of a public water system or wastewater treatment system."

SECTION 9.(b) G.S. 143-152 is repealed.

SECTION 9.(c) G.S. 62-323 reads as rewritten:

"§ 62-323. Willful injury to property of public utility a misdemeanor-felony.

(a) If any person shall willfully do or cause to be done any act or acts whatever whereby any building, construction or work of any public utility, or any engine, machine or structure or

any matter or thing appertaining to the ~~same same~~, including hardware, software, or other digital infrastructure necessary for the operations of the public utility, shall be stopped, obstructed, impaired, weakened, injured or destroyed, he shall be guilty of a ~~Class 1 misdemeanor~~. Class C felony.

(b) Merger. – Each violation of this section constitutes a separate offense and shall not merge with any other offense.

(c) Civil Remedies. – Any person whose property or person is injured by reason of a violation of subsection (a) of this section shall have a right of action on account of such injury done against the person who committed the violation and any person who acts as an accessory before or after the fact, aids or abets, solicits, conspires, or lends material support to the violation of this section. If damages are assessed in such case, the plaintiff shall be entitled to recover treble the amount of damages fixed by the verdict or punitive damages pursuant to Chapter 1D of the General Statutes, together with costs, including attorneys' fees. A violation of subsection (a) of this section shall constitute willful or wanton conduct within the meaning of G.S. 1D-5(7) in any civil action filed as a result of the violation. The rights and remedies provided by this subsection are in addition to any other rights and remedies provided by law. For purposes of this subsection, the term "damages" includes actual and consequential damages.

(d) The provisions of subsection (c) of this section relating to treble damages shall not be made known to the trier of fact through any means, including voir dire, the introduction into evidence, argument, or instructions to the jury.

(e) The provisions of this section shall only apply to conduct resulting in injury to a public utility, or property thereof, not otherwise covered by G.S. 14-150.2, 14-154, or 14-159.1.

(f) Nothing in this section shall apply to work or activity that is performed at or on a public utility by the owner or operator of the utility, or an agent of the owner or operator authorized to perform such work or activity by the owner or operator."

SECTION 9.(d) Article 22 of Chapter 14 of the General Statutes is amended by adding a new section to read:

"§ 14-150.3. Injuring manufacturing facility.

(a) Injuring a Manufacturing Facility. – It is unlawful to knowingly and willfully stop, obstruct, impair, weaken, destroy, injure, or otherwise damage, or attempt to stop, obstruct, impair, weaken, destroy, injure, or otherwise damage, the property or equipment of a manufacturing facility. For purposes of this section the terms: (i) "manufacturing facility" means a facility used for the lawful production or manufacturing of goods; and (ii) "property or equipment" shall include hardware, software, or other digital infrastructure necessary for the operations of the manufacturing facility.

(b) Punishment. – A person who violates subsection (a) of this section is guilty of a Class C felony. Additionally, a person who violates subsection (a) of this section shall be ordered to pay a fine of two hundred fifty thousand dollars (\$250,000).

(c) Merger. – Each violation of this section constitutes a separate offense and shall not merge with any other offense.

(d) Civil Remedies. – Any person whose property or person is injured by reason of a violation of subsection (a) of this section shall have a right of action on account of such injury done against the person who committed the violation and any person who acts as an accessory before or after the fact, aids or abets, solicits, conspires, or lends material support to the violation of this section. If damages are assessed in such case, the plaintiff shall be entitled to recover treble the amount of damages fixed by the verdict or punitive damages pursuant to Chapter 1D of the General Statutes, together with costs, including attorneys' fees. A violation of subsection (a) of this section shall constitute willful or wanton conduct within the meaning of G.S. 1D-5(7) in any civil action filed as a result of the violation. The rights and remedies provided by this subsection are in addition to any other rights and remedies provided by law. For purposes of this subsection, the term "damages" includes actual and consequential damages.

(e) The provisions of subsection (d) of this section relating to treble damages shall not be made known to the trier of fact through any means, including voir dire, the introduction into evidence, argument, or instructions to the jury.

(f) Nothing in this section shall apply to (i) work or activity that is performed at or on a manufacturing facility by the owner or operator of the utility, or an agent of the owner or operator authorized to perform such work or activity by the owner or operator, and (ii) lawful activity authorized or required pursuant to State or federal law."

SECTION 9.(e) G.S. 1D-27 reads as rewritten:

"§ 1D-27. Injuring ~~energy~~ energy, water, wastewater, or manufacturing facility; exemption from cap.

G.S. 1D-25(b) shall not apply to a claim for punitive damages for injury or harm arising from actions of the defendant that constitute a violation of ~~G.S. 14-150.2(b)~~. G.S. 14-150.2(b), 14-150.3(a), 14-159.1(a), (b), or (c), or 62-323(a)."

SECTION 9.(f) Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

SECTION 9.(g) This section becomes effective December 1, 2024, and applies to offenses committed on or after that date.

PROHIBIT THE ACQUISITION OF QUARTZ MINING OPERATIONS AND LANDS CONTAINING HIGH PURITY QUARTZ BY FOREIGN GOVERNMENTS DESIGNATED AS ADVERSARIAL BY THE UNITED STATES DEPARTMENT OF COMMERCE

SECTION 10.(a) Chapter 64 of the General Statutes is amended by adding a new Article to read:

"Article 3.

"Prohibit Adversarial Foreign Government Acquisition of High Purity Quartz.

"§ 64-50. Title.

This act shall be known and be cited as the North Carolina High Purity Quartz Protection Act.

"§ 64-51. Purpose.

The General Assembly finds that high purity quartz is a highly valuable resource used in the manufacture of semiconductors, optical fibers, circuit boards, and other technologically advanced components and it is therefore in the public interest for the State to guard its deposits of high purity quartz from the potential of adversarial foreign government control in order to protect our vital mineral and economic resources.

"§ 64-52. Definitions.

As used in this Article, the following definitions apply:

(1) Adversarial foreign government. – A state-controlled enterprise or the government of a foreign nation that has received a designation under 15 C.F.R. § 7.4 from a determination by the United States Secretary of Commerce that the entity has engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the United States or security and safety of United States persons.

(2) Controlling interest. – Possession of more than fifty percent (50%) of the ownership interest in an entity. The term also includes possession of fifty percent (50%) or less of the ownership interest in an entity if an owner directs the business and affairs of the entity without the requirement or consent of any other party.

(3) High purity quartz. – A mineral made of silicon dioxide and containing fewer than 50 parts per million of impurity elements.

(4) Interest. – Any estate, remainder, or reversion, or any portion of the estate, remainder, or reversion, or an option pursuant to which one party has a right to cause the transfer of legal or equitable title to land covered by G.S. 64-53(a); or ownership or partial ownership of a mining operation covered under G.S. 64-53(a).

(5) State-controlled enterprise. – A business enterprise, however denominated, in which a foreign government has a controlling interest.

"§ 64-53. Adversarial foreign government acquisition of high purity quartz resources prohibited.

(a) Notwithstanding any provision of law to the contrary, no adversarial foreign government shall purchase, acquire, lease, or hold any interest in the following:

(1) A quartz mining operation.

(2) Land containing commercially valuable amounts of high purity quartz.

(b) Any transfer of an interest in land or a mining operation in violation of this section shall be void.

(c) The responsibility for determining whether an individual or other entity is subject to this Article rests solely with the United States Secretary of Commerce and the State of North Carolina and no other individual or entity. An individual or other entity who is not an adversarial foreign government shall bear no civil or criminal liability for failing to determine or make inquiry of whether an individual or other entity is an adversarial foreign government."

SECTION 10.(b) This section is effective when it becomes law and applies only to ownership interests acquired on and after that date.

EXPAND REQUIREMENTS FOR ISSUANCE OF 401 CERTIFICATIONS BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO PROJECTS LOCATED AT AN EXISTING OR FORMER ELECTRIC GENERATING FACILITY

SECTION 11.(a) G.S. 143-214.1A reads as rewritten:

"§ 143-214.1A. Water quality certification requirements for certain projects.

(a) The following requirements shall govern applications for certification filed with the Department pursuant to section 401 of the Clean Water Act, 33 U.S.C. § 1341(a)(1), for maintenance dredging projects partially funded by the Shallow Draft Navigation Channel Dredging and Aquatic Weed ~~Fund-Fund~~, electric generation projects located at an existing or former electric generating facility, and projects involving the distribution or transmission of energy or fuel, including natural gas, diesel, petroleum, or electricity:

...."

SECTION 11.(b) This section is effective when it becomes law and applies to applications for 401 Certification pending or submitted on or after that date.

PROHIBIT PUBLIC WATER AND SEWER SYSTEMS FROM IMPOSING UNAUTHORIZED CONDITIONS AND IMPLEMENTING PREFERENCE SYSTEMS FOR ALLOCATING SERVICE TO RESIDENTIAL DEVELOPMENT

SECTION 12.(a) Chapter 162A of the General Statutes is amended by adding a new Article to read:

"Article 11.

"Miscellaneous.

"§ 162A-900. Limitations on allocating service for residential development.

(a) For purposes of this section, "residential development" means new development of single-family or multifamily housing.

(b) A local government unit, as defined in G.S. 162A-201, shall not require an applicant for water or sewer service for residential development to agree to any condition not otherwise

authorized by law, or to accept any offer by the applicant to consent to any condition not otherwise authorized by law. These conditions include, without limitation, any of the following:

- (1) Payment of taxes, impact fees or other fees, or contributions to any fund.
- (2) Adherence to any restrictions related to land development or land use, including those within the scope of G.S. 160D-702(c).
- (3) Adherence to any restrictions related to building design elements within the scope of G.S. 160D-702(b).

(c) A local government unit, as defined in G.S. 162A-201, shall not implement a scoring or preference system to allocate water or sewer service among applicants for water or sewer service for residential development that does any of the following:

- (1) Includes consideration of building design elements, as defined in G.S. 160D-702(b).
- (2) Sets a minimum square footage of any structures subject to regulation under the North Carolina Residential Code.
- (3) Requires a parking space to be larger than 9 feet wide by 20 feet long unless the parking space is designated for handicap, parallel, or diagonal parking.
- (4) Requires additional fire apparatus access roads into developments of one- or two-family dwellings that are not in compliance with the required number of fire apparatus access roads into developments of one- or two-family dwellings set forth in the Fire Code of the North Carolina Residential Code."

SECTION 12.(b) This section is effective when it becomes law.

NATURAL GAS LOCAL DISTRIBUTION COMPANIES COST RECOVERY MODIFICATIONS

SECTION 13.(a) G.S. 62-133.4 reads as rewritten:

"§ 62-133.4. Gas cost adjustment for natural gas local distribution companies.

...

(c) Each natural gas local distribution company shall submit to the Commission information and data for an historical 12-month test period concerning the utility's actual cost of gas, volumes of purchased gas, sales volumes, negotiated sales volumes, and transportation volumes. This information and data shall be filed on an annual basis in the form and detail and at the time required by the Commission. The Commission, upon notice and hearing, shall compare the utility's prudently incurred costs with costs recovered from all the utility's customers that it served during the test period. If those prudently incurred costs are greater or less than the recovered costs, the Commission shall, subject to G.S. 62-158, require the utility to refund any overrecovery by credit to bill or through a decrement in its rates and shall permit the utility to recover any deficiency through an increment in its rates. If the Commission finds the overrecovery or deficiency has been or is likely to be substantially reduced, negated, or reversed before or during the period in which it would be credited or recovered, the Commission, in its discretion, may order the utility to make an appropriate adjustment or no adjustment to its rates, consistent with the public interest.

...

(d1) The utility shall not recover from ratepayers, in any rate recovery proceeding or rider, the incremental cost of natural gas attributable to renewable energy biomass resources that exceeds the average system cost of gas unattributable to renewable energy biomass resources calculated and filed with the Commission pursuant to subsection (c) of this section. Each natural gas local distribution company that incurs costs attributable to renewable energy biomass resources shall submit the utility's actual cost thereof to the Commission monthly for purposes of determining the total amount of natural gas costs recoverable under this section.

(e) ~~As used in this section, the word "cost" or "costs" shall be defined by Commission rule or order and may include all costs related to the purchase and transportation of natural gas~~

to the natural gas local distribution company's system. The following definitions apply in this section:

- (1) "Cost" or "costs" shall be defined by Commission rule or order and may include all costs related to the production, purchase, and transportation of natural gas to the natural gas local distribution company's system.
- (2) "Domestic wastewater" means water-carried human wastes together with all other water-carried wastes normally present in wastewater from non-industrial processes.
- (3) "Natural gas" or "gas" includes gas derived from renewable energy biomass resources.
- (4) "Renewable energy biomass resources" includes agricultural waste, animal waste, wood waste, spent pulping liquors, organic waste, combustible residues, combustible gases, energy crops, landfill methane, or domestic wastewater."

SECTION 13.(b) G.S. 62-133.7A reads as rewritten:

"§ 62-133.7A. Rate adjustment ~~mechanism~~ mechanisms for natural gas local distribution company rates.

(a) In setting rates for a natural gas local distribution company in a general rate case proceeding under G.S. 62-133, the Commission may adopt, implement, modify, or eliminate a rate adjustment ~~mechanism~~ mechanisms to enable the company to recover the prudently incurred capital investment and associated costs of ~~complying~~ any of the following, including a return based on the company's then authorized return:

- (1) ~~Complying with federal gas pipeline safety requirements, including a return based on the company's then authorized return requirements.~~
- (2) Producing and transporting natural gas, as defined in G.S. 62-133.4(e)(3), or consistent with the intent and purpose of G.S. 62-133.4.

(b) The Commission shall adopt, implement, modify, or eliminate ~~a~~ any of the rate adjustment ~~mechanism~~ mechanisms authorized under this section only upon a finding by the Commission that the mechanism is in the public interest."

SECTION 13.(c) This section is effective when it becomes law and applies to rate case proceedings filed on or after that date.

REMOVE TIME LIMITS ON CERTAIN VUR GRANTS

SECTION 14. G.S. 159G-36(d)(2) reads as rewritten:

- (2) Grants for the purpose set forth in ~~G.S. 159-32(d)(6)~~ G.S. 159G-32(d)(6) to any single local government unit shall not (i) exceed seven hundred fifty thousand dollars (\$750,000) in any fiscal year and (ii) be awarded for more than three consecutive fiscal years.~~year.~~"

EXEMPTION FROM STATE PARKS FEES FOR ELIGIBLE DISABLED VETERANS

SECTION 15.(a) Definitions. – As used in this section, the following words and phrases have the following meanings:

- (1) Annual Pass Program. – The North Carolina State Parks Annual Pass program offered by the Division that includes the following passes: (i) seasonal access passes, (ii) annual passes, and (iii) four-wheel-drive beach access annual passes.
- (2) Disabled Veteran. – A veteran of any branch of the Armed Forces of the United States whose character of service at separation was honorable or under honorable conditions and who satisfies either of the following requirements:
 - a. As of the date the application required by this section is submitted, the veteran has received benefits under 38 U.S.C. § 2101.

b. The veteran has received a certification by the United States Department of Veterans Affairs or another federal agency indicating that, as of the date the application required by this section is submitted, the veteran has a service-connected disability.

(3) Division. – The North Carolina Division of Parks and Recreation of the North Carolina Department of Natural and Cultural Resources.

(4) Eligible Disabled Veteran. – A Disabled Veteran who (i) has submitted an application for a pass included within the Annual Pass Program and (ii) has provided the Division a copy of the veteran's disability certification or evidence of benefits received under 38 U.S.C. § 2101.

SECTION 15.(b) Fee Exemption. – An Eligible Disabled Veteran whose application under this section has been approved by the Division shall not be required to pay a fee for any pass included within the Annual Pass Program.

SECTION 15.(c) Application Required. – A Disabled Veteran seeking a pass under the Annual Pass Program shall apply for the pass on a form and in a manner prescribed by the Division.

SECTION 15.(d) Rulemaking. – The Department of Natural and Cultural Resources shall adopt rules, or amend any current rules, necessary to implement this section.

AUTHORIZE ESTABLISHMENT OF A MEASUREMENT LINE FOR DUNE BUILDING PROJECTS CONDUCTED PURSUANT TO PERMITTED TERMINAL GROIN CONSTRUCTION

SECTION 16.(a) Definitions. – For purposes of this section "CAMA Rules" means 15A NCAC Subchapter 07H (State Guidelines for Areas of Environmental Concern).

SECTION 16.(b) CAMA Rules. – Until the effective date of the revised permanent rules that the Coastal Resources Commission is required to adopt pursuant to subsection (d) of this section, the Commission shall implement the CAMA Rules as provided in subsection (c) of this section.

SECTION 16.(c) Implementation. – Notwithstanding any provision of Subchapter 7H of Title 15A of the North Carolina Administrative Code, the Coastal Resources Commission shall, for the purpose of a dune building and beach planting project, authorize local governments that have received a permit to construct a terminal groin pursuant to G.S. 113A-115.1 to establish a measurement line, as that term is defined under 15A NCAC 07H .0305(9), that represents the location of the first line of stable and natural vegetation that is covered by the dune building and beach planting project. The measurement line shall be: (i) established in coordination with the Division of Coastal Management using on-ground observation and survey or aerial imagery for all areas of oceanfront that undergo dune building and beach planting project; and (ii) applicable for a period of no less than two years from the completion of the dune building and beach planting project.

SECTION 16.(d) Additional Rulemaking Authority. – The Commission shall adopt rules to amend the CAMA Rules consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rules adopted by the Commission pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

SECTION 16.(e) Sunset. – This section expires when permanent rules adopted as required by subsection (d) of this section become effective.

SECTION 16.(f) No later than August 1, 2024, the Department of Environmental Quality shall prepare and submit to the United States National Oceanic and Atmospheric Administration for approval by that agency the proposed changes enacted by subsections (a)

through (e) of this section. The Department of Environmental Quality shall report to the Environmental Review Commission on the status of their activities pursuant to this section quarterly, beginning September 1, 2024, until such time as the General Assembly repeals this reporting requirement.

SECTION 16.(g) Subsections (a) through (e) of this section becomes effective on the later of the following dates and apply to permits to construct terminal groins issued, pending, or filed before or after that date:

(1) September 1, 2024.

(2) The first day of a month that is 60 days after the Secretary of Environmental Quality certifies to the Revisor of Statutes that the National Oceanic and Atmospheric Administration has approved the changes made to the CAMA Rules, as enacted by subsections (a) through (e) of this section, as required by subsection (f) of this section. The Secretary shall provide this notice along with the effective date of subsections (a) through (e) of this section on its website.

The remainder of this section is effective when it becomes law.

PART III. STATE GOVERNMENT

EXEMPT CERTAIN FOOD SERVICE ESTABLISHMENTS FROM SEPTAGE MANAGEMENT FIRM PERMITTING REQUIREMENTS

SECTION 17.(a) G.S. 130A-291.1 is amended by adding a new subsection to read:

"(k) A food service establishment not involved in pumping or vacuuming a grease appurtenance does not need a permit under this section."

SECTION 17.(b) This section is effective when it becomes law.

AMEND OUTDOOR GRILL EXEMPTION FOR FOOD ESTABLISHMENTS TO INCLUDE ADDITIONAL COOKING SURFACES

SECTION 18. G.S. 130A-248(c2) reads as rewritten:

"(c2) Notwithstanding any provision of this Part, a food establishment may use an outdoor grill to prepare food for customers for sample or sale if all of the following criteria are met:

(1) The outdoor grill is located on the premises of the food establishment and is continuously supervised by a food employee when the grill is in use.

(2) The outdoor grill has a cooking surface made of stainless steel ~~or cast iron,~~ cast iron, stone, or similar surface that complies with Parts 4-1 and 4-2 of the NC Food Code and meets sanitation requirements for equipment in a food establishment, and is stationed on a concrete or asphalt foundation.

(3) The outdoor grill is not operated within 10 feet of combustible construction.

(4) All open food and utensils are provided with overhead protection or otherwise equipped with individual covers, such as domes, chafing lids, or cookers with hinged lids.

(5) The outdoor grill is ~~located in an enclosed area and~~ protected from environmental contamination when not in operation.

(6) The outdoor grill and concrete or asphalt foundation are cleaned daily on any day that the grill is in operation.

(7) Raw meat, poultry, and fish are prepared in a pre-portioned or ready-to-cook form inside the food establishment and may only be handled indirectly with utensils when using the outdoor grill. Food prepared on the outdoor grill is processed inside the food establishment."

CLARIFY MINIMUM AGE FOR ESCORT VEHICLE DRIVERS, ALLOW THIRD PARTY TRAINING AND CERTIFICATION, AND CREATE ADDITIONAL REQUIREMENTS FOR ESCORT VEHICLES

SECTION 19. G.S. 20-119(f) reads as rewritten:

"(f) The Department of Transportation shall issue rules to establish an escort driver training and certification program for escort vehicles accompanying oversize/overweight loads. Department issued eligibility requirements for escort driver training and certification shall not include a minimum age for an escort driver greater than 18 years of age or that the applicant possess a commercial drivers license. A person that possesses a valid Class A commercial drivers license may sit for an escort vehicle certification examination without meeting any additional education or training requirements. Any driver operating a vehicle escorting an oversize/overweight load shall meet any training requirements and obtain certification under the rules issued pursuant to this subsection. These rules may provide for reciprocity with other states having similar escort certification programs. The Department shall allow third parties, including employers of escort drivers, to train and certify escort drivers pursuant to the rules issued by the Department to implement this subsection. Certification credentials for the driver of an escort vehicle shall be carried in the vehicle and be readily available for inspection by law enforcement personnel. The escort and training certification requirements of this subsection shall not apply to the transportation of agricultural machinery until October 1, 2004. The Department of Transportation shall develop and implement an in-house training program for agricultural machinery escorts by September 1, 2004. A motor vehicle intended to be used as an escort vehicle must meet all of the following requirements:

- (1) Meets all legal requirements for travel on a roadway in the State of North Carolina.
- (2) Is a single motor vehicle with a GVWR of at least 2,000 pounds and not more than 26,000 pounds.
- (3) Is not transporting hazardous materials while being used as an escort vehicle.
- (4) Is not pulling a trailer while being used as an escort vehicle.
- (5) Is equipped with lighting that is visible from all directions."

CLARIFY LIABILITY FOR MISMARKED UNDERGROUND FACILITIES

SECTION 20. G.S. 87-128 reads as rewritten:

"§ 87-128. Absence of facility location.

If an operator who has been given notice as provided in G.S. 87-120(d) by the Notification Center fails to respond to that notice as provided in G.S. 87-121 or fails to properly locate the facility, the person excavating is free to proceed with the excavation. Neither the excavator nor the person financially responsible for the excavation will be liable to the nonresponding or improperly responding operator for damages to the operator's facilities if the person doing the excavating exercises due care to protect existing facilities when there is evidence of the existence of those facilities near the proposed excavation area. If the operator has visited the proposed excavation or demolition area and failed to properly locate a facility, there shall be a presumption, rebuttable by clear and convincing evidence, that the excavator has exercised due care, regardless of the presence of visible indications of a facility at the proposed excavation or demolition area, such as a pole, marker, pedestal, meter, or valve. For purposes of this section, a facility is not properly located if the marks are placed outside of the tolerance zone of the existing facility's actual location."

DELAY SUNSET FOR CERTAIN DESIGN-BUILD CONTRACTS USING FEDERAL FUNDS

SECTION 21. Section 5.17(b) of S.L. 2021-180, as enacted by Section 1.6 of S.L. 2021-189, reads as rewritten:

"SECTION 5.17.(b) This section expires on ~~December 31, 2025;~~ December 31, 2027, provided, however, any design-build contract executed pursuant to this section prior to ~~December 31, 2025;~~ December 31, 2027, shall be valid and the unit may continue to make payments under the contract entered into prior to ~~December 31, 2025;~~ December 31, 2027, so long as the contract was executed as provided in subsection (a) of this section."

PART IV. MISCELLANEOUS

REQUIRE AN ADDITIONAL MEANS OF NOTICE TO ADVERTISE PROPERTY TAX LIENS IN ADDITION TO THOSE CURRENTLY REQUIRED BY LAW

SECTION 22.(a) G.S. 105-369(c) reads as rewritten:

"(c) Time and Contents of Advertisement. – A tax collector's failure to comply with this subsection does not affect the validity of the taxes or tax liens. The county tax collector shall advertise county tax liens by posting a notice of the liens at the county courthouse and by publishing each lien at least one time in one or more newspapers having general circulation in the taxing unit. The municipal tax collector shall advertise municipal tax liens by posting a notice of the liens at the city or town hall and by publishing each lien at least one time in one or more newspapers having general circulation in the taxing unit. A tax collector shall, in addition to the advertisements required by this section, also advertise a tax lien by posting a notice of the lien in a conspicuous manner at the parcel to be advertised. Advertisements of tax liens shall be made during the period March 1 through June 30. The costs of newspaper advertising shall be paid by the taxing unit. If the taxes of two or more taxing units are collected by the same tax collector, the tax liens of each unit shall be advertised separately unless, under the provisions of a special act or contractual agreement between the taxing units, joint advertisement is permitted.

~~The posted notice~~ All posted notices and newspaper advertisement advertisements shall set forth the following information:

...."

SECTION 22.(b) This section is effective for taxes imposed for taxable years beginning on or after January 1, 2025.

ADVANCED AIR MOBILITY RADAR SYSTEMS

SECTION 23.(a) Article 9 of Chapter 160D of the General Statutes is amended by adding a new Part to read:

"Part 6. Unmanned Aircraft Traffic Control Devices.

"§ 160D-970. Advanced air mobility radar.

(a) A local government may plan for and regulate the siting, installation, modification, maintenance, and removal of advanced air mobility radar for traffic control of unmanned aircraft systems flown in accordance with Article 10 of Chapter 63 of the General Statutes.

(b) Nothing contained in this Part shall amend, modify, or otherwise affect any easement between private parties. Any and all rights for the use of a right-of-way are subject to the rights granted pursuant to an easement between private parties.

(c) A local government may require a permit applicant to remove abandoned advanced air mobility radar within 180 days of abandonment. If not timely removed, the local government may remove the abandoned advanced air mobility radar and may recover the actual cost of such removal, including legal fees, if any, from the permit applicant.

(d) Nothing in this Part shall be construed to limit the provisions or requirements of any historic district or landmark regulation adopted pursuant to this Chapter.

"§ 160D-971. Definitions.

For purposes of this Part, the following definitions shall apply:

(1) Advanced air mobility radar. – A system for detecting the presence, direction, distance, and speed of unmanned electrical aircraft or electric vertical take-off

and landing aircraft, in both controlled and uncontrolled airspace, by sending out pulses of high-frequency electromagnetic waves that are reflected off the object back to the source that supports a transportation system of unmanned electrical aircraft or electric vertical take-off and landing aircraft.

(2) Collocation. – The placement, installation, maintenance, modification, operation, or replacement of advanced air mobility radar on the surface of existing structures, including water towers, buildings, and other structures capable of structurally supporting the attachment of advanced air mobility radar in compliance with applicable codes. The term does not include the installation or construction of new structures.

(3) Permit applicant. – A North Carolina nonprofit corporation with a certificate of existence under G.S. 55A-1-28 with the primary purpose of promotion and growth of advanced air mobility technology in this State.

(4) Water tower. – A water storage tank, a standpipe, or an elevated tank situated on a support structure originally constructed for use as a reservoir or facility to store or deliver water.

"§ 160D-972. Siting and construction of advanced air mobility radar.

(a) A permit applicant that proposes to construct advanced air mobility radar within the planning and development regulation jurisdiction of a local government shall do all of the following:

(1) Submit a completed application with the necessary copies and attachments to the local government, including documentation of any collocation agreement.

(2) Comply with all development regulations.

(3) Obtain all applicable development approvals.

(b) A local government shall not assess a fee for the application for, or the installation and use of, advanced air mobility radar provided the advanced air mobility radar is installed and operated in compliance with the standards and requirements set forth in this Part.

(c) In reviewing an application, the local government may review the following:

(1) Applicable public safety and development regulations, including aesthetics, landscaping, land-use based location priorities, structural design, setbacks, and fall zones.

(2) Information or materials directly related to an identified public safety or development regulation.

(3) If a collocation agreement is not included with the completed application, a local government may require permit applicants to evaluate the reasonable feasibility of collocation, including information necessary for the local government to determine whether collocation is reasonably feasible.

(d) The local government shall make a determination approving or denying an application under this section within 30 days after the completed application is received.

(e) The local government may condition approval of an application for a new advanced air mobility radar on any of the following:

(1) If not included in the completed application, the provision of a collocation agreement if collocation is deemed feasible.

(2) The permit applicant obtaining a Federal Communications Commission operator license for any spectrum band required for the installation.

(3) The installation of the advanced air mobility radar in a manner that complies with all applicable federal and State laws, and local development regulations.

(4) The operation of the advanced air mobility radar in a manner that complies with all safety guidelines issued by the Federal Communications Commission regarding limiting exposure to electromagnetic radiation.

- (5) The requirement to construct facilities within a reasonable period of time, which shall be no less than 24 months.

"§ 160D-973. Collocation on local government property.

(a) Subject to Article 12 of Chapter 160A of the General Statutes, a local government may agree to collocation on property owned by the local government, subject to any existing easements or lease agreements. G.S. 160A-321 shall not apply to the lease of any city-owned water tower for collocation of advanced air mobility radar.

(b) Within 30 days of receipt of a request for collocation, a local government shall either initiate lease or disposal of the collocation property or deny the request. A request for collocation under this section may be denied only for the following reasons:

- (1) There is insufficient capacity.
- (2) Reasons of safety, reliability, and generally applicable engineering principles, and those limitations cannot be remedied by rearranging, expanding, or otherwise reengineering the eligible facilities at the reasonable and actual cost of the local government to be reimbursed by the permit applicant.
- (3) The terms of property ownership prohibit collocation."

SECTION 23.(b) This section becomes effective October 1, 2024.

REQUIRE TRANSPARENCY IN THE SALE OR RESALE OF TICKETS TO AN ENTERTAINMENT EVENT

SECTION 24.(a) Article 1 of Chapter 75 of the General Statutes is amended by adding a new section to read:

"§ 75-44. Ticket price transparency.

(a) As used in this section the following definitions apply:

- (1) Entertainment event. – A sporting game or contest, concert, or other entertainment performance with a live presentation element in this State for which attendance is available to the public through the purchase of ticket.
- (2) Mandatory fee. – Any fee or surcharge that a consumer must pay in order to purchase a ticket to an entertainment event.
- (3) Resale. – The second or subsequent sale of a ticket through a website or other electronic means.
- (4) Reseller. – A person engaged in the resale of tickets.
- (5) Secondary ticket exchange. – An electronic marketplace that enables persons to sell, purchase, and resell tickets.
- (6) Ticket issuer. – The person that is the first seller of tickets for an entertainment event, including a musician or musical group, an operator of a venue, sponsor or a promoter of an entertainment event, a sports team participating in an entertainment event, a sports league whose teams are participating in an entertainment event, a theater company, a marketplace or service operated for consumers to make an initial purchase of tickets, or an agent of any of the persons listed in this subdivision.
- (7) Ticketing session. – The period of time beginning when the price of a ticket to an entertainment event is first displayed to a person through a website or application and ending when the person has not purchased the ticket within the time period prescribed by the secondary ticket exchange, ticket issuer, or reseller.

(b) A secondary ticket exchange, ticket issuer, or reseller shall meet the following requirements when listing a ticket for sale or resale:

- (1) At any time the price of the ticket is displayed to the purchaser, the listing shall clearly and conspicuously disclose the total price of the ticket, including all mandatory fees and the maximum order processing fee, if any.

(2) The total price of the ticket initially displayed at the beginning of a ticketing session shall not be increased during that ticketing session, except by the addition of the charges permitted under subdivision (4) of this subsection.

(3) The listing shall clearly and conspicuously disclose to the consumer the existence and actual dollar amount of each mandatory fee, if any, prior to the completion of the transaction. The descriptor used to identify each mandatory fee shall not be deceptive or misleading.

(4) The following charges are not mandatory fees and may be added to the ticket price and shall be disclosed to the purchaser prior to purchase of the ticket:

a. Actual charges required to deliver a non-electronic ticket to the address specified by the purchaser by the delivery method designated by the purchaser.

b. Taxes or fees imposed on the transaction by any government.

c. A reasonable fee for processing the order.

(c) A violation of this section is an unfair trade practice under G.S. 75-1.1 and is subject to all of the investigative, enforcement, and penalty provisions of an unfair trade practice under this Article."

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

TECHNICAL CORRECTION TO SESSION LAW 2023-112 CONCERNING THE WINSTON-SALEM CIVIL REVIEW BOARD

SECTION 25. Section 111.1(l) of the Charter of Winston-Salem, being Chapter 232 of the Private Laws of 1927, as enacted by Chapter 112 of the 2023 Session Laws, reads as rewritten:

"(l) Any member of the classified service who desires a hearing shall file a request for hearing with the city clerk within ~~1,030 days~~ 10 days after learning of the action or omission of which the member complains, but not before the member has exhausted all remedies provided by the grievance procedures established by ordinance or policy of the city. The grievance procedure shall be concluded within 30 days. If the grievance procedure is not concluded within 30 days, the member may proceed as provided in this subsection. Upon receipt of the request for hearing, the city clerk shall set the matter for hearing before the Board at a date not less than five nor more than 15 days from the clerk's receipt of the request. Except for the time for filing the initial request for hearing with the Board, the Board may extend the time for taking action for cause or by agreement of the parties to the proceeding. Any member of the classified service of the city who requests a hearing as authorized by this section shall be entitled to be represented at the hearing by his or her attorney. For purposes of the hearings, the Board is authorized to issue subpoenas for the attendance of witnesses or the production of documents."

TECHNICAL CORRECTION TO RESTORE DELETED LANGUAGE CONCERNING FORCED CONNECTION OF COUNTY SEWER, ORIGINALLY ENACTED IN S.L. 2023-90 AND S.L. 2023-108

SECTION 26. G.S. 153A-284 reads as rewritten:

"§ 153A-284. Power to require connections.

(a) A county may require the owner of developed property on which there are situated one or more residential dwelling units or commercial establishments located so as to be served by a water line or sewer collection line owned, leased as lessee, or operated by the county or on behalf of the county to connect the owner's premises with the water or sewer line and may fix charges for these connections. A county may only require connection of an owner's premises to a sewer line, however, if the county has adequate capacity to transport and treat the proposed new wastewater from the premises at the time of connection.

...."

COAL COMBUSTION RESIDUAL REPORT REVISION

SECTION 27. G.S. 130A-309.204(a) reads as rewritten:

"(a) The Department shall submit ~~quarterly written reports~~ an annual report no later than October 1 to the Environmental Review Commission on its operations, activities, programs, and progress with respect to its obligations under this Part concerning all coal combustion residuals surface impoundments. This report may be combined with the report to members of the General Assembly required by subsection (b) of this section. At a minimum, the report shall include information concerning the status of assessment, corrective action, prioritization, and closure for each coal combustion residuals surface impoundment and information on costs connected therewith. The report shall include an executive summary of each annual Groundwater Protection and Restoration Report submitted to the Department by the operator of any coal combustion residuals surface impoundments pursuant to G.S. 130A-309.211(d) and a summary of all groundwater sampling, protection, and restoration activities related to the impoundment for the preceding year. The report shall also include an executive summary of each annual Surface Water Protection and Restoration Report submitted to the Department by the operator of any coal combustion residuals surface impoundments pursuant to G.S. 130A-309.212(e) and a summary of all surface water sampling, protection, and restoration activities related to the impoundment for the preceding year, including the status of the identification, assessment, and correction of unpermitted discharges from coal combustion residuals surface impoundments to the surface waters of the State. The Department shall supplement the written reports required by this subsection with additional written and oral reports as may be requested by the Environmental Review Commission. The Department shall submit the written reports required by this subsection whether or not the General Assembly is in session at the time the report is due."

REQUIRE THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO REPORT QUARTERLY ON APPLICATIONS FOR PERMITS REQUIRED FOR NATURAL GAS PIPELINES AND GAS-FIRED ELECTRIC GENERATION FACILITIES

SECTION 28.(a) Part 1 of Article 7 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-279.20. Report on Department activity to process applications for permits required for natural gas pipelines and gas-fired electric generation facilities.

The Department of Environmental Quality shall report on any applications received for permits required for siting or operation of natural gas pipelines and gas-fired electric generation facilities within the State, and activities of the Department to process such applications, including tracking of processing times. The processing time tracked shall include (i) the total processing time from when an initial permit application is received to issuance or denial of the permit and (ii) the processing time from when a complete permit application is received to issuance or denial of the permit. The Department shall report quarterly to the Joint Legislative Commission on Energy Policy pursuant to this section."

SECTION 28.(b) This section is effective when it becomes law and applies to applications for permits for natural gas pipelines and gas-fired electric generation facilities pending on or received on or after that date. The Department shall submit the initial report due pursuant to G.S. 143B-279.20, as enacted by this section, no later than October 1, 2024.

COMBINE STORMWATER GRANT REPORT WITH WATER INFRASTRUCTURE REPORTS

SECTION 29. Section 12.14(j) of S.L. 2021-180 reads as rewritten:

"SECTION 12.14.(j) Report. – The Department shall submit a report no later than September 1, 2022, and annually thereafter no later than November 1 to the chairs of the Joint

Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Environmental Review Commission, and the Fiscal Research Division on the projects and activities funded by this section until all funds have been expended by grant recipients. The reports required by this section shall be submitted with the reports required by G.S. 159G-26 and G.S. 159G-72 as a single report. The Department shall include in its initial report and may include in subsequent reports recommendations regarding legislative changes or additional funding needed to assist small and financially distressed communities to comply with stormwater standards and requirements and to mitigate the adverse impacts of extreme weather events on stormwater-related flood events. The reports shall also include, at a minimum, the following:

- (1) The beginning and ending balance of the Fund for the fiscal year.
- (2) A listing of grant recipients, amount provided to each recipient, and the grant type funded.
- (3) An overview of the use of funds by grant recipients, including a description of projects constructed or planning milestones achieved."

REQUIRE ANNUAL RIVER BASIN ADVISORY COMMISSION REPORT ONLY IN YEARS WHEN THE COMMISSION MEETS

SECTION 30.(a) G.S. 77-98 reads as rewritten:

"§ 77-98. Annual report.

The Commission shall submit an annual report, including the annual audit required by G.S. 77-96 and any recommendations, on or before 1 October of each year in which the Commission meets to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division of the General Assembly of North Carolina, and as provided by the Commonwealth of Virginia."

SECTION 30.(b) G.S. 77-117 reads as rewritten:

"§ 77-117. Annual report.

The commissions shall submit annual reports, including the annual audit required by G.S. 77-115 and any recommendations, on or before October 1 of each year in which the commissions meet to Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division of the General Assembly of North Carolina, and as provided by the State of South Carolina."

ELIMINATE ANNUAL REPORT ON STATE EMPLOYEES WHO HAVE BEEN WORK FIRST RECIPIENTS

SECTION 31. G.S. 108A-27.10(b) is repealed.

ELIMINATE CONNECT NC BOND REPORT

SECTION 32. Section 2 of S.L. 2015-280 is repealed.

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 33.(a) If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application and, to this end, the provisions of this act are declared to be severable.

SECTION 33.(b) Except as otherwise provided, this act is effective when it becomes law.