

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 40
Committee Substitute Favorable 2/11/25

Short Title: GSC Technical Corrections 2025 Part 1.

(Public)

Sponsors:

Referred to:

February 5, 2025

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

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 1-18 is repealed.

SECTION 1.(b) G.S. 29-30 reads as rewritten:

"§ 29-30. Election of surviving spouse to take life interest in lieu of intestate share provided.

(a) Except as provided in this subsection, in lieu of the intestate share provided in G.S. 29-14 or G.S. 29-21, or of the elective share provided in G.S. 30-3.1, the surviving spouse of an intestate or the surviving spouse who has petitioned for an elective share is entitled to take as the surviving spouse's intestate share or elective share a life estate in one third in value of all the real estate of which the deceased spouse was seised and possessed of an estate of inheritance at any time during ~~coverture~~ the marriage. The surviving spouse is not entitled to take a life estate in any of the following circumstances:

...

(b) The surviving spouse may elect to take a life estate in the usual dwelling house occupied by the surviving spouse at the time of the death of the deceased spouse if the dwelling house was owned by the deceased spouse at the time of the deceased spouse's death, together with the outbuildings, ~~improvements~~ improvements, and ~~easements thereunto belonging or appertaining~~ easements, and ~~lands~~ land upon which the dwelling house is situated and that is reasonably necessary to the its use and enjoyment thereof, as well as enjoyment. ~~The surviving spouse may also elect to take a fee simple ownership in the household furnishings therein, despite the fact that a life estate therein in the dwelling house might exceed the fractional limitation provided for in subsection (a) of this section. If the value of a life estate in the dwelling house is less than the value of a life estate in one-third in value of all the real estate, the surviving spouse may elect to take a life estate in the dwelling and a life estate in such other real estate as to make the aggregate life estate of the surviving spouse equal to a life estate in one-third in value of all the real estate.~~

(c) The election provided for in subsection (a) of this section ~~shall be~~ is made by ~~the filing of a petition in accordance with Article 2 of Chapter 28A of the General Statutes (i) with the clerk of the superior court of the county in which the administration of the estate is pending or (ii) if no administration is pending, then with the clerk of the superior court of any county in which the administration of the estate could be commenced, together with the recording of a notice indicating the county and file number of the clerk's filing with the register of deeds in~~



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every county where real property to be claimed under the filing is located. The election shall be made prior to the following applicable periods:

- (1) In case of testacy, the shorter of (i) within 12 months of the date of death of the deceased spouse if letters testamentary are not issued within that period, or (ii) within one month after the expiration of the time limit for filing a claim for elective share if letters have been issued.
- (2) In case of intestacy, the shorter of (i) within 12 months after the date of death of the deceased spouse if letters of administration are not issued within that period, or (ii) within one month after the expiration of the time limit for filing claims against the estate, if letters have been issued.
- (3) Repealed by Session Laws 2011-344, s. 5, effective January 1, 2012.
- (4) If litigation that affects the share of the surviving spouse in the estate is pending, including a pending petition for determination of an elective share, then within ~~such a~~ reasonable time as ~~may be~~ allowed by written order of the clerk of the superior court.

Nothing in this subsection extends the period of time for a surviving spouse to petition for an elective share under Article 1A of Chapter 30 of the General Statutes.

(c1) The petition described in subsection (c) of this section shall do all of the following:

- (1) Be directed to the clerk with whom it is filed.
- (2) State that the surviving spouse making the petition elects to take under this section rather than under ~~the provisions of~~ G.S. 29-14, 29-21, or 30-3.1, as applicable.
- (3) Set forth the names of all heirs, devisees, personal ~~representatives~~ representatives, and all other persons in possession of or claiming an estate or an interest in the property described in subsection (a) of this section.
- (4) Request the allotment of the life estate provided for in subsection (a) of this section.

(c2) The petition described in subsection (c) of this section may be filed in ~~person, person~~ or by attorney authorized in a writing executed and duly acknowledged by the surviving spouse and attested by at least one witness. If the surviving spouse is a minor or an incompetent, the petition may be executed and filed by a general guardian or by the guardian of the person or estate of the minor or incompetent spouse. If the minor or incompetent spouse has no guardian, the petition may be executed and filed by a guardian ad litem appointed by the clerk. The petition, whether in person or by attorney, shall be filed as a record of the court, and a summons together with a copy of the petition shall be served upon each of the interested persons named in the petition, in accordance with G.S. 1A-1, Rule 4.

(d) In case of election to take a life estate in lieu of an intestate share or elective share, as provided in either G.S. 29-14, 29-21, or 30-3.1, the clerk of superior court, with whom the petition has been filed, shall summon and appoint a jury of three disinterested persons who being first duly sworn shall promptly allot and set apart to the surviving spouse the life estate provided for in subsection (a) of this section and make a final report of this action to the clerk.

(e) The final report shall be filed by the jury not more than 60 days after ~~the their~~ summoning and ~~appointment thereof, appointment,~~ shall be signed by all jurors, and shall describe by metes and bounds the real estate in which the surviving spouse ~~shall have~~ has been allotted and set aside a life estate. It shall be filed as a record of court and a certified copy ~~thereof~~ of it shall be filed and recorded in the office of the register of deeds of each county in which any part of the real property of the deceased spouse, affected by the allotment, is located.

(f) In the election and procedure to have the life estate allotted and set apart provided for in this section, the rules of procedure relating to partition proceedings apply except insofar as the rules would be inconsistent with ~~the provisions of~~ this section. A determination of the life estate under this section may be appealed in accordance with G.S. 1-301.3.

(g) Neither the household furnishings in the dwelling house nor the life ~~estates~~ estate taken by election under this section are subject to the payment of debts due from the estate of the deceased spouse, except those debts secured by ~~such the~~ the property as follows:

(1) By a mortgage or deed of trust in which the surviving spouse has waived the surviving spouse's rights by joining with the other ~~spouse in the making thereof, spouse.~~

(2) By a mortgage or deed of trust given by the deceased spouse to secure a loan, the proceeds of which were used to pay all or a portion of the purchase price of the encumbered real property, regardless of whether the secured party is the seller of the real property or a third-party ~~lender, or by~~ lender.

(2a) By a conditional sales contract of personal property in which title is retained by the vendor, made prior to or during the marriage.

(3) By a mortgage or deed of trust made prior to the marriage.

(4) By a mortgage or deed of trust constituting a lien on the property at the time of its acquisition by the deceased spouse either before or during the marriage.

(5) By a mortgage or deed of trust on property with respect to which the elective life estate provided for in this section does not apply as provided in subsection (a) of this section.

(h) If no election is made in the manner and within the time provided for in subsection (c) of this section, the surviving spouse ~~shall be~~ is conclusively deemed to have waived the surviving spouse's right to elect to take under ~~the provisions of this section, and any interest which that~~ the surviving spouse may have had in the real estate of the deceased spouse by virtue of this section shall terminate, is terminated."

SECTION 1.(c) G.S. 50-11 reads as rewritten:

"§ 50-11. Effects of absolute divorce.

(a) After a judgment of divorce from the bonds of matrimony, all rights arising out of the marriage ~~shall cease and determine except as hereinafter set out, cease, except as otherwise provided by this section,~~ and either party may marry again without restriction arising from the dissolved marriage.

(b) No judgment of divorce shall cause any child in esse or begotten of the body of the wife during ~~coverture the marriage~~ the marriage to be treated as a child born out of wedlock.

(c) A divorce obtained pursuant to G.S. 50-5.1 or G.S. 50-6 ~~shall does~~ not affect the rights of either spouse with respect to any action for alimony or postseparation support pending at the time the judgment for divorce is granted. Furthermore, a judgment of absolute divorce ~~shall does~~ not impair or destroy the right of a spouse to receive alimony or postseparation support or affect any other rights provided for ~~such the~~ the spouse under any judgment or decree of a court rendered before or at the time of the judgment of absolute divorce.

(d) A divorce obtained outside the State in an action in which jurisdiction over the person of the dependent spouse was not obtained ~~shall does~~ not impair or destroy the right of the dependent spouse to alimony as provided by the laws of this State.

(e) An absolute divorce obtained ~~within in~~ in this State ~~shall destroy~~ destroys the right of a spouse to equitable distribution under G.S. 50-20 unless the right is asserted prior to judgment of absolute divorce; ~~except, however,~~ the defendant may bring an action or file a motion in the cause for equitable distribution within six months from the date of the judgment in ~~such a the~~ the case if service of process upon the defendant was by publication pursuant to G.S. 1A-1, ~~Rule 4~~ Rule 4, and the defendant failed to appear in the action for divorce.

(f) An absolute divorce by a court that lacked personal jurisdiction over the absent spouse or lacked jurisdiction to dispose of the property ~~shall does~~ not destroy the right of a spouse to equitable distribution under G.S. 50-20 if an action or motion in the cause is filed within six months after the judgment of divorce is entered. The validity of ~~such the~~ the divorce may be attacked in the action for equitable distribution."

1 **SECTION 1.(d)** G.S. 52-10 reads as rewritten:

2 "**§ 52-10. Contracts between husband and wife generally; releases.**

3 (a) Contracts between husband and wife not inconsistent with public policy are valid, and
4 any persons of full age about to be married and married persons may, with or without a valuable
5 consideration, release and quitclaim ~~such rights which they might respectively acquire or may~~
6 have acquired by marriage in the property of each ~~other; and such other~~. These releases may be
7 pleaded in bar of any action or proceeding for the recovery of the rights and estate ~~so released~~.
8 No contract or release between husband and wife made during their ~~coverture shall be valid to~~
9 ~~affect or change any part of the real estate of either spouse, or the accruing income thereof for a~~
10 ~~longer time than three years next ensuing the making of such contract or release, marriage affects~~
11 ~~either of the following, unless it is in writing and is acknowledged by both parties before a~~
12 ~~certifying officer; officer:~~

13 (1) Either spouse's real property.

14 (2) Income from either spouse's real property accruing more than three years after
15 the execution of the contract or release.

16 (a1) A contract between a husband and wife made, with or without a valuable
17 consideration, during a period of separation to waive, release, or establish rights and obligations
18 to ~~post separation~~ postseparation support, alimony, or spousal support is valid and not
19 inconsistent with public policy. A provision waiving, releasing, or establishing rights and
20 obligations to ~~post separation~~ postseparation support, alimony, or spousal support ~~shall remain~~
21 remains valid following a period of reconciliation and subsequent separation, if the contract
22 satisfies all of the following requirements:

23 (1) The contract is in writing.

24 (2) The provision waiving the rights or obligations is clearly stated in the contract.

25 (3) The contract was acknowledged by both parties before a certifying officer.

26 A release made pursuant to this subsection may be pleaded in bar of any action or proceeding for
27 the recovery of the rights released.

28 (b) ~~Such A~~ certifying officer under this section shall be a notary public, or a justice, judge,
29 magistrate, clerk, assistant ~~clerk~~ clerk, or deputy clerk of the General Court of Justice, or the
30 equivalent or corresponding officers of the state, ~~territory~~ territory, or foreign country where the
31 acknowledgment is made. ~~Such The officer must shall~~ not be a party to the contract.

32 (c) This section ~~shall does~~ not apply to any judgment of the superior court or other State
33 court of competent ~~jurisdiction, which, jurisdiction that,~~ by reason of its being consented to by a
34 husband and wife, or their attorneys, may be construed to constitute a contract or release between
35 ~~such the~~ husband and wife."

36 **SECTION 2.** G.S. 1-569.17 reads as rewritten:

37 "**§ 1-569.17. Witnesses; subpoenas; depositions; discovery.**

38 (a) An arbitrator may issue a subpoena for the attendance of a witness and for the
39 production of records and other evidence at any hearing and may administer oaths. A subpoena
40 shall be served in the manner for service of subpoenas in a civil action and, upon motion to the
41 court by a party to the arbitration proceeding or the arbitrator, enforced in the manner for
42 enforcement of subpoenas in a civil action.

43 ...

44 (d) If an arbitrator permits discovery under subsection (c) of this section, the arbitrator
45 may order a party to the arbitration proceeding to comply with the arbitrator's discovery-related
46 orders, issue subpoenas for the attendance of a witness and for the production of records and
47 other evidence at a discovery proceeding, and take action against a noncomplying party to the
48 extent a court could if the controversy were the subject of a civil action in this State.

49 ...

50 (g) The court may enforce a subpoena or discovery-related order for the attendance of a
51 witness within this State and for the ~~protection~~ production of records and other evidence issued

by an arbitrator in connection with an arbitration proceeding in another state upon conditions determined by the court so as to make the arbitration proceeding fair, expeditious, and cost-effective. A subpoena or discovery-related order issued by an arbitrator in another state shall be served in the manner provided by law for service of subpoenas in a civil action in this State and, upon motion to the court by a party to the arbitration proceeding or the arbitrator, enforced in the manner provided by law for enforcement of subpoenas in a civil action in this State.

(h) An arbitrator ~~shall does not~~ have the authority to hold a party in contempt of any order the arbitrator makes under this section. A court may hold parties in contempt for failure to obey an arbitrator's order, or an order made by the court, pursuant to this section, among other sanctions imposed by the arbitrator or the court."

SECTION 3. G.S. 7B-2204(d) reads as rewritten:

"(d) Should the juvenile be found guilty, or enter a plea of guilty or no contest to a criminal offense in superior court and receive an active sentence, then immediate transfer to the Division of Prisons of the Department of Adult Correction shall be ordered. Until ~~such time as~~ the juvenile is transferred to the Division of Prisons of the Department of Adult Correction, the juvenile may be detained in a holdover facility or detention facility approved by the ~~Section or approved by~~ the Division of Juvenile Justice of the Department of Public Safety."

SECTION 4. G.S. 14-113.7A reads as rewritten:

"§ 14-113.7A. Application of Article to credit financial transaction cards.

This Article ~~shall not be construed as being applicable~~ does not apply to any credit a financial transaction card as the term is defined in G.S. 14-113.8."

SECTION 5. Article 15A of Chapter 15 of the General Statutes is repealed.

SECTION 6. G.S. 58-6-25 reads as rewritten:

"§ 58-6-25. Insurance regulatory charge.

...

(b) Rates. – The rate of the charge for each taxable year ~~shall be is~~ six and one-half percent (6.5%). When the Department prepares its budget request for each upcoming fiscal year, the Department shall propose a percentage rate of the charge levied in this section. The Governor shall submit that proposed rate to the General Assembly each fiscal year. It is the intent of the General Assembly that the percentage rate not exceed the rate necessary to generate funds sufficient to defray the estimated cost of the operations of the Department for each upcoming fiscal year, including a reasonable margin for a reserve that shall be used to provide for unanticipated expenditures requiring a budget adjustment as authorized by G.S. 143C-6-4. In calculating the amount of the reserve, the General Assembly shall consider all relevant factors that may affect the cost of operating the Department or a possible unanticipated increase or decrease in North Carolina premiums or other charge revenue.

...

(d) Use of Proceeds. – The Insurance Regulatory Fund is created as an interest-bearing special fund to which the proceeds of the charge levied in this section and all fees collected under Articles 69 through 71 of this Chapter and under Articles 9 and 9C of Chapter 143 of the General Statutes shall be credited. Moneys in the Fund may be spent only pursuant to appropriation by the General Assembly, and the Fund is subject to the provisions of the State Budget Act. All money credited to the Fund shall be used to reimburse the General Fund for the following:

...

(9) Money appropriated to the Department of Insurance for the regulation of the professional employer organization industry pursuant to Article 89A of ~~Chapter 58 of the General Statutes~~ this Chapter.

...."

SECTION 7.(a) The last sentence of Section 5 of S.L. 2013-357 is codified as the last sentence of G.S. 58-50-130(a)(5)b.

1 **SECTION 7.(b)** G.S. 58-50-130, as amended by subsection (a) of this section, reads
2 as rewritten:

3 **"§ 58-50-130. Required health care plan provisions.**

4 (a) Health benefit plans covering small employers are subject to the following provisions:

5 ...

6 (5) No small employer carrier, insurer, subsidiary of an insurer, or controlled
7 individual of an insurance holding company shall provide stop loss,
8 catastrophic, or reinsurance coverage that does not comply with the applicable
9 standards in this Article, including underwriting and rating standards, to small
10 employers ~~who employ~~ employing fewer than 12 eligible employees ~~that does~~
11 ~~not comply with the underwriting, rating, and other applicable standards in~~
12 ~~this Act. employees.~~ An insurer shall not issue a stop loss health insurance
13 policy to any person, firm, corporation, partnership, or association defined as
14 a small employer that does any of the following:

- 15 a. Provides direct coverage of health expenses payable to an individual.
16 b. Has an annual attachment point for claims incurred per individual that
17 is lower than twenty thousand dollars (\$20,000) for plan years
18 beginning in 2013. For subsequent policy years, the amount shall be
19 indexed using the Consumer Price Index for Medical Services for All
20 Urban Consumers for the South Region and shall be rounded to the
21 nearest whole thousand dollars. The index factor ~~shall be~~ is the index
22 as of July of the year preceding the change divided by the index as of
23 July 2012. The Department of Insurance ~~shall make the amount of the~~
24 ~~attachment points in Section 3 of this act~~ the indexed amount available
25 to the public annually.
26 c. Has an annual aggregate attachment point lower than the greater of
27 one of the following:
28 1. One hundred twenty percent (120%) of expected claims.
29 2. Twenty thousand dollars (\$20,000) for plan years beginning in
30 2013. For subsequent policy years, the amount shall be indexed
31 using the Consumer Price Index for Medical Services for All
32 Urban Consumers for the South Region and shall be rounded
33 to the nearest whole thousand dollars. The index factor ~~shall be~~
34 is the index as of July of the year preceding the change divided
35 by the index as of July 2012.

36 Nothing in this subsection prohibits an insurer from providing additional
37 incentives to small employers with benefits promoting a medical home or
38 benefits that provide health care screenings, are focused on outcomes and key
39 performance indicators, or are reimbursed on an outcomes basis rather than a
40 fee-for-service basis.

41 (6) If a small employer carrier offers coverage to a small employer, the small
42 employer carrier shall offer coverage to all eligible employees of a small
43 employer and their dependents. A small employer carrier shall not offer
44 coverage to only certain individuals in a small employer group except in the
45 case of late enrollees as provided in ~~G.S. 58-50-130(a)(4)~~ subdivision (a)(4)
46 of this section.

47 (7), (8) Repealed by Session Laws 1997-259, s. 5.

48 (9) The health benefit plan ~~must~~ shall meet the applicable requirements of Article
49 68 of this Chapter.

(b) For all small employer health benefit plans that are grandfathered health benefit plans and that are subject to this section, the premium rates are subject to all of the following provisions:

- (1) Small employer carriers shall use an adjusted-community rating methodology in which the premium for each small employer can vary only on the basis of the eligible employee's or dependent's age as determined under subdivision (6) of this subsection, the gender of the eligible employee or dependent, number of family members covered, or geographic area as determined under subdivision (7) of this subsection, or industry as determined under subdivision (9) of this subsection. Premium rates charged during a rating period to small employers with similar case characteristics for the same coverage shall not vary from the adjusted community rate by more than twenty-five percent (25%) for any reason, including differences in administrative costs and claims experience.
- (2) Rating factors related to age, gender, number of family members covered, geographic location, or industry may be developed by each carrier to reflect the carrier's experience. The factors used by carriers are subject to the Commissioner's review.
- (3) A small employer carrier shall not modify the premium rate charged to a small employer or a small employer group member, including changes in rates related to the increasing age of a group member, for 12 months from the initial issue date or renewal date, unless the group is ~~composite-rated~~ composite-rated and composition of the group changed by twenty percent (20%) or more or benefits are changed. The percentage increase in the premium rate charged to a small employer for a new rating period shall not exceed the sum of all of the following:
...
(4), (5) Repealed by Session Laws 1995, c. 238, s. 1.
- (6) Unless the small employer carrier uses composite rating, the small employer carrier shall use the following age brackets:
 - a. Younger than 15 ~~years;~~years.
 - b. 15 to 19 ~~years;~~years.
 - c. 20 to 24 ~~years;~~years.
 - d. 25 to 29 ~~years;~~years.
 - e. 30 to 34 ~~years;~~years.
 - f. 35 to 39 ~~years;~~years.
 - g. 40 to 44 ~~years;~~years.
 - h. 45 to 49 ~~years;~~years.
 - i. 50 to 54 ~~years;~~years.
 - j. 55 to 59 ~~years;~~years.
 - k. 60 to 64 ~~years;~~years.
 - l. 65 years.Carriers may combine, but shall not split, complete age brackets for the purposes of determining rates under this subsection. Small employer carriers shall be permitted to develop separate rates for individuals aged 65 years and older for coverage for which Medicare is the primary payor and coverage for which Medicare is not the primary payor.
- (7) A carrier shall define geographic area to mean medical care system. Medical care system factors shall reflect the relative differences in expected costs, shall produce rates that are not excessive, inadequate, or unfairly discriminatory in

- 1 the medical care system areas, and shall be ~~revenue-neutral~~ revenue-neutral to
2 the small employer carrier.
- 3 (8) The Department may adopt rules to administer this subsection and to assure
4 that rating practices used by small employer carriers are consistent with the
5 purposes of this subsection. Those rules shall include consideration of
6 differences based on all of the following:
- 7 a. Health benefit plans that use different provider network arrangements
8 may be considered separate plans for the purposes of determining the
9 rating in subdivision (1) of this ~~subsection~~, provided that subsection so
10 long as the different arrangements are expected to result in substantial
11 differences in claims costs.
- 12 b. Except as provided for in sub-subdivision a. of this subdivision,
13 differences in rates charged for different health benefit plans shall be
14 reasonable and reflect objective differences in plan ~~design~~, design but
15 shall not permit differences in premium rates because of the case
16 characteristics of groups assumed to select particular health benefit
17 plans.
- 18 c. Small employer carriers shall apply allowable rating factors
19 consistently with respect to all small employers.
- 20 (9) In any case where the small employer carrier uses industry as a case
21 characteristic in establishing premium rates, the rate factor associated with
22 any industry classification divided by the lowest rate factor associated with
23 any other industry classification shall not exceed 1.2.
- 24 (b1) For all small employer health benefit plans that are not grandfathered health benefit
25 plans and that are subject to this section, the premium rates are subject to all of the following
26 provisions:
- 27 (1) A small employer carrier shall use a method to develop premiums for small
28 employer group health benefit plans that are not grandfathered health plans
29 ~~which that~~ spreads financial risk across a large population and allows
30 adjustments for only the following factors:
- 31 a. Age, except that the rate shall not vary by more than the ratio of three
32 to one (3:1) for adults.
- 33 b. Whether the plan or coverage covers individual or family.
- 34 c. Geographic rating areas.
- 35 d. Tobacco use, except that the rate shall not vary by more than the ratio
36 of one and two-tenths to one (1.2:1) due to tobacco use.
- 37 With respect to family coverage under a health benefit plan, the rating
38 variations for age and tobacco use shall be applied based on the portion of
39 premium that is attributable to each family member covered under the plan.
- 40 ...
- 41 (f) Each small employer carrier shall file with the Commissioner annually on or before
42 March 15 an actuarial certification certifying that it is in compliance with this ~~Aet~~ Article and
43 that its rating methods are actuarially sound. The small employer carrier shall retain a copy of
44 the certification at its principal place of business.
- 45 (g) A small employer carrier shall make the information and documentation described in
46 subsection (e) of this section available to the Commissioner upon request. Except in cases of
47 violations of this ~~Aet~~ Article, the information is proprietary and trade secret information and is
48 not subject to disclosure by the Commissioner to persons outside of the Department except as
49 agreed to by the small employer carrier or as ordered by a court of competent jurisdiction.
50 Nothing in this section affects the Commissioner's authority to approve rates before their use
51 under G.S. 58-65-60(e) or G.S. 58-67-50(c).

(h) ~~The provisions of subdivisions (a)(1), (3), and (5) and subsections (b) through (g) of this section apply to health benefit plans delivered, issued for delivery, renewed, or continued in this State or covering persons residing in this State on or after January 1, 1992. The provisions of subdivisions (a)(2) and (4) of this section apply to health benefit plans delivered, issued for delivery, renewed, or continued in this State or covering persons residing in this State on or after the date the plan becomes operational, as designated by the Commissioner. For purposes of this subsection, the date a health benefit plan is continued is the anniversary date of the issuance of the health benefit plan.~~

...."

SECTION 7.(c) The introductory language of Section 12 of S.L. 2015-281 reads as rewritten:

"**SECTION 12.** ~~Section 4(b) of S.L. 2013-357 reads as rewritten:~~

~~"**SECTION 4.(b)** G.S. 58-50-110 reads as rewritten:"~~

SECTION 7.(d) Subsection (c) of this section is retroactively effective January 1, 2016. The remainder of this section is effective when it becomes law.

SECTION 8.(a) Chapter 77 of the General Statutes is amended by adding a new Article to read:

"Article 6B.

"Lake Norman Marine Commission."

SECTION 8.(b) Chapter 1089 of the 1969 Session Laws, as amended by Section 3 of Chapter 494 of the 1991 Session Laws and Section 1 of Chapter 797 of the 1991 Session Laws, is codified in Article 6B of Chapter 77 of the General Statutes, as enacted by subsection (a) of this section, as follows:

<u>Section of 1969 Session Law</u>	<u>G.S. Section</u>
Section 1	G.S. 77-89.1
Section 2	G.S. 77-89.2
Section 3	G.S. 77-89.3
Section 4	G.S. 77-89.4
Section 5	G.S. 77-89.5
Section 6	G.S. 77-89.6
Section 7	G.S. 77-89.7
Section 8, as amended	G.S. 77-89.8
Section 9	G.S. 77-89.9

SECTION 8.(c) Article 6B of Chapter 77 of the General Statutes, as enacted by subsection (a) of this section and as amended by subsection (b) of this section, reads as rewritten:

"Article 6B.

"Lake Norman Marine Commission.

"§ 77-89.1. Definitions.

~~Unless the context clearly requires otherwise, the~~ The following definitions apply in this ~~Act.~~ Article:

- (1) ~~Board:~~ Board. – The board of commissioners of one of the four counties.
- (2) ~~Commission:~~ Commission. – ~~The Lake Norman Marine Commission or its governing board, as the case may be.~~ Commission.
- (3) ~~Commissioner:~~ Member-Commissioner. – A member of the governing board of the Commission.
- (4) ~~Four counties:~~ Four counties. – Catawba, Iredell, Lincoln, and Mecklenburg Counties.
- (5) ~~Joint resolution:~~ resolution. – A resolution substantially identical in content adopted separately by the board in each of the four counties.

- (6) ~~Lake Norman: Norman.~~ – The impounded body of water along the Catawba River in the four counties extending from the bridge crossing of Rural Road 1004 downstream to Cowans Ford Dam.
- (7) ~~Shoreline area: area.~~ – Except as modified by a joint resolution of the four counties, the area within the four counties lying within one mile of the mean high water line of Lake Norman. ~~In addition, the shoreline area shall include~~ This term also includes all islands within Lake Norman and all peninsulas extending into the waters of Lake Norman.
- (8) ~~Wildlife Commission: Resources Commission.~~ – The North Carolina Wildlife Resources Commission established under Article 24 of Chapter 143 of the General Statutes.

"§ 77-89.2. Creation of Commission authorized.

The counties of Catawba, Iredell, Lincoln, and Mecklenburg ~~are hereby authorized may by~~ joint resolution ~~to create the Lake Norman Marine Commission. Upon its creation-creation, the~~ Commission ~~shall enjoy the powers and have the duties~~ has the powers, duties, and responsibilities conferred upon it by the joint resolution, subject to the provisions of this Act. ~~Article.~~ The provisions of any joint resolution may be modified, amended, or rescinded by a subsequent joint resolution. A county may unilaterally withdraw from participation as required by any joint resolution or the provisions of this ~~Act, Article,~~ once the Commission has been created, and any county may unilaterally withdraw from ~~said commission-the Commission~~ at the end of any budget period. Upon the effectuation of ~~such the~~ withdrawal, the Commission is dissolved until reestablished under the provisions of this ~~Act Article~~ or any successor act, and all property of the Commission shall be distributed to or divided among the four counties and any other public agency or agencies serving the Lake Norman area in a manner deemed equitable by the four counties.

"§ 77-89.3. Terms of members.

(a) Upon its creation, the Commission ~~shall have~~ has a governing board of five commissioners. Except as otherwise provided for the first five-year period, each commissioner shall serve a five-year term, with commissioners to serve overlapping terms so that one commissioner appointment is made each year. Upon creation of the Commission, the board of Catawba County shall appoint two commissioners and the boards of the other three counties shall appoint one each. These initial appointees shall serve until September 30 following their appointment. Thereafter, appointments shall be made each October 1 by the respective boards of the four counties as follows:

- (1) First year: Commissioner from Catawba, one-year term; commissioner from Iredell, two-year term; commissioner from Lincoln, three-year term; commissioner from Mecklenburg, four-year term; commissioner from Catawba, five-year term.
- (2) Second year: Commissioner from Iredell, five-year term.
- (3) Third year: Commissioner from Lincoln, five-year term.
- (4) Fourth year: Commissioner from Mecklenburg, five-year term.
- (5) Fifth year: Commissioner from Catawba, five-year term.
- (6) Sixth and succeeding years: appointments for five-year terms in rotation by county in the order set out ~~above~~ in this subsection.

(b) In the event of death of a commissioner, resignation, incapacity or inability to serve, as determined by the board appointing ~~such the~~ commissioner, or removal of the commissioner for cause, as determined by the board appointing ~~such the~~ commissioner, the board ~~affected~~ may appoint another commissioner to fill the unexpired term.

"§ 77-89.4. Compensation; budgetary and accounting procedures.

The joint resolution of the four counties shall state the terms relating to the compensation ~~to~~ of commissioners, if any, compensation of consultants and staff members employed by the

Commission, and reimbursement of expenses incurred by commissioners, consultants, and employees. The Commission ~~shall be~~ is governed by ~~such any~~ budgetary and accounting procedures ~~as may be~~ specified by joint resolution.

"§ 77-89.5. Organization and meetings.

Upon creation of the Commission, its governing board shall meet at a time and place agreed upon by the boards of the four ~~counties concerned~~ counties. The commissioners shall elect a ~~chairman-chair~~ and ~~such any~~ other officers ~~as that they may choose~~. All officers shall serve one-year terms. The governing board shall adopt ~~such rules and regulations as it may deem~~ necessary, not inconsistent with the provisions of this ~~Aet~~ Article or of any joint resolution, for the proper discharge of its duties and for the governance of the Commission. The ~~chairman-chair~~ may appoint ~~such committees as may be that have been~~ authorized by ~~such rules and regulations~~ regulation. The Commission shall meet regularly at ~~such any~~ times and places ~~as may be~~ specified in its ~~rules and~~ regulations or in any joint resolution. Special meetings may be called as specified in the ~~rules and~~ regulations.

"§ 77-89.6. Powers of Commission; administrative provision.

(a) Within the limits of funds available to it and subject to the provisions of this ~~Aet~~ Article and of any joint resolution, the Commission ~~may~~ may do all of the following:

- (1) Hire and ~~Fix fix~~ the compensation of permanent and temporary employees and staff ~~as it may deem that are~~ necessary in carrying out its duties.
- (2) Contract with consultants for ~~such services as it may require~~ services.
- (3) Contract with the State of North Carolina or the ~~Federal Government~~ federal government, or any agency or department or subdivision thereof, ~~for such property or services as may be provided to or by such agencies, and carry out the provisions of such contracts or any other person~~.
- (4) Contract with persons, firms, and corporations generally as to all matters over which it has a proper concern, and carry out the provisions of such contracts.
- (5)(4) Lease, rent, purchase, or otherwise obtain suitable quarters and office space for its employees and staff, ~~staff~~ and lease, rent, purchase, or otherwise obtain furniture, fixtures, aircraft, vessels, vehicles, firearms, uniforms, and other supplies and ~~equipment necessary or desirable for carrying out the duties imposed in or under the authority of this Aet~~ equipment.
- (6)(5) Lease, rent, purchase, construct, otherwise obtain, maintain, operate, repair, and replace, either on its own or in cooperation with other public or private agencies or individuals, any of the following: parks, shoreline and water recreational areas, swimming pools and swimming areas, marinas, fishing piers, boat docks, boating and fishing access areas, navigation aids, waterway markers, public information signs and notices, and other items of real and personal property designed to enhance public recreation, public safety in Lake Norman and its shoreline area, or protection of property in the shoreline area.

(b) The Commission may accept, receive, and disburse in furtherance of its functions any funds, grants, services, or property made available by the ~~Federal Government~~ federal government or its agencies or subdivisions, by the State ~~Government~~ or its agencies or subdivisions, or by private and civic sources.

(c) The boards of the four counties may appropriate funds to the Commission out of surplus funds or funds derived from nontax sources. They may also appropriate funds out of tax revenues and may ~~also levy~~ annually levy taxes for the payment of ~~such the~~ appropriation as a special purpose, ~~in addition to any allowed by the Constitution~~ purpose.

(d) The Commission ~~shall be~~ is subject to ~~such any~~ audit requirements ~~as may be~~ specified in any joint resolution.

(e) ~~In carrying out some or all of its duties and in either in addition to or in lieu of exercising various provisions of the above authorizations, the~~ The Commission may, with the

1 agreement of the board of the county concerned, utilize personnel and property of or assign
2 responsibilities to any officer or employee of any of the four counties. ~~Such a~~ contribution in
3 ~~kind, if substantial, may kind may,~~ with the agreement of the other three ~~counties~~ counties, be
4 deemed ~~to substitute a substitute,~~ in whole or in ~~part part,~~ for the financial contribution required
5 of ~~such the~~ county in support of the Commission.

6 (f) Unless otherwise specified by joint resolution, each of the four counties shall annually
7 contribute an equal financial contribution to the Commission in an amount appropriate to support
8 the activities of the Commission in carrying out its duties.

9 **"§ 77-89.7. Filing and publication of joint resolutions.**

10 (a) A copy of the joint resolution creating the Commission and of any joint resolution
11 amending or repealing the joint resolution creating the Commission shall be filed with the
12 Executive Director of the Wildlife Resources Commission. When the Executive Director
13 receives resolutions that are in substance identical from all four counties concerned, the
14 Executive Director shall within ten days so certify and distribute a certified single resolution text
15 to the following:

16 (1) The Secretary of State.

17 ~~(2) The Director of the Department of Local Affairs.~~

18 ~~(3)(2)~~ (2) The clerk to the board of county commissioners of each of the four counties.

19 ~~(4)(3)~~ (3) The clerk of superior court of each of the four counties.

20 Upon request, the Executive Director shall also send a certified single copy of any and all
21 applicable joint resolutions to the ~~chairman~~ chair of the Commission.

22 (b) Unless a joint resolution specifies a later date, it ~~shall take~~ takes effect when the
23 Executive Director's certified text has been submitted to the Secretary of State for filing.
24 Certifications of the Executive Director under the seal of the Commission as to the text or
25 amended text of any joint resolution and of the date ~~or dates~~ of submission to the Secretary of
26 State ~~shall be~~ are admissible in evidence in any court. Certifications by any clerk of superior
27 court of the text of any certified resolution filed with ~~him the clerk~~ by the Executive Director
28 ~~shall also be~~ are also admissible in ~~evidence~~ evidence, and the Executive Director's submission
29 of the resolution for filing to the clerk ~~shall constitute~~ constitutes prima facie evidence that ~~such~~
30 the resolution was on the date of submission also submitted for filing with the Secretary of State.
31 Except for the certificate of a clerk as to receipt and date of submission, no evidence ~~may~~ shall
32 be admitted in court concerning the submission of the certified text of any resolution by the
33 Executive Director to any person other than the Secretary of State.

34 **"§ 77-89.8. Regulatory authority.**

35 (a) Except as limited ~~in subsection (b) below,~~ by subsection (c) of this section, by
36 restrictions in any joint resolution, ~~and or by other supervening~~ provisions of law, the
37 Commission may make regulations applicable to Lake Norman and its shoreline area concerning
38 all matters relating to or affecting public recreation and water safety. These regulations ~~may~~ shall
39 not conflict with ~~or supersede provisions of general or special Acts or of regulations of State~~
40 ~~agencies promulgated under the authority of general law.~~ State law. In lieu of or in addition to
41 ~~passing regulations supplementary to State law and regulations concerning the operation of~~
42 ~~vessels on Lake Norman, these regulations,~~ the Commission may, after public notice, request
43 that the Wildlife Resources Commission pass ~~local regulations~~ rules on this subject in accordance
44 with the procedure established in G.S. 75A-15.

45 (b) Violation of any regulation of the Commission commanding or prohibiting an act
46 ~~shall be a misdemeanor~~ is punishable by a ~~fine~~ civil penalty not to exceed five hundred dollars
47 (\$500.00) per violation.

48 ~~The regulations promulgated under this Section take effect upon passage or upon such~~
49 ~~dates as may be stipulated in the regulations except that no regulation may~~ No regulation adopted
50 under this section shall be enforced unless adequate notice of the regulation has been posted in
51 or on Lake Norman or its shoreline area. Adequate notice as to a regulation affecting only a

particular location may be by a sign, uniform waterway marker, posted notice, or other effective method of communicating the essential provisions of the regulation in the immediate vicinity of the location in question. ~~Where location.~~ If a regulation applies generally as to Lake Norman or its shoreline area, or both, there ~~must~~ shall be a posting of notices, signs, or markers communicating ~~the its~~ essential provisions in at least three different places throughout the area.

(d) A copy of each regulation ~~promulgated under this Section must~~ adopted under this section shall be filed by the Commission with the following persons:

(1) The Secretary of State, ~~in accordance with G.S. 143-195 to 198.~~ State.

(2) The clerk of superior court of each of the four counties, ~~in accordance with G.S. 143-198.1.~~ counties.

(3) The Executive Director of the Wildlife Resources Commission.

(4) ~~The Director of the Department of Local Affairs.~~

(e) Any official designated in subsection (d) ~~above of this section~~ may issue certified copies of regulations filed with him ~~under the seal of his office.~~ Such the official. The certified copies may be received in evidence in any proceeding.

(f) Publication and filing of regulations ~~promulgated under this Section as required above is adopted under this section~~ are for informational purposes and shall not be are not a prerequisite to their validity if they in fact have been ~~duly promulgated, adopted,~~ the public has been notified as to ~~the substance of the regulations,~~ their substance, a copy of the text of all regulations is in fact available to any person ~~who that~~ may be affected, and no party to any proceeding has been prejudiced by any defect ~~that may exist~~ with respect to publication and filing. ~~Rules and regulations promulgated~~ Regulations adopted by the Commission under ~~the provisions of other sections of this Act~~ Article relating to internal governance of the Commission ~~need not are not required to be filed or published.~~ Where If posting of any sign, notice, or marker or the making of other communication is essential to the validity of a ~~regulation duly promulgated,~~ regulation, it ~~shall be~~ is presumed in any proceeding that proper notice was given and maintained and the burden ~~shall lie~~ lies upon the party asserting to the contrary to prove lack of adequate notice of ~~any the~~ regulation.

(g) Under authorization of a joint resolution, and subject to the limitations of this section, the Commission may regulate personal watercraft operation in Lake Norman and from its ~~shoreline.~~ shoreline area.

"§ 77-89.9. Enforcement.

(a) ~~Where~~ If a joint resolution so provides, all law enforcement officers (or ~~such any~~ officers as may be designated in the joint resolution) with territorial jurisdiction as to any part of Lake Norman or its shoreline ~~area shall,~~ area, within the limitations of their subject matter jurisdiction, have the authority of peace officers in enforcing the laws over all of Lake Norman and its shoreline area.

(b) ~~Where~~ If a joint resolution so provides, the Commission may hire special officers to patrol and enforce the laws on Lake Norman and its shoreline area. ~~Such~~ These special officers ~~shall have and exercise~~ all the powers of peace officers generally within ~~the area in question and this area.~~ These special officers shall take the oaths oath of a law enforcement officer and be are subject to all provisions of law relating to law enforcement officers.

(c) Unless a joint resolution provides to the contrary, all courts in the four counties, within the limits of their subject matter jurisdiction, ~~shall have~~ concurrent jurisdiction as to all criminal offenses arising within the boundaries of Lake Norman and its shoreline area.

(d) ~~Where~~ If a law enforcement officer with jurisdiction over any part of Lake Norman or its shoreline area is performing duties relating to the enforcement of the laws on Lake Norman or in its shoreline area, ~~he shall have such~~ the officer also has any extra-territorial jurisdiction ~~as may be that is necessary to perform such these duties.~~ These duties include investigations any of the following:

- (1) Investigations of crimes an officer reasonably believes have been, or are about to be, committed within the area in question; traversing area.
- (2) Traversing by reasonable routes from one portion of such the area to another although across territory not within the boundaries of Lake Norman and its shoreline area; conducting portion even if the route is not contained within the area.
- (3) Conducting prisoners in custody to such a court or detention facilities as may be authorized by law, although this may involve going outside the area in question; execution facility even if the court or facility is not within the area.
- (4) Execution of process connected with any criminal offense alleged to have been committed within the boundaries in question, except that such process may not be executed by virtue of this provision area. This subdivision, however, does not apply beyond the boundaries of the four continuing counties; counties.
- (5) Continuing pursuit of and arresting any violator or suspected violator as to which whose grounds for arrest arose within the area in question. Where area.
- (e) If any law enforcement officers are given additional territorial jurisdiction under the provisions of this Section, this section, this shall be act is deemed an extension of the duties of the office held and no officer shall take any additional oath or title of office."

SECTION 8.(d) G.S. 77-113 reads as rewritten:

"§ 77-113. Membership; terms of office; eligibility for appointment; meetings.

(a) The Catawba/Wateree River Basin Advisory Commission shall be composed of 15 members as follows:

...

- (10) One person to represent the following commissions, appointed jointly by the three ~~chief executive officers~~ chairs of the commissions: the Lake Wylie Marine Commission established pursuant to Article 4 of Chapter 77 of the General Statutes, the Mountain Island Lake Marine Commission established pursuant to Article 6 of Chapter 77 of the General Statutes, and the Lake Norman Marine Commission established pursuant to ~~Chapter 1089 of the 1969 Session Laws~~ Article 6B of Chapter 77 of the General Statutes.

...

(c) Each member appointed to the commissions pursuant to subdivisions (1) and (2) of subsections (a) and (b) of this section shall serve at the pleasure of the appointing authority so long as the member remains a Representative or Senator. Each member appointed to the commissions pursuant to subdivisions (3) and (4) of subsections (a) and (b) of this section shall serve as provided by the General Assembly of South Carolina. Each member appointed to the commissions pursuant to subdivisions (7) through (9) of subsection (a) and subdivisions (8) through (10) of subsection (b) of this section shall serve for so long as the member continues in the qualifying position or, if the member is a designee, at the pleasure of the designating authority. Each member appointed to the commissions pursuant to subdivisions (6) and (10) of subsection (a) and subdivisions (7) and (11) of subsection (b) of this section shall serve a term of two years and may be reappointed to serve no more than three consecutive full terms or 84 consecutive months, whichever is greater. The term of a person appointed to the commission pursuant to subdivision (10) of subsection (a) of this section ~~shall expire~~ expires on 1 January of even-numbered years. The term of a person appointed to the commission pursuant to subdivision (6) of subsection (a) of this section ~~shall expire~~ expires on 1 January of odd-numbered years. The term of a member who is appointed to the commissions pursuant to subdivisions (5) and (11) of subsection (a) and subdivisions (5) and (6) of subsection (b) of this section shall serve as provided by the General Assembly of South Carolina. An appointment to fill a vacancy on the commissions shall be for the unexpired portion of the term. A vacancy on the commissions shall be filled in

the same manner as the original appointment. Members of the commissions who are appointed from or reside in North Carolina may be removed by the Governor of North Carolina for misfeasance, malfeasance, or nonfeasance, as provided in G.S. 143B-13.

...

(f) Each commission shall meet upon the call of the Chair. A majority of each commission ~~shall constitute~~ constitutes a quorum for the transaction of business.

...."

SECTION 9.(a) G.S. 89E-3 reads as rewritten:

"§ 89E-3. Definitions.

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

(1) "Board" means the North Carolina Board for Licensing of Geologists.

(2) "Geologist". The term "geologist", within the intent of this Chapter, shall mean a person who is trained and educated in the science of geology.

(3) The term "geologist-in-training" means a person who has ~~taken and~~ successfully passed the portion of professional examination covering fundamental or academic geologic subjects, prior to ~~his~~ completion of the requisite years of experience in geologic work as ~~provided for in~~ required for licensure under this Chapter.

...

(5) The term "good moral character" means such character as tends to ensure the faithful discharge of ~~the fiduciary duties of the licensed geologist to his~~ a licensed geologist's fiduciary duties to a client.

...

(8) "Public practice of geology" means the performance for others of geological service or work in the nature of work or consultation, investigation, surveys, evaluations, planning, mapping and inspection of geological work, in which the performance is related to the public welfare of safeguarding of life, health, property and the environment, except as specifically exempted by this Chapter. The definition shall not include or allow the practice of engineering as defined in Chapter 89C of the North Carolina General Statutes.

(9) The term "qualified geologist" means a person who possesses all of the qualifications specified in this Chapter for licensing ~~except that he or she but~~ is not licensed.

(10) The term "responsible charge of work" means the independent control and direction by the use of initiative, skill and independent judgment of geological work or the supervision of such work.

(11) The term "subordinate" means either of the following who does not assume the responsible charge of work:

a. ~~any~~ A person who assists a licensed geologist in the practice of geology without assuming the responsible charge of work.

b. A geologist-in-training working under the supervision of a licensed geologist."

SECTION 9.(b) G.S. 89E-4 reads as rewritten:

"§ 89E-4. North Carolina Board for Licensing of Geologists; appointments; terms; composition.

...

(c) Each member of the Board shall be a citizen of the United States and shall have been a resident of this State for at least six months immediately preceding ~~his or her~~ appointment to the Board.

...."

SECTION 9.(c) G.S. 89E-6 reads as rewritten:

"§ 89E-6. Exemptions.

Any person except as specifically exempted below who shall publicly practice or offer to publicly practice geology in this State is subject to the provisions of this Chapter. The following persons are exempt:

- (1) Persons engaged solely in teaching the science of geology or engaged solely in geologic research in this ~~State may pursue their teaching and/or research without licensing State.~~ A teacher or researcher must, however, be a licensed geologist ~~if he or she performs to perform~~ geologic work and services for which a licensed geologist license is required by this Chapter.
- (2) Officers and employees of the United States of America and the State of North Carolina practicing solely as such officers or employees.
- (3) Officers and employees of petroleum companies practicing solely as such officers and employees and not offering their professional services to the public for hire.
- (4) A subordinate to a licensed geologist ~~or a geologist in training licensed under this Chapter insofar as he or she acts solely in such when acting solely in that capacity.~~ This exemption does not permit ~~any such a~~ subordinate to practice geology for others in ~~his the~~ subordinate's own right or use the term "licensed geologist".

SECTION 9.(d) G.S. 89E-7 reads as rewritten:

"§ 89E-7. Limitations.

...

- (b) This Chapter shall not be construed to prevent or to affect:

...

- (2) The public practice of geology by a person not a resident of and having no established place of business in this State, when ~~such the~~ practice does not exceed in the aggregate more than 90 days in any calendar year, ~~and provided such person the nonresident is duly licensed to practice such profession geology in another state where the requirements for a license are not lower than those specified in this Chapter for obtaining the license required for such work; and provided further that such Chapter, the nonresident shall file files with the Board Board, within 10 days of entering this State for commencing of such work, a statement giving his the nonresident's name, residence, residence address, the number of his license, and by what authority issued, and nonresident license number and issuing state, and, upon the completion of the work, files with the Board a statement of the time engaged in such the work within in the State; or~~
- (3) The public practice of geology by a person who is not a resident of and having has no established place of business in this State, or who State or has recently become a resident hereof, practicing or offering of this State and who practices or offers to practice herein in this State for more than 90 days in any calendar year the profession of geology, if he if the person is licensed in another state or qualified as defined herein, if he shall have state, has filed with the Board an application for a license license, and shall have has paid the fee required by this Chapter. Such A practice shall be under this exemption is deemed a provisional practice and shall continue only for such the time as the Board requires reasonably for the consideration of the applicant for licensing under this Chapter as a geologist.

SECTION 9.(e) G.S. 89E-8 reads as rewritten:

"§ 89E-8. Applications.

1 An application for licensing as a geologist shall be made under oath, shall show the applicant's
2 education and a summary of ~~his~~the applicant's geological work, ~~plus and shall set out any other~~
3 relevant criteria to be determined by the Board. The Board shall have the power to determine a
4 reasonable application fee ~~which that~~ shall accompany each application."

5 **SECTION 9.(f)** G.S. 89E-9 reads as rewritten:

6 **"§ 89E-9. Minimum qualifications.**

7 An applicant shall be eligible for a license as a geologist in North Carolina provided that each
8 applicant meets the following minimum qualifications:

- 9 (1) Be of good moral and ethical character.
- 10 (2) Have graduated from an accredited college or university, and have a degree
11 with a major in geology, engineering geology or geological engineering or
12 related geologic science; or have completed 30 semester hours or the
13 equivalent in geological science courses leading to a major in geology, of
14 which at least 24 hours of the equivalent were upper level undergraduate
15 courses or graduate courses. ~~The Board shall waive the academic requirements~~
16 ~~for a person already practicing geology at the time this Chapter is enacted,~~
17 ~~provided application for license is made not later than one year after~~
18 ~~appointment of the initial Board and provided further that the applicant can~~
19 ~~provide evidence to satisfy the Board that he or she is competent to engage in~~
20 ~~the public practice of geology.~~
21 (3) Successfully pass such examination established by the Board which shall be
22 designed to demonstrate that the applicant has the necessary knowledge and
23 requisite skill to exercise the responsibilities of the public practice of geology.
24 ~~The Board shall waive the examination for licensing as a geologist of an~~
25 ~~applicant who makes written application to the Board not later than one year~~
26 ~~after appointment of the initial Board, and who otherwise meets the~~
27 ~~qualification of this Chapter.~~
28 (4) Have at least five years of professional geological work which shall include a
29 minimum of three years of professional geological work under the supervision
30 of a licensed geologist; or a minimum of three cumulative years work in
31 responsible charge of geological work satisfactory to the Board. The following
32 criteria of education and experience qualify as specified toward accumulation
33 of the required five years of professional geological work:

34 ...

- 35 d. The ability of the applicant shall have been demonstrated by ~~his~~ having
36 performed the work in a responsible position as determined by the
37 Board. The adequacy of the required supervision and the experience
38 shall be determined by the Board in accordance with the standards set
39 forth in ~~regulations~~rules adopted by it."

40 **SECTION 9.(g)** G.S. 89E-11 reads as rewritten:

41 **"§ 89E-11. Comity.**

42 A person holding a license to engage in the practice of geology, on the basis of comparable
43 licensing requirements issued ~~to him~~by a proper authority by the State, territory, or possession
44 of the United States or the District of Columbia, and who, in the opinion of the Board otherwise
45 meets the requirements of this Chapter based upon verified evidence may, upon application, be
46 licensed without further examination."

47 **SECTION 9.(h)** G.S. 89E-13 reads as rewritten:

48 **"§ 89E-13. Seals; requirements.**

49 Each geologist licensed ~~hereunder, under this Chapter,~~ upon the issuance of a license, shall
50 obtain from the secretary at a cost prescribed by the Board, a seal of the design authorized by the
51 Board bearing the licensee's name and the legend "Licensed Geologist – State of North Carolina".

1 All drawings, ~~reports-reports,~~ or other geologic papers or documents involving geologic work as
2 defined in this Chapter which shall have been ~~that are~~ prepared or approved by a licensed
3 geologist or a subordinate employee under his direction for the use of or geologist, or a
4 nonresident geologist who has been exempted under this Chapter, for delivery to any person or
5 for public record ~~within in~~ this State shall be signed by ~~him or her~~ and impressed with the said
6 seal or the seal of a nonresident practicing under the provisions of this Chapter, either of which
7 shall indicate his or her responsibility therefor the geologist. The signature and seal each indicate
8 the geologist's responsibility for the papers or documents."

9 SECTION 9.(i) G.S. 89E-14 reads as rewritten:

10 "§ 89E-14. Records.

11 (a) The Board shall keep a public record of its proceedings and a register of all
12 applications for licensing.

13 (b) The register shall show:

14 ...

15 (4) ~~His or her~~ The applicant's education and other qualifications;

16"

17 SECTION 9.(j) G.S. 89E-18 reads as rewritten:

18 "§ 89E-18. Prohibitions; unlawful acts.

19 ~~After the effective date of this Chapter:~~ All of the following are unlawful:

20 (1) ~~It shall be unlawful for any~~ For a person other than a licensed geologist or a
21 subordinate ~~under his direction~~ to prepare any geologic plans, ~~reports-reports,~~
22 or documents in which the performance is related to the public welfare or
23 safeguarding of life, health, ~~property-property,~~ or the environment.

24 (2) ~~It shall be unlawful for any~~ For a person to publicly practice, or offer to
25 publicly practice, geology in this State ~~as defined in the provisions of this~~
26 ~~Chapter, State,~~ or to use in connection with ~~his or her~~ the person's name or
27 otherwise ~~assume,~~ assume or advertise any title or description tending to
28 convey the impression that ~~he or she~~ the person is a licensed geologist, unless
29 ~~such~~ the person has been ~~duly~~ licensed or exempted under the provisions of
30 this Chapter.

31 (3) ~~After one year following the effective date of this act, it shall be unlawful for~~
32 ~~For anyone other than a geologist licensed under this Chapter~~ to stamp or seal
33 any plans, plats, ~~reports-reports,~~ or other documents with the seal or stamp of
34 a licensed geologist, or to use in any manner the title "Licensed Geologist"
35 unless that person is licensed ~~hereunder.~~ under this Chapter.

36 (4) ~~It shall be unlawful for any~~ For a person to affix ~~his or her signature to or to~~
37 ~~stamp~~ a licensed geologist's signature, stamp, or seal to any plans, plats,
38 reports, or other documents ~~after the licensing of the person named thereon if~~
39 the geologist's license has expired or has been suspended or ~~revoked-revoked,~~
40 unless the license has since been renewed or reissued."

41 SECTION 9.(k) G.S. 89E-19 reads as rewritten:

42 "§ 89E-19. Disciplinary procedures.

43 ...

44 (b) If the Board finds that a licensee is professionally incompetent, the Board may require
45 the licensee to take an oral or written examination or to meet other requirements to demonstrate
46 the licensee's fitness to practice geology, and the Board may suspend the licensee's license until
47 ~~he or she~~ the licensee establishes professional competence to the satisfaction of the Board.

48"

49 SECTION 9.(l) G.S. 89E-22 reads as rewritten:

50 "§ 89E-22. Misdemeanor.

Any person who shall willfully practice publicly, or offer to practice publicly, geology for other natural or corporate persons in this State without being licensed in accordance with the provisions of this Chapter, or any person presenting or attempting to use ~~as his own~~ the license or the seal of ~~another~~, another as the person's own, or any person who shall give any false or forged evidence of any kind in obtaining a license, or any person who shall falsely impersonate any other licensee of like or different name, or any person who shall attempt to use an expired or revoked license or practice at any time during a period the Board has suspended or revoked the license, or any person who shall violate the provisions of this Chapter shall be guilty of a Class 2 misdemeanor."

SECTION 9.(m) G.S. 89E-24 reads as rewritten:

"§ 89E-24. Attorney General as legal advisor.

The Attorney General or any assistant or associate in the Department of Justice selected by ~~him~~ the Attorney General shall act as legal advisor to the Board."

SECTION 10. G.S. 90A-53 reads as rewritten:

"§ 90A-53. Qualifications and examination for registration as an environmental health specialist or environmental health specialist intern.

(a) The Board shall issue a certificate to a qualified person as a registered environmental health specialist or a registered environmental health specialist intern. A certificate as a registered environmental health specialist or a registered environmental health specialist intern shall be issued to any person upon the Board's determination that the person meets ~~satisfies~~ all of the following criteria:

- (1) Has made application to the Board on a form prescribed by the Board and paid a fee not to exceed one hundred dollars ~~(\$100.00); (\$100.00).~~
- (2) Is of good moral and ethical character and has signed an agreement to adhere to the Code of Ethics adopted by the ~~Board;~~ Board.
- (3) Meets any of the following education and practice experience standards:
 - a. Graduated with a bachelor's ~~degree or a~~ or postgraduate degree from a program that is accredited by the National Environmental Health Science and Protection Accreditation Council (EHAC).
 - b. Graduated with a bachelor's ~~degree or a~~ or postgraduate degree ~~in public health and earned a minimum of 30 semester hours or 45 quarter hours in the physical, biological, natural, life, or health sciences and has one or more years of experience in the field of environmental health practice.~~ degree, has earned 45 quarter hours physical, biological, natural, life, or health sciences and has one
 - c. Graduated with a bachelor's ~~degree or or~~ postgraduate degree in public health and has one or more years of experience in the field of environmental health practice. ~~degree, has earned or 45 quarter hours physical, biological, natural, life, or health sciences and has one~~
 - d. Has worked five or more continuous years as a registered environmental health associate.
- (4) Has satisfactorily completed a course in specialized instruction and training approved by the Board in the practice of environmental health.
- (5) Repealed by Session Laws 2009-443, s. 4, effective August 7, 2009.
- (6) Has passed an examination administered by the Board designed to test for competence in the subject matters of environmental health sanitation. The examination shall be in a form prescribed by the Board and may be oral, written, or both. The examination for applicants shall be held annually or more frequently as the Board may by rule prescribe, at a time and place to be determined by the Board. A person shall not be registered if ~~such~~ the person fails to meet the minimum grade requirements for examination specified by

the Board. Failure to pass an examination ~~shall~~does not prohibit ~~such~~the person from being examined at subsequent times and places as specified by the Board.

(7) Has paid a fee set by the Board not to exceed the cost of purchasing the examination and an administrative fee not to exceed one hundred fifty dollars (\$150.00).

(b) The Board may issue a certificate to a person serving as a registered environmental health specialist intern without the person meeting the full requirements for experience of a registered environmental health specialist for a period not to exceed two years from the date of initial registration as a registered environmental health specialist ~~intern, provided, intern so long as the person meets the educational requirements in G.S. 90A-53 of this section and is in the field of environmental health practice."~~

SECTION 11. Article 3 of Chapter 110 of the General Statutes is repealed.

SECTION 12. G.S. 110-130 reads as rewritten:

"§ 110-130. Action by the designated representatives of the county commissioners.

(a) ~~Any~~A county interested in the paternity ~~and/or~~or support of a dependent child may ~~institute civil or criminal proceedings~~commence a civil or criminal action against the responsible parent of the ~~child, child~~or may ~~take up and pursue~~intervene in any paternity ~~and/or~~or support action ~~commenced by the mother, custodian or guardian of the child. Such action shall be undertaken by the~~concerning the child. The designated representative of the county commissioners in the county where the mother of the child resides or is found, in the county where the father resides or is found, or in the county where the child resides or is found. Any legal proceeding instituted under this section found may commence or intervene in an action under this section. An action commenced under this section may be based upon information or belief.

(b) ~~The~~A parent of the child may be subpoenaed for testimony at the trial of ~~the action to establish the paternity of and/or to obtain support for the child either instituted or taken up by the designated representative of the county commissioners. an action commenced or intervened in by a county under this section.~~ The husband-wife privilege ~~shall not be grounds~~is not a ground for excusing the mother or father from testifying at the trial nor ~~shall said privilege be grounds is the privilege a ground~~ for the exclusion of confidential communications between husband and wife. If a parent called for examination declines to answer upon the ~~grounds that his ground that his or her~~testimony may tend to incriminate him, him or her, the court may require him to answer in which event he the parent to answer. The parent shall not thereafter be prosecuted for any criminal act involved in the conception of the child whose paternity is in issue and/or or for whom support is sought, except for perjury committed in this testimony."

SECTION 13.(a) G.S. 115C-284 reads as rewritten:

"§ 115C-284. Method of selection and requirements.

(a) Principals and supervisors shall be elected by the local boards of education upon the recommendation of the ~~superintendent, in accordance with the provisions of G.S. 115C-276(j).~~superintendent.

(b) ~~In the city administrative units, principals shall be elected by the board of education of such administrative unit upon the recommendation of the superintendent of city schools.~~

(b1) Repealed by Session Laws 2023-125, s. 1(d), effective September 28, 2023.

(c) Repealed by Session Laws 2023-125, s. 1(d), effective September 28, 2023.

(c1) Repealed by Session Laws 2023-125, s. 1(d), effective September 28, 2023.

(c2) Repealed by Session Laws 2023-125, s. 1(d), effective September 28, 2023.

(c3) Repealed by Session Laws 2023-125, s. 1(d), effective September 28, 2023.

(d) Repealed by Session Laws 1989, c. 385, s. 1.

(d1) Repealed by Session Laws 2023-125, s. 1(d), effective September 28, 2023.

(e) The State Board shall not issue provisional licenses for principals. ~~It shall be All principals and supervisors employed in the public schools of the State or in schools receiving public funds are required either to hold or be qualified to hold a license issued by the State Board of Education. It is unlawful for any a local board of education to employ or keep in service any a principal or supervisor who neither holds nor is qualified to hold a license in compliance with the provision of the law or in accordance with the regulations of the State Board of Education. license.~~ However, a local board of education may select a retired principal or retired assistant principal to serve as an interim principal for the remainder of any school year, regardless of licensure status.

(f) The allotment of classified principals ~~shall be~~ is one principal for each duly constituted school with seven or more state-allotted teachers.

(g) Local boards of education ~~shall have~~ authority to employ supervisors in addition to those that may be furnished by the State when, in the discretion of the board of education, the schools of the local school administrative unit can thereby be more efficiently and more economically operated and when funds for ~~the same them~~ are provided in the current expense fund budget. The duties of ~~such these~~ supervisors shall be assigned by the superintendent with the approval of the board of education.

~~(h) All principals and supervisors employed in the public schools of the State or in schools receiving public funds, shall be required either to hold or be qualified to hold a license in compliance with the provision of the law or in accordance with the regulations of the State Board of Education."~~

SECTION 13.(b) G.S. 115C-299 reads as rewritten:

"§ 115C-299. Hiring of teachers.

(a) ~~In the city administrative units, teachers shall be elected by the board of education of such administrative unit upon the recommendation of the superintendent of city schools.~~

Teachers shall be elected by the ~~county and city local~~ boards of education upon the recommendation of the superintendent, ~~in accordance with the provisions of G.S. 115C-276(j).superintendent.~~

(b) No person otherwise qualified shall be denied the right to receive credentials from the State Board of Education, to receive training for the purpose of becoming a teacher, or to engage in practice teaching in any school on the grounds that ~~such the~~ person is totally or partially blind; nor shall any local board of education refuse to employ ~~such a the~~ person on ~~such these~~ grounds."

SECTION 13.(c) G.S. 115C-315(a) is repealed.

SECTION 13.(d) G.S. 115C-315(b) reads as rewritten:

"(b) Election by Local Boards. – School personnel shall be elected by the local board of education upon the recommendation of the superintendent, ~~in accordance with the provisions of G.S. 115C-276(j).superintendent.~~

~~It is the policy of the State of North Carolina to encourage and provide for the most efficient and cost-effective method of meeting the needs of local school administrative units for noncertified support personnel. To this end, the State Board of Education shall recommend to the General Assembly by November 1, 1984, a system using factors and formulas to determine the total number of noncertified support personnel allotted to local school administrative units. The recommended system for allotting noncertified support personnel shall include the proposed State's funding obligation for these positions and shall be developed in consultation with school-based support personnel or their representatives."~~

SECTION 14.(a) G.S. 116-30.2 reads as rewritten:

"§ 116-30.2. Appropriations to special responsibility constituent institutions.

(a) All General Fund appropriations made by the General Assembly for continuing operations of a special responsibility constituent institution of The University of North Carolina shall be made in the form of a single sum to each budget code of the institution for each year of the fiscal period for which the appropriations are being made. Notwithstanding G.S. 143C-6-4

1 and ~~G.S. 120-76(8)~~, G.S. 120-76.1, each special responsibility constituent institution may expend
2 monies from the overhead receipts special fund budget code and the General Fund monies so
3 appropriated to it in the manner deemed by the Chancellor to be calculated to maintain and
4 advance the programs and services of the institutions, consistent with the directives and policies
5 of the Board of Governors. Special responsibility constituent institutions may transfer
6 appropriations between budget codes. These transfers ~~shall be~~ are considered certified even if as
7 a result of agreements between special responsibility constituent institutions. The preparation,
8 presentation, and review of General Fund budget requests of special responsibility constituent
9 institutions shall be conducted in the same manner as are requests of other constituent institutions.
10 The quarterly allotment procedure established pursuant to G.S. 143C-6-3 ~~shall apply~~ applies to
11 the General Fund appropriations made for the current operations of each special responsibility
12 constituent institution. All General Fund monies so appropriated to each special responsibility
13 constituent institution shall be recorded, reported, and audited in the same manner as are General
14 Fund appropriations to other constituent institutions.

15 (b) Repealed by Session Laws 2006-66, s. 9.11(f), effective July 1, 2007."

16 **SECTION 14.(b)** G.S. 126-85 reads as rewritten:

17 **"§ 126-85. Protection from retaliation.**

18 (a) No head of any State department, ~~agency~~ agency, or institution or other State
19 employee exercising supervisory authority shall discharge, ~~threaten~~ threaten, or otherwise
20 discriminate against a State employee regarding the State employee's compensation, terms,
21 conditions, location, or privileges of employment because the State employee, or a person acting
22 on behalf of the employee, reports or is about to report, verbally or in writing, any activity
23 described in G.S. 126-84, unless the State employee knows or has reason to believe that the report
24 is inaccurate.

25 (a1) No State employee shall retaliate against another State employee because the
26 employee, or a person acting on behalf of the employee, reports or is about to report, verbally or
27 in writing, any activity described in G.S. 126-84.

28 (b) No head of any State department, ~~agency~~ agency, or institution or other State
29 employee exercising supervisory authority shall discharge, ~~threaten~~ threaten, or otherwise
30 discriminate against a State employee regarding the employee's compensation, terms, conditions,
31 ~~location~~ location, or privileges of employment because the State employee has refused to carry
32 out a directive ~~which that~~ in fact constitutes a violation of State or federal law, ~~rule~~ rule, or
33 regulation or poses a substantial and specific danger to the public health and safety.

34 (b1) No State employee shall retaliate against another State employee because the
35 employee has refused to carry out a directive ~~which that~~ may constitute a violation of State or
36 federal law, ~~rule or regulation~~, rule, or regulation or poses a substantial and specific danger to the
37 public health and safety.

38 (c) The protections of this Article ~~shall include~~ include State employees who report any
39 activity described in G.S. 126-84 to the State Auditor as authorized by G.S. 147-64.6B, to the
40 Joint Legislative Commission on Governmental Operations as authorized by ~~G.S. 120-76,~~
41 G.S. 120-75.1, or to a legislative committee as required by G.S. 120-19."

42 **SECTION 15.** G.S. 116-209.28 reads as rewritten:

43 **"§ 116-209.28. Administration of scholarships previously awarded by the Principal Fellows**
44 **Program.**

45 (a) The Authority ~~shall, as of July 1, 2021,~~ shall administer all outstanding scholarship
46 loans previously awarded by the former North Carolina Principal Fellows Commission and
47 subject to repayment under the former Principal Fellows Program administered pursuant to
48 Article 5C of this Chapter.

49 (b) All funds received by the Authority in association with its administration of the
50 Principal Fellows Program, including all funds received as repayment of scholarship loans and

all interest earned on these funds, shall be deposited into the North Carolina Principal Fellows and TP3-Trust Fund established in G.S. 116-74.41B."

SECTION 16. G.S. 121-42 is repealed.

SECTION 17.(a) The Revisor of Statutes may recodify the definitions in G.S. 126-81 so that they appear in alphabetical order and shall make any necessary conforming changes.

SECTION 17.(b) Subdivision (2a) of G.S. 135-48.1 is recodified as subdivision (2c) of that section.

SECTION 18.(a) G.S. 128-28 reads as rewritten:

"§ 128-28. Administration and responsibility for operation of System.

(a) Vested in Board of Trustees. – The general administration and responsibility for the proper operation of the Retirement System and for making effective the provisions of this Article are hereby vested in the Board of Trustees: ~~Provided, that all Trustees. All~~ expenses in connection with the administration of the North Carolina Local Governmental Employees' Retirement System shall be charged against and paid from the expense fund as provided in subsection (f) of G.S. 128-30.

(b) Board of Trustees a Body Politic and Corporate; Powers and Authority; Exemption from Taxation. – The Board of Trustees ~~shall be is~~ a body politic and corporate under the name Board of Trustees of the North Carolina Local Governmental Employees' Retirement System, ~~and as System. As~~ a body politic and corporate ~~shall have corporate, it has the right to sue and be sued, shall have perpetual succession and has perpetual succession, shall have~~ a common seal, ~~and in said in its~~ corporate name ~~shall be able and capable in law to may~~ take, demand, receive, and possess all kinds of real and personal property necessary and proper for its corporate purposes, and ~~to may~~ bargain, sell, grant, ~~alien, transfer,~~ or dispose of all ~~such~~ real and personal property ~~as it may lawfully acquire. lawfully acquired by it.~~ All ~~such~~ property owned or acquired by ~~said body politic and corporate shall be it~~ is exempt from all taxes imposed by the State or any political subdivision thereof, ~~and shall not be thereof and is not~~ subject to income taxes.

(c) Members of Board. – The Board shall consist of (i) five members of the Board of Trustees of the Teachers' and State Employees' Retirement System appointed under G.S. 135-6(b): the State Treasurer; the Superintendent of Public Instruction; the two members appointed by the General Assembly; and one of the two members appointed by the Governor who are not members of the teaching profession or State employees; and (ii) eight members designated by the Governor:

- (1) One member shall be a mayor or a member of the governing body of a city or town participating in the Retirement System; ~~System.~~
- (2) One member shall be a county commissioner of a county participating in the Retirement System; ~~System.~~
- (3) One member shall be a law-enforcement officer employed by an employer participating in the Retirement System; ~~System.~~
- (4) One member shall be a county manager of a county participating in the Retirement System; ~~System.~~
- (5) One member shall be a city or town manager of a city or town participating in the Retirement System; ~~System.~~
- (6) One member shall be an active, Fair Labor Standards Act nonexempt, local governmental employee of an ~~employer; employer.~~
- (7) One member shall be a retired, Fair Labor Standards Act nonexempt, local governmental employee of an ~~employer; and employer.~~
- (8) One member shall be an active or retired member of the ~~Firemen's and Rescue Squad Workers' Pension Fund. North Carolina Firefighters' and Rescue Squad Workers' Pension Fund.~~

1 The Governor shall designate eight members on April 1 of years in which an election is held
2 for the office of Governor, or as soon thereafter as possible, and each of the eight members
3 designated by the Governor shall serve on the Board in addition to the regular duties of their-the
4 member's city, town, or county office: Provided, that if office. If for any reason any member
5 appointed pursuant to subdivisions (1) through (6) of this subsection vacates the city, town, or
6 county office or employment ~~which-that~~ the member held at the time of this designation, the
7 Governor shall designate another member to serve until the next regular date for the designation
8 of members to serve on the Board.

9 (d) Compensation of Trustees. – The trustees shall be paid during sessions of the Board
10 at the prevailing rate established for members of State boards and commissions, and they shall
11 be reimbursed for all necessary expenses that they incur through service on the Board.

12 (e) Oath. – Each trustee other than the ex officio members shall, within 10 days after his
13 appointment, take an oath of office, ~~that, to,~~ so far as it devolves upon ~~him, he will-the trustee,~~
14 diligently and honestly administer the affairs of the ~~said Board, and that he will~~ Board and to not
15 knowingly violate or willingly permit to be violated any of the provisions of law applicable to
16 the Retirement System. ~~Such-The~~ oath shall be subscribed to by the member-trustee making it,
17 ~~and-certified by the officer before whom it is taken, and immediately filed in the office of the~~
18 ~~Secretary of State: Provided, that where State.~~ However, if a local governmental official
19 designated by the Governor has taken an oath of office in connection with the local governmental
20 office ~~that he-the official~~ holds, the oath for ~~his-local governmental office shall be-is~~ deemed to
21 be sufficient, and ~~he shall not be-the official is not~~ required to take the oath ~~hereinabove~~
22 provided:provided in this subsection.

23 (f) Voting Rights. – Each trustee ~~shall be-is~~ entitled to one vote in the Board. A majority
24 of affirmative votes in attendance ~~shall be-is~~ necessary for a decision by the trustees at any
25 meeting of ~~said-the~~ Board. A vote may only be taken if at least seven members of the Board are
26 in attendance, in person or by telephone, for the meeting at which a vote on a decision is taken.

27 (f1) Effect of Vote Related to Contributory Death Benefit. – No decision of the Board
28 related to the Contributory Death Benefit provided for under this Article ~~shall take-takes~~ effect
29 unless and until this same decision has been made and voted on by the Board of Trustees of the
30 Teachers' and State Employees' Retirement System.

31 (g) ~~Rules and Regulations.~~ Rules. – Subject to the limitations of this Article, the Board
32 of Trustees ~~shall, from time to time, establish rules and regulations-shall adopt rules~~ for the
33 administration of the funds created by this Article and for the transaction of its business. The
34 Board of Trustees ~~shall also, from time to time, shall,~~ in its discretion, adopt rules ~~and regulations~~
35 to prevent injustices and inequalities ~~which-that~~ might otherwise arise in the administration of
36 this Article.

37 (h) Officers and Other Employees, ~~Salaries-Salaries,~~ and Expenses. – The State Treasurer
38 shall be ex officio chair of the Board of Trustees and shall appoint a director. The Board ~~of~~
39 ~~Trustees-shall engage such-actuarial and other service as shall be-actuarial and other services~~
40 required to transact the business of the Retirement System. The compensation of all persons
41 engaged by the ~~Board of Trustees,~~ Board, and all other expenses of the Board necessary for the
42 operation of the Retirement System, shall be paid at ~~such rates and in such amounts as the Board~~
43 ~~of Trustees shall approve-rates and in amounts approved by the Board.~~

44 (i) Actuarial Data. – The Board of Trustees shall keep in convenient form ~~such-data as~~
45 ~~shall be-necessary~~ for actuarial valuation of the various funds of the Retirement ~~System, System~~
46 and for checking the experience of the System.

47 (j) Record of Proceedings; Annual Report. – The Board of Trustees shall keep a record
48 of all of its proceedings ~~which-that~~ shall be open to public inspection. It shall publish annually a
49 report showing the fiscal transactions of the Retirement System for the preceding year, the
50 amount of the accumulated cash and securities of the System, and the last balance sheet showing
51 the financial condition of the System by means of an actuarial valuation of the assets and

liabilities of the Retirement System. It shall also publish annually a report on supplemental insurance offerings that are made available to retirees and the extent to which retirees participate in those offerings.

(k) Legal Adviser. – The Attorney General ~~shall be~~ is the legal adviser of the Board of Trustees.

(l) Medical Board. – The Board of Trustees shall designate a Medical Board to be composed of not less than three nor more than five physicians not eligible to participate in the Retirement System. The Board of Trustees may structure appointment requirements and term durations for those ~~medical board~~ Medical Board members. If required, other physicians may be employed to report on special cases. The Medical Board shall arrange for and pass upon all medical examinations required under ~~the provisions of this Chapter, and~~ shall investigate all essential statements and certificates by or on behalf of a member in connection with an application for disability retirement, and shall report in writing to the Board of Trustees its conclusion and recommendations upon all the matters referred to it. A person serving on the ~~medical board shall be~~ Medical Board is immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of that service, ~~except where~~ unless any of the following ~~apply~~ applies:

(1) The person was not acting within the scope of that person's official duties.

(2) The person was not acting in good faith.

(3) The person committed gross negligence or willful or wanton misconduct that resulted in the damages or injury.

(4) The person derived an improper financial benefit, either directly or indirectly, from the transaction.

(5) The person incurred the liability from the operation of a motor vehicle.

(m) Duties of Actuary. – The Board of Trustees shall designate an actuary ~~who shall to be~~ the technical adviser of the Board of Trustees on matters regarding the operation of the funds created by ~~the provisions of this Chapter and shall perform such other duties as are required in connection therewith.~~ this Chapter. The experience studies and all other actuarial calculations required by this Chapter, and all the assumptions used by the System's actuary, including mortality tables, interest rates, annuity factors, the contribution-based benefit cap factor, and employer contribution rates, shall be set out in the actuary's periodic reports, annual valuations of System assets, or other materials provided to the ~~Board of Trustees.~~ Board. Notwithstanding Article 2A of Chapter 150B of the General Statutes, these materials, once accepted by the Board, ~~shall be~~ are considered part of the Plan documentation governing ~~this the~~ Retirement System and ~~shall be~~ are effective the first day of the month following adoption unless a different date is specified in the adopting resolution. The effective date ~~shall does not~~ retroactively affect a contribution rate. The Board's minutes relative to all actuarial assumptions used by the System ~~shall also be~~ are also considered part of the Plan documentation governing ~~this the~~ Retirement System, with the result of precluding any employer discretion in the determination of benefits payable ~~hereunder,~~ under this section, consistent with Section 401(a)(25) of the Internal Revenue Code.

(n) ~~Immediately after the establishment of the Retirement System the actuary shall make such investigation of the mortality, service and compensation experience of the members of the System as he shall recommend and the Board of Trustees shall authorize, and on the basis of such investigation he shall recommend for adoption by the Board of Trustees such tables and such rates as are required in subsection (o), paragraphs (1) and (2), of this section. The Board of Trustees shall adopt tables and certify rates, and as soon as practicable thereafter the actuary shall make a valuation based on such tables and rates of the assets and liabilities of the funds created by this Chapter.~~

(o) ~~In the year 1945, and at least once in each five year period thereafter,~~ At least once every five years, the actuary shall make an actuarial investigation into the mortality, service

1 service, and compensation experience of the members and beneficiaries of the Retirement System
2 and shall make a valuation of the assets and liabilities of the funds of the System. Taking into
3 account the result of ~~such~~the investigation and valuation, the Board of Trustees shall do ~~all~~both
4 of the following:

- 5 (1) Adopt any necessary mortality, service, or other tables and any necessary
6 contribution-based benefit cap factors for the Retirement System.
- 7 (2) Certify the rates of contributions payable by the participating units on account
8 of new entrants at various ages.

9 In order to pay for the administration of this section, the Retirement Systems Division of the
10 Department of State Treasurer may increase receipts from the retirement assets of the Retirement
11 System or may pay the costs directly from the retirement assets.

12 (p) On the basis of the tables and interest assumption rate ~~as~~ adopted by the Board of
13 Trustees, the actuary shall make an annual valuation of the assets and liabilities of the funds of
14 the System created by this Chapter. The annual valuation shall include a supplementary section
15 that provides an analysis of assets on a market basis using the 30-year treasury rate as of
16 December 31 of the year of the valuation as the discount rate. In order to pay for the
17 administration of this section, the Retirement Systems Division of the Department of State
18 Treasurer may increase receipts from the retirement assets of the Retirement System or may pay
19 the costs directly from the retirement assets.

20 (q) Notwithstanding any ~~law, rule, regulation or policy~~ law to the contrary, any board,
21 agency, department, ~~institution~~institution, or subdivision of the State maintaining lists of names
22 and addresses in the administration of ~~their~~its programs may upon request provide to the
23 Retirement System information limited to social security numbers, current name and addresses
24 of persons identified by the System as members, beneficiaries, and beneficiaries of members of
25 the System. The System shall use ~~such~~this information for the sole purpose of notifying
26 members, beneficiaries, and beneficiaries of members of ~~their~~the person's rights to and accruals
27 of benefits in the Retirement System. Any social security number, current ~~name~~name, and
28 address ~~so obtained and obtained~~, any other information concluded ~~therefrom and the source~~
29 ~~thereof shall be treated as~~ from this information, and the source of this information are
30 confidential and shall not be divulged by any employee of the Retirement System or of the
31 Department of State Treasurer except as ~~may be~~ necessary to notify the member, beneficiary, or
32 beneficiary of the member of ~~their~~the person's rights to and accruals of benefits in the Retirement
33 System. Any person, officer, ~~employee~~employee, or former employee violating this provision
34 ~~shall be~~is guilty of a Class 1 misdemeanor; and if ~~such~~the offending person ~~be is~~is a public official
35 or employee, ~~he~~the person shall be dismissed from office or employment and shall not hold any
36 public office or employment in this State for a period of five years thereafter.

37 (r) Fraud Investigations and Compliance Investigations. – Access to Persons and
38 Records. – In the course of conducting a fraud investigation or compliance investigation, the
39 Retirement Systems Division, or authorized representatives who are assisting the Retirement
40 Systems Division staff, ~~shall~~has all of the following powers:

- 41 (1) ~~Have ready~~To have access to persons and ~~may to~~ examine and copy all books,
42 records, reports, vouchers, correspondence, files, personnel files, investments,
43 and any other documentation of any employer. The review of State tax returns
44 shall be limited to matters of official business, and the Division's report shall
45 not violate the confidentiality provisions of tax laws.
- 46 (2) ~~Have such access~~To have access to persons, records, papers, reports,
47 vouchers, correspondence, books, and any other documentation that is in the
48 possession of any individual, private corporation, institution, association,
49 board, or other organization ~~which pertain~~pertaining to the following:
 - 50 a. Amounts received pursuant to a grant or contract from the federal
51 government, the State, or its political subdivisions.

- 1 b. Amounts received, disbursed, or otherwise handled on behalf of the
2 federal government or the State.
- 3 (3) ~~Have the authority, and shall be provided with ready access, to examine To~~
4 access, examine, and inspect all property, equipment, and facilities in the
5 possession of any employer agency or any individual, private corporation,
6 institution, association, board, or other organization that were furnished or
7 otherwise provided through grant, contract, or any other type of funding by
8 the employer agency.

9 With respect to the requirements of sub-subdivision (2)b. of this subsection, providers of
10 social and medical services to a beneficiary shall make copies of records they maintain for
11 services provided to a beneficiary available to the Retirement Systems Division, or to the
12 authorized representatives who are assisting the Retirement Systems Division staff. Copies of the
13 records of social and medical services provided to a beneficiary ~~will~~ permit verification of the
14 health or other status of a beneficiary as required for the payment of benefits under Article 3 of
15 this Chapter. The Retirement Systems Division, or authorized representatives who are assisting
16 the Retirement Systems Division staff, shall request records in writing by providing the name of
17 each beneficiary for whom records are sought, the purpose of the request, the statutory authority
18 for the request, and a reasonable period of time for the production of record copies by the
19 provider. A provider may charge, and the Retirement Systems Division, or authorized
20 representatives who are assisting the Retirement Systems Division staff, shall, in accordance with
21 G.S. 90-411, pay a reasonable fee to the provider for copies of the records provided in accordance
22 with this subsection.

23 (s) Fraud Investigative Reports and Work Papers or Compliance Investigative Reports
24 and Work Papers. – The Executive Director of the Retirement Systems Division shall maintain
25 for 10 years a complete file of all fraud investigative reports, compliance investigative reports,
26 and reports of other examinations, investigations, surveys, and reviews issued under the
27 Executive Director's authority. Fraud investigation work papers, compliance investigation work
28 papers, and other evidence or related supportive material directly pertaining to the work of the
29 Retirement Systems Division of the Department of State Treasurer shall be retained according to
30 an agreement between the Executive Director of the Retirement Systems Division and State
31 Archives. To promote intergovernmental cooperation and avoid unnecessary duplication of fraud
32 or compliance investigative effort, and notwithstanding local unit personnel policies to the
33 contrary, pertinent work papers and other supportive material relating to issued fraud
34 investigation reports or compliance investigative reports may be, at the discretion of the
35 Executive Director of the Retirement Systems Division ~~and, and~~ unless otherwise prohibited by
36 law, made available for inspection by ~~duly~~ authorized representatives of the State and federal
37 government who desire access to and inspection of ~~such the~~ records in connection with some
38 matter officially before them, including criminal investigations. Except as provided in this
39 section, or upon an order issued in Wake County Superior Court upon 10 days' notice and hearing
40 finding that access is necessary to a proper administration of justice, fraud or compliance
41 investigation work papers and related supportive material shall be kept confidential, including
42 any information developed as a part of the investigation.

43 (t) Fraud Reports May Be Anonymous. – The identity of any person reporting fraud,
44 waste, and abuse to the Retirement Systems Division shall be kept confidential and shall not be
45 maintained as a public record within the meaning of G.S. 132-1.

46 (u) Immunity. – A person serving on the Local Governmental Employees' Retirement
47 System Board of Trustees ~~shall be is~~ immune individually from civil liability for monetary
48 damages, except to the extent covered by insurance, for any act or failure to act arising out of
49 that service, ~~except where unless~~ any of the following ~~apply applies~~:

- 50 (1) The person was not acting within the scope of that person's official duties.
51 (2) The person was not acting in good faith.

- 1 (3) The person committed gross negligence or willful or wanton misconduct that
2 resulted in the damages or injury.
- 3 (4) The person derived an improper personal financial benefit, either directly or
4 indirectly, from the transaction.
- 5 (5) The person incurred the liability from the operation of a motor vehicle."

6 **SECTION 18.(b)** G.S. 135-6, as amended by Section 3D.1(I) of S.L. 2024-57, reads
7 as rewritten:

8 **"§ 135-6. Administration.**

9 (a) Administration by Board of Trustees; Corporate Name; Rights and Powers; Tax
10 Exemption. – The general administration and responsibility for the proper operation of the
11 Retirement System and for making effective the provisions of the Chapter are ~~hereby~~ vested in a
12 Board of Trustees which shall be organized immediately after a majority of the trustees provided
13 for in this section shall have qualified and taken the oath of office. Trustees.

14 The Board of Trustees ~~shall be~~ is a body politic and corporate under the name "~~Board~~ Board
15 of Trustees Teachers' and State Employees' Retirement System"; ~~and as System. As~~ a body politic
16 and corporate ~~shall have corporate, it has~~ the right to sue and be sued, ~~shall have perpetual~~
17 ~~succession and has perpetual succession, shall have a common seal, and in said in its corporate~~
18 name ~~shall be able and capable in law to may~~ take, demand, ~~receive receive,~~ and possess all kinds
19 of real and personal property necessary and proper for its corporate purposes, and ~~to may~~ bargain,
20 sell, grant, ~~alien, transfer,~~ or dispose of all ~~such~~ real and personal property ~~as it may lawfully~~
21 ~~acquire. lawfully acquired by it.~~ All ~~such~~ property owned or acquired by ~~said body politic and~~
22 ~~corporate shall be~~ it is exempt from all taxes imposed by the State or any political subdivision
23 thereof, ~~and shall not be thereof and is not~~ subject to income taxes.

24 (b) Membership of Board; Terms. – The Board shall consist of the following 13
25 members:

26 ...

- 27 (4) Two members appointed by the General Assembly, one appointed upon the
28 recommendation of the Speaker of the House of Representatives, and one
29 appointed upon the recommendation of the President Pro Tempore of the
30 Senate in accordance with G.S. 120-121. Neither of these members ~~may shall~~
31 be an active or retired teacher or State employee or an employee of a unit of
32 local government. The initial members appointed by the General Assembly
33 shall serve for terms expiring June 30, 1983. Thereafter, their successors shall
34 serve for two-year terms beginning July 1 of odd-numbered years. Vacancies
35 in appointments made by the General Assembly shall be filled in accordance
36 with G.S. 120-122.

37 (c) Compensation of Trustees. – The trustees shall be paid during sessions of the Board
38 at the prevailing rate established for members of State boards and commissions, and they shall
39 be reimbursed for all necessary expenses that they incur through service on the Board.

40 (d) Oath. – Each trustee other than the ex officio members shall, within 10 days after ~~his~~
41 appointment, take an oath of office, ~~that, to,~~ so far as it devolves upon ~~him, he will the trustee,~~
42 diligently and honestly administer the affairs of the ~~said Board, and that he will Board and to not~~
43 knowingly violate or willingly permit to be violated any of the provisions of law applicable to
44 the Retirement System. ~~Such~~ The oath shall be subscribed to by the ~~member trustee~~ making it,
45 ~~and~~ certified by the officer before whom it is taken, and immediately filed in the office of the
46 Secretary of State.

47 (e) Voting Rights. – Each trustee ~~shall be~~ is entitled to one vote in the Board. A majority
48 of affirmative votes by trustees in attendance ~~shall be~~ is necessary for a decision by the trustees
49 at any meeting of the Board. A vote may only be taken if at least seven members of the Board
50 are in attendance, in person or by telephone, for the meeting at which a vote on a decision is
51 taken.

(e1) Effect of Vote Related to Contributory Death Benefit. – No decision of the Board related to the Contributory Death Benefit provided for under this Chapter, Chapter 120, or Chapter 127A of the General Statutes, ~~shall take~~ takes effect unless and until this same decision has been made and voted on by the Board of Trustees of the Local Governmental Employees Retirement System.

(f) ~~Rules and Regulations.~~ Rules. – Subject to the limitations of this Chapter, the Board of Trustees ~~shall, from time to time, establish rules and regulations~~ shall adopt rules for the administration of the funds created by this Chapter and for the transaction of its business. The Board of Trustees ~~shall also, from time to time, shall,~~ in its discretion, adopt rules ~~and regulations~~ to prevent injustices and inequalities ~~which that~~ might otherwise arise in the administration of this Chapter.

(g) Officers and Other Employees; Salaries and Expenses. – The State Treasurer shall be ex officio chair of the Board of Trustees and shall appoint a director. The Board ~~of Trustees~~ shall engage ~~such actuarial and other service as shall be~~ actuarial and other services required to transact the business of the Retirement System. The compensation of all persons, other than the director, engaged by the ~~Board of Trustees,~~ Board, and all other expenses of the Board necessary for the operation of the Retirement System, shall be paid at ~~such rates and in such amounts as the Board of Trustees shall approve,~~ rates and in amounts approved by the Board, subject to the approval of the Director of the Budget.

(h) Actuarial Data. – The Board of Trustees shall keep in convenient form ~~such data as shall be necessary~~ for actuarial valuation of the various funds of the Retirement System, System and for checking the experience of the System.

(i) Record of Proceedings; Annual Report. – The Board of Trustees shall keep a record of all of its proceedings ~~which that~~ shall be open to public inspection. It shall publish annually a report showing the fiscal transactions of the Retirement System for the preceding year, the amount of the accumulated cash and securities of the System, and the last balance sheet showing the financial condition of the System by means of an actuarial valuation of the assets and liabilities of the Retirement System. It shall also publish annually a report on supplemental insurance offerings that are made available to retirees and the extent to which retirees participate in those offerings.

(j) Legal Adviser. – The Attorney General ~~shall be~~ is the legal adviser of the Board of Trustees.

(k) Medical Board. – The Board of Trustees shall designate a ~~medical board~~ Medical Board to be composed of not less than three nor more than five physicians not eligible to participate in the Retirement System. The Board of Trustees may structure appointment requirements and term durations for those ~~medical board~~ Medical Board members. If required, other physicians may be employed to report on special cases. The ~~medical board~~ Medical Board shall arrange for and pass upon all medical examinations required under ~~the provisions of this Chapter, and~~ shall investigate all essential statements and certificates by or on behalf of a member in connection with an application for disability retirement, and shall report in writing to the Board of Trustees its conclusion and recommendations upon all the matters referred to it, except as otherwise provided in this Chapter. A person serving on the ~~medical board~~ shall be Medical Board is immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of that service, ~~except where unless~~ any of the following ~~apply:~~ applies:

- (1) The person was not acting within the scope of that person's official duties.
- (2) The person was not acting in good faith.
- (3) The person committed gross negligence or willful or wanton misconduct that resulted in the damages or injury.
- (4) The person derived an improper financial benefit, either directly or indirectly, from the transaction.

(5) The person incurred the liability from the operation of a motor vehicle.

(l) Duties of Actuary. – The Board of Trustees shall designate an actuary ~~who shall to be~~ the technical adviser of the Board of Trustees on matters regarding the operation of the funds created by ~~the provisions of this Chapter and shall perform such other duties as are required in connection therewith. this Chapter.~~ The experience studies and all other actuarial calculations required by this Chapter, and all the assumptions used by the System's actuary, including mortality tables, interest rates, annuity factors, the contribution-based benefit cap factor, and employer contribution rates, shall be set out in the actuary's periodic reports, annual valuations of System assets, or other materials provided to the ~~Board of Trustees.~~ Board. Notwithstanding Article 2A of Chapter 150B of the General Statutes, these materials, once accepted by the Board, ~~shall be are~~ considered part of the Plan documentation governing ~~this the~~ Retirement System and ~~shall be are~~ effective the first day of the month following adoption unless a different date is specified in the adopting resolution. The effective date ~~shall does not~~ retroactively affect a contribution rate. The Board's minutes relative to all actuarial assumptions used by the System ~~shall also be are also~~ considered part of the Plan documentation governing ~~this the~~ Retirement System, with the result of precluding any employer discretion in the determination of benefits payable ~~hereunder, under this section,~~ consistent with Section 401(a)(25) of the Internal Revenue Code.

~~(m) Immediately after the establishment of the Retirement System the actuary shall make such investigation of the mortality, service and compensation experience of the members of the System as he shall recommend and the Board of Trustees shall authorize, and on the basis of such investigation he shall recommend for adoption by the Board of Trustees such tables and such rates as are required in subsection (n), subdivisions (1) and (2), of this section. The Board of Trustees shall adopt tables and certify rates, and as soon as practicable thereafter the actuary shall make a valuation based on such tables and rates of the assets and liabilities of the funds created by this Chapter.~~

(n) ~~In 1943, and at least once in each five year period thereafter, At least once every five years,~~ the actuary shall complete an actuarial experience review of the mortality, ~~service service,~~ and compensation experience of the members and beneficiaries of the Retirement System and shall make a valuation of the assets and liabilities of the funds of the System. Taking into account the result of the actuarial investigation and valuation, the Board of Trustees shall do ~~all both~~ of the following:

(1) Adopt any necessary mortality, service, or other tables and any necessary contribution-based benefit cap factors for the Retirement System.

(2) Certify the rates of contributions payable by the State of North Carolina on account of new entrants at various ages.

In order to pay for the administration of this section, the Retirement Systems Division of the Department of State Treasurer may increase receipts from the retirement assets of the Retirement System or may pay the costs directly from the retirement assets.

...

(o) On the basis of the tables and interest assumption rate ~~as adopted by the Board of Trustees,~~ the actuary shall make an annual valuation of the assets and liabilities of the funds of the System created by this Chapter. The annual valuation shall include a supplementary section that provides an analysis of assets on a market basis using the 30-year treasury rate as of December 31 of the year of the valuation as the discount rate. In order to pay for the administration of this section, the Retirement Systems Division of the Department of State Treasurer may increase receipts from the retirement assets of the Retirement System or may pay the costs directly from the retirement assets.

(p) Notwithstanding any ~~law, rule, regulation or policy law~~ to the contrary, any board, agency, department, ~~institution institution,~~ or subdivision of the State maintaining lists of names and addresses in the administration of ~~their its~~ programs may upon request provide to the

1 Retirement System information limited to social security numbers, current name and addresses
2 of persons identified by the System as members, beneficiaries, and beneficiaries of members of
3 the System. The System shall use ~~such this~~ information for the sole purpose of notifying
4 members, beneficiaries, and beneficiaries of members of ~~their the person's~~ rights to and accruals
5 of benefits in the Retirement System. Any social security number, current ~~name name~~, and
6 address ~~so obtained and obtained~~, any other information concluded ~~therefrom and the source~~
7 ~~thereof shall be treated as from this information~~, and the source of this information are
8 confidential and shall not be divulged by any employee of the Retirement System or of the
9 Department of State Treasurer except as ~~may be~~ necessary to notify the member, beneficiary, or
10 beneficiary of the member of ~~their the person's~~ rights to and accruals of benefits in the Retirement
11 System. Any person, officer, ~~employee employee~~, or former employee violating this provision
12 ~~shall be is~~ guilty of a Class 1 misdemeanor; and if ~~such the~~ offending person ~~be is~~ a public official
13 or employee, ~~he the person~~ shall be dismissed from office or employment and shall not hold any
14 public office or employment in this State for a period of five years thereafter.

15 (q) Compliance Investigations and Fraud Investigations – Access to Persons and Records.
16 – In the course of conducting a compliance investigation or a fraud investigation, the Retirement
17 Systems Division, or authorized representatives who are assisting the Retirement Systems
18 Division staff, ~~shall has~~ all of the following powers:

- 19 (1) ~~Have ready To have~~ access to persons and ~~may to~~ examine and copy all books,
20 records, reports, vouchers, correspondence, files, personnel files, investments,
21 and any other documentation of any employer. The review of State tax returns
22 shall be limited to matters of official business, and the Division's report shall
23 not violate the confidentiality provisions of tax laws.
- 24 (2) ~~Have such To have~~ access to persons, records, papers, reports, vouchers,
25 correspondence, books, and any other documentation that is in the possession
26 of any individual, private corporation, institution, association, board, or other
27 organization ~~that pertain pertaining~~ to the following:
 - 28 a. Amounts received pursuant to a grant or contract from the federal
29 government, the State, or its political subdivisions.
 - 30 b. Amounts received, disbursed, or otherwise handled on behalf of the
31 federal government or the State.
- 32 (3) ~~Have the authority, and shall be provided with ready access, to examine To~~
33 access, examine, and inspect all property, equipment, and facilities in the
34 possession of any employer agency or any individual, private corporation,
35 institution, association, board, or other organization that were furnished or
36 otherwise provided through grant, contract, or any other type of funding by
37 the employer agency.

38 With respect to the requirements of sub-subdivision (2)b. of this subsection, providers of
39 social and medical services to a beneficiary shall make copies of records they maintain for
40 services provided to a beneficiary available to the Retirement Systems Division, or to the
41 authorized representatives who are assisting the Retirement Systems Division staff. Copies of the
42 records of social and medical services provided to a beneficiary ~~will~~ permit verification of the
43 health or other status of a beneficiary as required for the payment of benefits under Article 1,
44 Article 4, or Article 6 of this Chapter. The Retirement Systems Division, or authorized
45 representatives who are assisting the Retirement Systems Division staff, shall request records in
46 writing by providing the name of each beneficiary for whom records are sought, the purpose of
47 the request, the statutory authority for the request, and a reasonable period of time for the
48 production of record copies by the provider. A provider may charge, and the Retirement Systems
49 Division, or authorized representatives who are assisting the Retirement Systems Division staff,
50 shall, in accordance with G.S. 90-411, pay a reasonable fee to the provider for copies of the
51 records provided in accordance with this subsection.

(r) Compliance or Fraud Investigative Reports and Work Papers. – The Executive Director of the Retirement Systems Division shall maintain for 10 years a complete file of all compliance investigative reports, fraud investigative reports and reports of other examinations, investigations, surveys, and reviews issued under the Executive Director's authority. Fraud or compliance investigation work papers and other evidence or related supportive material directly pertaining to the work of the Retirement Systems Division of the Department of State Treasurer shall be retained according to an agreement between the Executive Director of the Retirement Systems Division and State Archives. To promote intergovernmental cooperation and avoid unnecessary duplication of fraud and compliance investigative efforts, and notwithstanding local unit personnel policies to the contrary, pertinent work papers and other supportive material relating to issued fraud or compliance investigation reports may be, at the discretion of the Executive Director of the Retirement Systems Division ~~and, and~~ unless otherwise prohibited by law, made available for inspection by ~~duly~~ authorized representatives of the State and federal government who desire access to and inspection of ~~such the~~ records in connection with some matter officially before them, including criminal investigations. Except as provided in this section, or upon an order issued in Wake County Superior Court upon 10 days' notice and hearing finding that access is necessary to a proper administration of justice, fraud and compliance investigation work papers and related supportive material shall be kept confidential, including any information developed as a part of the investigation.

(s) Fraud Reports May Be Anonymous. – The identity of any person reporting fraud, waste, and abuse to the Retirement Systems Division shall be kept confidential and shall not be maintained as a public record within the meaning of G.S. 132-1.

(t) Immunity. – A person serving on the Teachers' and State Employees' Retirement System Board of Trustees ~~shall be~~ is immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of that service, ~~except where~~ unless any of the following ~~apply~~ applies:

(1) The person was not acting within the scope of that person's official duties.

(2) The person was not acting in good faith.

(3) The person committed gross negligence or willful or wanton misconduct that resulted in the damages or injury.

(4) The person derived an improper personal financial benefit, either directly or indirectly, from the transaction.

(5) The person incurred the liability from the operation of a motor vehicle.

(u) The Treasurer may designate legal counsel, including private counsel, to represent the interests of the administration of benefit programs under this Chapter."

SECTION 18.(c) G.S. 153A-93 reads as rewritten:

"§ 153A-93. Retirement benefits.

(a) The board of commissioners may provide for enrolling county officers and employees in the Local Governmental Employees' Retirement System, the Law-Enforcement Officers' Benefit and Relief Fund, the ~~Firemen's Pension Fund, North Carolina Firefighters' and Rescue Squad Workers' Pension Fund,~~ or a retirement plan certified to be actuarially sound by a qualified actuary as defined in subsection (c) of this section and may make payments into ~~such a the~~ retirement system or plan on behalf of its employees.

(b) No county ~~may~~ shall make payments into a retirement system or plan established or authorized by a local act unless the system or plan is certified to be actuarially sound by a qualified actuary as defined in subsection (c) of this section.

(c) A qualified actuary means a member of the American Academy of Actuaries or an individual certified as qualified by the Commissioner of Insurance.

(d) A county ~~which that~~ is providing health insurance under G.S. 153A-92(d) may provide health insurance for all or any class of former officers and employees of the county. ~~Such~~

The health insurance may be paid entirely by the county, partly by the county and former officer or employee, or entirely by the former officer or employee, at the option of the county.

(d1) ~~On and after October 1, 2009, a~~ A county ~~which that~~ is providing health insurance under G.S. 153A-92(d) may provide health insurance for all or any class of former officers and employees of the county who have obtained at least 10 years of service with the county prior to separation from the county and who are not receiving benefits under subsection (a) of this section. ~~Such The~~ health insurance may be paid entirely by the county, partly by the county and former officer or employee, or entirely by the former officer or employee, at the option of the county.

(d2) Notwithstanding subsection (d) of this section, any county that has elected to and is covering its active employees only, or its active and retired employees, under the State Health Plan, or elects ~~such~~ coverage under the Plan, ~~may shall~~ not provide health insurance through the State Health Plan to all or any class of former officers and employees who are not receiving benefits under subsection (a) of this section. The county may, however, provide health insurance to ~~such the~~ former officers and employees by any other means authorized by G.S. 153A-92(d). The health insurance premium may be paid entirely by the county, partly by the county and former officer or employee, or entirely by the former officer or employee, at the option of the county.

(e) The board of commissioners may provide a deferred compensation plan. ~~Where If~~ the board of commissioners provides a deferred compensation plan, the investment of funds for the plan ~~shall be is~~ exempt from the provisions of G.S. 159-30 and G.S. 159-31. Counties may invest deferred compensation plan funds in life insurance, fixed or variable annuities and retirement income contracts, regulated investment trusts, or other forms of investments approved by the Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan."

SECTION 18.(d) G.S. 160A-163 reads as rewritten:

"§ 160A-163. Retirement benefits.

(a) The council may provide for enrolling city employees in the Local Governmental Employees' Retirement System, the Law-Enforcement Officers' Benefit and Relief Fund, the ~~Firemen's Pension Fund, North Carolina Firefighters' and Rescue Squad Workers' Pension Fund,~~ or a retirement plan certified to be actuarially sound by a qualified actuary as defined in subsection (d) of this ~~section, section~~ and may make payments into ~~any such the~~ retirement system or plan on behalf of its employees. The city may also supplement from local funds benefits provided by the Local Governmental Employees' Retirement System, the Law-Enforcement Officers' Benefit and Relief Fund, or the ~~Firemen's Pension Fund, North Carolina Firefighters' and Rescue Squad Workers' Pension Fund.~~

(b) The council may create and administer a special fund for the relief of members of the police and fire departments who have been retired for age, or for disability or injury incurred in the line of duty, but any ~~such of these~~ funds established on or after January 1, 1972, ~~shall be are~~ subject to ~~the provisions of~~ subsection (c) of this section. The council may receive donations and devises in aid of ~~any such the~~ fund, shall provide for its permanence and increase, and shall prescribe and regulate the conditions under which benefits may be paid.

(c) No city shall make payments into any retirement system or plan established or authorized by local act of the General Assembly unless the plan is certified to be actuarially sound by a qualified actuary as defined in subsection (d) of this section.

(d) A qualified actuary means an individual certified as qualified by the Commissioner of Insurance, or any member of the American Academy of Actuaries.

(e) A city ~~which that~~ is providing health insurance under G.S. 160A-162(b) may provide health insurance for all or any class of former employees of the city who are receiving benefits under subsection (a) of this section or who are 65 years of age or older. ~~Such The~~ health insurance may be paid entirely by the city, partly by the city and former employee, or entirely by the former employee, at the option of the city.

(f) The council may provide a deferred compensation plan. ~~Where~~ If the council provides a deferred compensation plan, the investment of funds for the plan ~~shall be~~ is exempt from the ~~provisions of~~ G.S. 159-30 and G.S. 159-31. Cities may invest deferred compensation plan funds in life insurance, fixed or variable annuities and retirement income contracts, regulated investment trusts, or other forms of investments approved by the Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan.

(g) ~~Should~~ If the council ~~provide~~ provides for a retirement plan, a plan ~~which~~ that supplements a State-administered plan, or a special fund, any benefits payable from ~~such~~ the plan or fund on account of the disability of city employees may be restricted with regard to the amount ~~which~~ that may be earned by the disabled former employee in any other employment, but only to the extent that the earnings of disability beneficiaries in the Local Governmental Employees' Retirement System are restricted in accordance with G.S. 128-27(e)(1)."

SECTION 19.(a) The title of Chapter 140A of the General Statutes reads as rewritten:

"State Awards System Awards."

SECTION 19.(b) Chapter 140A of the General Statutes is amended by designating G.S. 140A-1 through G.S. 140A-6 as Article 1 with the heading "North Carolina Awards."

SECTION 19.(c) G.S. 140A-2 reads as rewritten:

"§ 140A-2. Fields of recognition; periods covered."

These recognitions shall be known as the North Carolina Awards for Literature, Science, the Fine ~~Arts~~ Arts, and Public Service, and shall be conferred upon citizens of North Carolina for the most notable attainments in these respective fields during the current year, ~~terminating four months before the date of award, though such distinctions can be exceptionally conferred, with the approval of the Governor and the Council of State, year or~~ for eminence achieved during years prior to the award."

SECTION 19.(d) G.S. 140A-5 reads as rewritten:

"§ 140A-5. Selection of recipients for awards."

The recipients of the awards shall be chosen by ~~a committee named by~~ the North Carolina Awards Committee, for each category of achievement, but no award shall be made in any field unless the ~~committee of awards~~ Committee deems the recognized accomplishment to be outstanding in merit, value, and distinction."

SECTION 19.(e) G.S. 140A-6 reads as rewritten:

"§ 140A-6. Administration expense."

The expense of administering this ~~Chapter~~ Article may be paid out of the Contingency and Emergency Fund subject to the approval of the Governor and Council of State."

SECTION 19.(f) Chapter 140A of the General Statutes is amended by adding a new Article to read:

"Article 2."

"Medal of Valor Award."

SECTION 19.(g) G.S. 147-12(a)(15) is recodified as G.S. 140A-15 in Article 2 of Chapter 140A of the General Statutes, as enacted by subsection (f) of this section, and reads as rewritten:

"§ 140A-15. Medal of Valor Award."

~~To~~ The Governor and Lieutenant Governor may each award the "Medal of Valor Award" to a first responder upon recommendation from the highest-ranking official or member of a first responder unit. The Governor and Lieutenant Governor may each award no more than two Medal of Valor Awards to first responders each calendar year, ~~except that a third may be awarded under special circumstances as determined by the Governor. that, if the Governor or Lieutenant Governor finds there are special circumstances, each may award a third.~~ The Governor and Lieutenant Governor may also annually each award one Medal of Valor Award to one first responder ~~unit, once each calendar year. unit.~~ A Medal of Valor Award shall be for a first

responder or first responder unit that has performed great acts of heroism while under threat of personal risk to safety, beyond the call of duty in the field. For the purposes of this ~~subdivision, section,~~ a "first responder" includes any firefighter, paramedic, law enforcement officer, emergency medical services personnel, or rescue squad member. ~~The Governor and Lieutenant Governor shall each maintain an internet accessible link and application form on a State website where nominations can be put forward, and each shall contain information on the Medal of Valor Award. The websites for the offices of Governor and Lieutenant Governor shall include information about the Medal of Valor Award and a form for submitting a nomination for the award.~~"

SECTION 19.(h) G.S. 143A-13 reads as rewritten:

"§ 143A-13. Office of the Lieutenant Governor; creation; awards. Governor created.

(a) ~~Creation.~~—There is hereby created an office of the Lieutenant Governor.

(b) ~~Medal of Valor Award.~~—The Lieutenant Governor may award the "Medal of Valor Award" to a first responder upon recommendation from the highest ranking official or member of a first responder unit. The Lieutenant Governor may award no more than two Medal of Valor Awards to first responders each calendar year, except that a third may be awarded under special circumstances as determined by the Lieutenant Governor. The Lieutenant Governor may also award one Medal of Valor Award to one first responder unit, once each calendar year. A Medal of Valor Award shall be for a first responder or first responder unit that has performed great acts of heroism while under threat of personal risk to safety, beyond the call of duty in the field. For the purposes of this subsection, a "first responder" includes any firefighter, paramedic, law enforcement officer, emergency medical services personnel, or rescue squad member."

SECTION 19.(i) G.S. 143B-84 reads as rewritten:

"§ 143B-84. North Carolina Awards Committee – members; selection; quorum; compensation.

The North Carolina Awards Committee shall consist of five members appointed by the Governor to serve at the Governor's pleasure.

The Governor shall designate a member of the Committee as ~~chairman~~ chair to serve ~~in such capacity~~ at the pleasure of the Governor.

Members of the Committee shall serve without compensation or travel or per diem.

A majority of the Committee ~~shall constitute~~ constitutes a quorum for the transaction of business.

~~The Secretary of Natural and Cultural Resources is hereby authorized to request contingency and emergency funds for the administration of the North Carolina Awards Committee, for the period between July 1, 1973, and ratification of the next general appropriations bill for the Department.~~

All clerical and other services required by the Committee shall be supplied by the Secretary of Natural and Cultural Resources."

SECTION 20. G.S. 143-63.1 reads as rewritten:

"§ 143-63.1. Sale, ~~disposal~~ disposal, and destruction of firearms.

(a) Except as ~~hereinafter provided, it shall be provided in this section,~~ it is unlawful for any employee, ~~officer~~ officer, or official of the State in the exercise of his or her official duty to sell or otherwise dispose of any pistol, revolver, ~~shotgun~~ shotgun, or rifle to any person, firm, corporation, county or local governmental unit, ~~law enforcement~~ law enforcement agency, or other legal entity.

(b) It ~~shall be~~ is lawful for the Department of Administration, in the exercise of its official duty, to sell any weapon described in subsection (a) ~~hereof, to any of this section to a law enforcement agency of a county or local governmental unit, law enforcement agency in the State; provided, however, that such law enforcement unit in the State, so long as the agency files a written statement, duly notarized, with the seller of said weapon the weapon, certifying that such the weapon is needed in law enforcement by such law enforcement the agency.~~

(c) All weapons described in subsection (a) ~~hereof which~~ of this section that are not sold as ~~herein~~ provided by this section within one year of being declared surplus property shall be destroyed by the Department of Administration.

(d) Notwithstanding the provisions of this section, but subject to ~~the provisions of G.S. 20-187.2, G.S. 17F-20,~~ (i) each department, agency, institution, commission, and bureau of the Executive, Judicial, or Legislative branch of North Carolina and (ii) campus law enforcement agencies and campus police agencies of the constituent institutions of The University of North Carolina may sell, trade, or otherwise dispose of any or all surplus weapons they possess to any federally licensed firearm dealers. The sale, trade, or disposal of these weapons shall be in a manner prescribed by the Department of Administration. Surplus weapons shall be offered for public sale to federally licensed firearm dealers. Public sale is through sealed competitive bids, electronic bids, negative bids, auction, and retail sales. Any ~~moneys or property~~ money obtained from the sale or disposal shall ~~go be credited to the general fund.~~ General Fund."

SECTION 21.(a) All of the following provisions are repealed:

- (1) Subdivision (5) of G.S. 143-215.94A.
- (2) Subdivisions (b)(6) and (b)(12) of G.S. 143-215.94B.
- (3) G.S. 143-215.94F.
- (4) G.S. 143-215.94P.

SECTION 21.(b) G.S. 143-215.94A(2), (2a), and (7) read as rewritten:

"(2) "Commercial underground storage tank" means any one or combination of tanks (including underground pipes connected thereto) used to contain an accumulation of petroleum products, the volume of which (including the volume of the underground pipes connected thereto) is ten percent (10%) or more beneath the surface of the ground. The term "~~commercial underground storage tank~~" does not include ~~any~~ any of the following:

- a. ~~Farm or residential underground storage tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes;~~
- b. ~~Underground storage tank of 1,100 gallons or less capacity used for storing heating oil for consumptive use on the premises where stored;~~
- c. ~~Underground storage tank of more than 1,100 gallon capacity used for storing heating oil for consumptive use on the premises where stored by four or fewer households;~~
- c1. Noncommercial underground storage tank.
- d. ~~Septic tank;~~ tank.
- e. Pipeline facility (including gathering lines) regulated ~~under~~ under any of the following:
 1. The Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. § 1671 et seq.); seq.
 2. The Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. § 2001 et seq.); ~~or seq.~~ seq.
 3. ~~Any intrastate pipeline facility regulated under State laws comparable to the provisions of the Natural Gas Pipeline Safety Act of 1968 or the Hazardous Liquid Pipeline Safety Act of 1979;~~ 1979.
- f. Surface impoundment, pit, pond, or ~~lagoon;~~ lagoon.
- g. Storm water or waste water collection ~~system;~~ system.
- h. Flow-through process ~~tank;~~ tank.
- i. Liquid trap or associated gathering lines directly related to oil or gas production and gathering ~~operations;~~ operations.

- j. Storage tank situated in an underground area (such as a basement, cellar, mineworking, drift, shaft, or tunnel) if the storage tank is situated upon or above the surface of the floor.
- (2a) "Cost-effective cleanup" means the cleanup method that meets all of the following criteria:
- a. Addresses imminent threats to human health or the environment.
 - b. Provides for the cleanup or removal of all contaminated soil except in circumstances where it is impractical to remove contaminated soil.
 - c. Is approved by the Commission for remediation of the site.
 - d. Is the least expensive cleanup based on total cost, including costs not eligible for reimbursement from the Commercial Fund or the Noncommercial Fund.
- ...
- (7) "Noncommercial underground storage tank" means any one or combination of the following tanks (including underground pipes connected thereto) used to contain an accumulation of petroleum products, the volume of which (including the volume of the underground pipes connected thereto) is ten percent (10%) or more beneath the surface of the ~~ground~~. ~~The term "noncommercial storage tank" does not include any:~~ground:
- ~~a. Commercial underground storage tanks;~~
 - ~~b. Septic tank;~~
 - ~~c. Pipeline facility (including gathering lines) regulated under:~~
 - ~~1. The Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. § 1671 et seq.);~~
 - ~~2. The Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. § 2001 et seq.); or~~
 - ~~3. Any intrastate pipeline facility regulated under State laws comparable to the provisions of the Natural Gas Pipeline Safety Act of 1968 or the Hazardous Liquid Pipeline Safety Act of 1979;~~
 - ~~d. Surface impoundment, pit, pond, or lagoon;~~
 - ~~e. Storm water or waste water collection system;~~
 - ~~f. Flow through process tank;~~
 - ~~g. Liquid trap or associated gathering lines directly related to oil or gas production and gathering operations; or~~
 - ~~h. Storage tank situated in an underground area (such as a basement, cellar, mineworking, drift, shaft, or tunnel) if the storage tank is situated upon or above the surface of the floor.~~
 - a. Farm or residential underground storage tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes.
 - b. Underground storage tank of 1,100 gallons or less capacity used for storing heating oil for consumptive use on the premises where stored.
 - c. Underground storage tank of more than 1,100 gallon capacity used for storing heating oil for consumptive use on the premises where stored by four or fewer households."

SECTION 21.(c) G.S. 143-215.94E reads as rewritten:

"§ 143-215.94E. Rights and obligations of the owner or operator.

...

(b1) In the case of a discharge or release from a commercial underground storage tank where the owner and operator cannot be identified or located, or where the owner and operator fail to proceed as required by subsection (a) of this section, the following requirements apply:

- (1) If the current landowner of the land in which the commercial underground storage tank is located notifies the Department in accordance with G.S. 143-215.85 and undertakes to collect and remove the discharge or release and to restore the area affected in accordance with the requirements of this Article and applicable federal and State laws, regulations, and rules, the current landowner may elect to have the Commercial Fund pay or reimburse the current landowner for any costs described in subdivisions (1), (2), (2a), (3), and (4) of G.S. 143-215.94B(b) or G.S. 143-215.94B(b1) that exceed the amounts for which the owner or operator is responsible under that subsection.

~~[The following also apply:]~~ The following provisions also apply:

- a. The current landowner is not eligible for payment or reimbursement until the current landowner has paid the costs described in subdivisions (1), (2), (2a), (3), and (4) of G.S. 143-215.94B(b) or G.S. 143-215.94B(b1) for which the owner or operator is responsible.
- b. Eligibility for reimbursement under this subsection may be transferred from a current landowner who has paid the costs described in subdivisions (1), (2), (2a), (3), and (4) of G.S. 143-215.94B(b) or G.S. 143-215.94B(b1) to a subsequent landowner.

The current landowner shall submit documentation of all expenditures as required by G.S. 143-215.94G(b).

...

(e) ~~When an~~ An owner, operator, or landowner that pays the costs described in ~~G.S. 143-215.94B(b), 143-215.94B(b1), or 143-215.94D(b1) subsection (b) or (b1) of~~ G.S. 143-215.94B resulting from a discharge or release of petroleum from ~~an a commercial~~ an underground storage tank, ~~the owner, operator, or landowner tank~~ may seek reimbursement from ~~the appropriate fund for any costs that the owner, operator, or landowner may elect to have either~~ the Commercial Fund ~~or the Noncommercial Fund~~ pay in accordance with ~~the applicable~~ subsections of this section.

(e1) The Department may contract for any services necessary to evaluate any claim for reimbursement or compensation from the Commercial Fund, ~~Fund and~~ Fund and may contract for any expert witness or consultant services necessary to defend any decision to pay or deny any claim for reimbursement, ~~and reimbursement.~~ The Department may pay the cost of these services from ~~the fund against which the claim is made; provided that in fund.~~ In any fiscal year, however, the Department shall not expend ~~from either fund~~ more than one percent (1%) of the unobligated balance of the fund on 30 June of the previous fiscal year. The cost of contractual services ~~to evaluate a claim or for expert witness or consultant services to defend a decision with respect to a claim shall be included as costs under G.S. 143-215.94B(b) and 143-215.94B(b1).~~ authorized by this subsection are considered costs under subsections (b) and (b1) of G.S. 143-215.94B.

...

(e5) (1) As used in this subsection:

...

b. "Preapproval" means a determination by the Department that:

1. The nature and scope of a task is reasonable and necessary to be performed under ~~G.S. 143-215.94B(b), 143-215.94B(b1), or 143-215.94D(b1) subsection (b) or (b1) of~~ G.S. 143-215.94B in order to achieve the purposes of this Part.
2. The amount estimated for the cost of a task does not exceed the amount or rate that is reasonable for that task.

(2) The Department may require an owner, operator, or landowner to obtain preapproval before proceeding with any task. The Department shall specify those tasks for which preapproval is required. The Department shall deny any

request for payment or reimbursement of the cost of any task for which preapproval is required if the owner, operator, or landowner failed to obtain preapproval of the task. Preapproval of a task by the Department does not guarantee payment or reimbursement in the amount estimated for the cost of the task at the time preapproval is requested. The Department shall pay or reimburse the cost of a task only if all of the following apply:

- a. The cost is eligible to be paid under ~~G.S. 143-215.94B(b), 143-215.94B(b1), or 143-215.94D(b1)~~ subsection (b) or (b1) of G.S. 143-215.94B.
 - b. Payment is in accordance with ~~G.S. 143-215.94B(d) or G.S. 143-215.94D(d)~~ G.S. 143-215.94B(d).
 - c. The Department determines that the cost is reasonable and necessary.
- (3) The Commission may adopt rules governing payment or reimbursement of reasonable and necessary costs and, consistent with any rules adopted by the Commission, the Department shall develop, implement, and periodically revise a schedule of costs that the Department determines to be reasonable and necessary costs for specific tasks. Statements that specify tasks for which preapproval is required and schedules of reasonable and necessary costs for specific tasks are statements within the meaning of G.S. 150B-2(8a)g. This subsection ~~shall not be construed to~~ does not invalidate any rule of the Commission related to preapproval of tasks that will result in a cost that is eligible to be paid or reimbursed under ~~G.S. 143-215.94B(b), 143-215.94B(b1), or 143-215.94D(b1)~~, provided, however, that the subsection (b) or (b1) of G.S. 143-215.94B. The Department may specify additional tasks for which preapproval is required.
- (4) In all cases, the Department shall require an owner, operator, or landowner to submit documentation sufficient to establish that a claim is eligible to be paid or reimbursed under this Part before the Department pays or reimburses the claim.
- (5) The Department shall authorize a task the cost of which is to be paid or reimbursed from the Commercial Fund ~~or the Noncommercial Fund~~ only when the task is scheduled to be performed on the basis of a priority determination pursuant to subsection (e4) of this section. The Department shall not pay or reimburse the cost of any task for which authorization is required under this subsection until the Department has preapproved and authorized the task.
- (6) Except as provided in subdivisions (8) and (9) of this subsection, the Department shall not authorize any task the cost of which is to be paid or reimbursed from the Commercial Fund ~~or the Noncommercial Fund~~ unless the Department determines, based on the scope of the work to be performed and the schedule of reasonable and necessary costs, that sufficient funds will be available in the Commercial Fund ~~or the Noncommercial Fund, whichever applies,~~ to pay or reimburse the cost of that task within 90 days after the Department determines that the owner, operator, or landowner has submitted a claim with documentation sufficient to establish that the claim is eligible to be paid under this Part.
- ...
- (8) The Department may preapprove and authorize ~~a task the cost of which is to be paid or reimbursed for payment or reimbursement from the Commercial Fund or the Noncommercial Fund~~ a task that has not been authorized pursuant

to subdivisions (5) and (6) of this subsection if the owner, operator, or landowner specifically requests that the task be authorized and agrees that the claim for payment or reimbursement of the task's cost will not be paid until after the Department has paid all claims for payment or reimbursement of costs for tasks ~~that~~ the Department has authorized pursuant to subdivisions (5) and (6) of this subsection.

- (9) The Department may preapprove and authorize ~~a task the cost of which is to be paid or reimbursed for payment or reimbursement~~ from the Commercial Fund ~~or the Noncommercial Fund~~ a task that has not been authorized pursuant to subdivisions (5) and (6) of this subsection if the discharge or release creates an emergency situation. An emergency situation exists when a discharge or release of petroleum results in an imminent threat to human health or the environment. A claim for payment or reimbursement of costs for tasks ~~that are~~ authorized under this subdivision shall be paid or reimbursed on the same basis as tasks ~~that are~~ authorized under subdivisions (5) and (6) of this subsection.

...

(g) No owner or operator shall be reimbursed pursuant to this section, and the Department shall seek reimbursement of the ~~appropriate fund~~ Commercial Fund or of the Department for any monies disbursed from the ~~appropriate fund~~ Commercial Fund or expended by the Department if any of the following apply:

- (1) The owner or operator has willfully violated any substantive law, rule, or regulation applicable to underground storage tanks and intended to prevent or mitigate discharges or releases or to facilitate the early detection of discharges or releases.
- (2) The discharge or release is the result of the owner's or operator's willful or wanton misconduct.
- (3) The owner or operator has failed to pay any annual tank operating fee due pursuant to G.S. 143-215.94C.

...

(j) An owner, operator, or landowner shall request that the Department determine whether any of the costs of assessment and cleanup of a discharge or release from a petroleum underground storage tank are eligible to be paid or reimbursed from ~~either~~ the Commercial Fund within one year after completion of any task that is eligible to be paid or reimbursed under G.S. 143-215.94B(b) or 143-215.94B(b1).

...."

SECTION 21.(d) G.S. 143-215.94G, as amended by Section 24(l) of this act, reads as rewritten:

"§ 143-215.94G. Authority of the Department to engage in cleanups; actions for fund reimbursement.

(a) If there is a discharge or release of petroleum from any of the following, the Department may use staff, equipment, or materials under its control or provided by other cooperating federal, State, or local agencies and may contract with any agent or contractor it deems appropriate to investigate a release, to develop and implement a cleanup plan, to provide interim alternative sources of drinking water to third parties, and to pay the initial costs for providing permanent alternative sources of drinking water to third parties:

- ~~(1) A noncommercial underground storage tank.~~
- (2) An underground storage tank whose owner or operator cannot be identified or located.
- (3) An underground storage tank whose owner or operator fails to proceed as required by G.S. 143-215.94E(a).

(4) A commercial underground storage tank taken out of operation prior to 1 January 1974 if, when the discharge or release is discovered, neither the owner nor operator owns or leases the land on which the underground storage tank is located.

...
(d) The Secretary shall seek reimbursement through any legal means available for the following:

...
(6) The amounts provided for in ~~G.S. 143-215.94B(b5)~~ and ~~G.S. 143-215.94D(b2)~~, G.S. 143-215.94B(b5).

(e) In the event that a civil action is commenced to secure reimbursement pursuant to subdivisions (1) through (4) of subsection (d) of this section, the Secretary may recover, in addition to any amount due, the costs of the action, including but not limited to reasonable attorneys' fees and investigation expenses. Any monies received or recovered as reimbursement shall be paid into the ~~appropriate fund~~ Commercial Fund or other source from which the expenditures were made.

(f) Repealed by Session Laws 2015-241, s. 14.16A(f), effective December 31, 2016.

(g) If the Department paid or reimbursed costs that are not authorized to be paid or reimbursed under G.S. 143-215.94B ~~or G.S. 143-215.94D~~ as a result of a misrepresentation by an agent that acted on behalf of an owner, operator, or landowner, the Department shall first seek reimbursement, pursuant to subdivision (1) of subsection (d) of this section, from the agent of monies paid to or retained by the agent.

...."

SECTION 21.(e) G.S. 143-215.94V reads as rewritten:
"§ 143-215.94V. Standards for petroleum underground storage tank cleanup.

(a) Legislative findings and intent.

(1) The General Assembly finds that:
a. The goals of the underground storage tank program are to protect human health and the environment. Maintaining the solvency of the Commercial Fund ~~and the Noncommercial Fund~~ is essential to these goals.

...
(2) The General Assembly intends:
...
e. That ~~neither the Commercial Fund nor the Noncommercial Fund~~ not be used to clean up sites where the Commission has determined that a discharge or release poses a degree of risk to human health or the environment that is no greater than the acceptable level of risk established by the Commission.
f. Repealed by Session Laws 1998-161, s. 11(c), effective retroactively to January 1, 1998.
g. That the Commercial Fund ~~and the Noncommercial Fund~~ be used to perform the most cost-effective cleanup that addresses imminent threats to human health and the environment.

...
(c) The Commission may require an owner or operator or a landowner eligible for payment or reimbursement under ~~subsections (b), (b1), (e), and (e1)~~ subsections (b) and (b1) of G.S. 143-215.94E to provide information necessary to determine the degree of risk to human health and the environment that is posed by a discharge or release from a petroleum underground storage and to identify the most cost-effective cleanup that addresses imminent threats to human health and the environment.

1 ...
2 (e) If the Commission concludes under subsection (d) of this section that no cleanup, no
3 further cleanup, or no further action will be required, the Department shall not pay or reimburse
4 any costs otherwise payable or reimbursable under this Article from ~~either the Commercial or~~
5 ~~Noncommercial~~ Fund, other than reasonable and necessary to conduct the risk assessment
6 required by this section, unless:

7 (1) Cleanup is ordered or damages are awarded in a finally adjudicated judgment
8 in an action against the owner or landowner. To be eligible for reimbursement
9 of damages arising from a third-party claim for bodily injury or property
10 damage awarded in a finally adjudicated judgment, however, an owner or
11 operator shall (i) notify the Department of any such claim; (ii) provide the
12 Department with all pleadings and other related documents if a lawsuit has
13 been filed; and (iii) provide the Department copies of any medical reports,
14 statements, investigative reports, or certifications from licensed professionals
15 necessary to determine that a claim for bodily injury or property damage is
16 reasonable and necessary. Reimbursement of claims for damages arising from
17 a third-party claim for bodily injury or property damage awarded in a finally
18 adjudicated judgment shall be subject to the limitations set forth in ~~G.S.~~
19 ~~143-215.94B(b)(5) and G.S. 143-215.94D(b1)(2), as applicable,~~
20 G.S. 143-215.94B(b)(5) and any other provision governing third-party claims
21 set forth in this Article.

22 ...
23 (e1) If the Commission concludes under subsection (d) of this section that further cleanup
24 is required and notifies the owner, operator, or landowner of the cleanup method approved by the
25 Commission as the most cost-effective cleanup method for the site, the Department shall not pay
26 or reimburse any costs otherwise payable or reimbursable under this Article from ~~either the~~
27 ~~Commercial Fund or Noncommercial~~ Fund, other than those costs that are reasonable and
28 necessary to conduct the risk assessment and to implement the cost-effective cleanup method
29 approved by the Commission. If the owner, operator, or landowner selects a cleanup method
30 other than the one identified by the Commission as the most cost-effective cleanup, the
31 Department shall not pay or reimburse for costs in excess of the cost of implementing the
32 approved cost-effective cleanup.

33 ...
34 (h) If a discharge or release of petroleum from an underground storage tank results in
35 contamination in soil or groundwater that becomes commingled with contamination that is the
36 result of a discharge or release of petroleum from a source of contamination other than an
37 underground storage tank, the cleanup of petroleum may proceed under rules adopted pursuant
38 to this section. The Department shall not pay or reimburse from the Commercial Fund any costs
39 associated with the assessment or remediation of that portion of contamination that results from
40 a release or discharge of petroleum from a source other than an underground storage tank ~~from~~
41 ~~either the Commercial Fund or the Noncommercial Fund tank."~~

42 **SECTION 21.(f)** G.S. 143B-426.40A(l) reads as rewritten:

43 "~~(l) Assignment of Payments From the Underground Storage Tank Cleanup Funds.~~
44 Payments from Commercial Fund. – This section does not apply to an assignment of any claim
45 for payment or reimbursement from the Commercial Leaking Petroleum Underground Storage
46 Tank Cleanup Fund established by ~~G.S. 143-215.94B or the Noncommercial Leaking Petroleum~~
47 ~~Underground Storage Tank Cleanup Fund established by G.S. 143-215.94D.~~ G.S. 143-215.94B."

48 **SECTION 22.** Article 29A of Chapter 143 of the General Statutes is repealed.

49 **SECTION 23.** G.S. 144-9(b) reads as rewritten:

50 "(b) The Department of Military and Veterans Affairs shall accept, at no charge, a worn,
51 tattered, or otherwise damaged flag of the United States of America or the State of North Carolina

from a citizen of the State and shall make arrangements for its respectful disposal. The Department shall establish a flag retirement program to encourage citizens to send in or drop off worn, tattered, or otherwise damaged flags at the Department's office in Raleigh and at any Veterans Home or Veterans Cemetery in the State and may establish other locations for flag drop-off as it deems appropriate. The Department shall advertise the flag retirement program on its website and by printed posters placed at all flag drop-off locations.

Department"

SECTION 24.(a) G.S. 150B-37(c) is recodified as the last sentence of G.S. 150B-34(a).

SECTION 24.(b) G.S. 150B-34, as amended by subsection (a) of this section, reads as rewritten:

"§ 150B-34. Final decision or order.

(a) In each contested case the administrative law judge shall make a final decision or order that contains findings of fact and conclusions of law. The administrative law judge shall decide the case based upon the preponderance of the evidence, giving due regard to the demonstrated knowledge and expertise of the agency with respect to facts and inferences within the specialized knowledge of the agency. The Office of Administrative Hearings shall forward a copy of the administrative law judge's final decision or order to each party.

(b) Repealed by Session Laws 1991, c. 35, s. 6.

(c) Repealed by Session Laws 2011-398, s. 18. For effective date and applicability, see editor's note.

(d) Except for the exemptions contained in G.S. 150B-1, the provisions of this section regarding the decision of the administrative law judge ~~shall~~ apply only to agencies subject to Article 3 of this Chapter, notwithstanding any other provisions to the contrary relating to recommended decisions by administrative law judges.

...."

SECTION 24.(c) G.S. 90A-30 reads as rewritten:

"§ 90A-30. Penalties; remedies; contested cases.

(a) Upon the recommendation of the Board of Certification, the Secretary of Environmental Quality or a delegated representative may impose an administrative, civil penalty on any person, corporation, company, association, partnership, unit of local government, State agency, federal agency, or other legal entity ~~who~~ that violates G.S. 90A-29(a). Each day of a continued violation ~~shall constitute~~ constitutes a separate violation. The penalty shall not exceed one hundred dollars (\$100.00) for each day ~~such~~ the violation continues. No penalty shall be assessed until the person alleged to be in violation has been notified of the violation.

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

(b) Any person wishing to contest a penalty issued under this section ~~shall be~~ is entitled to an administrative hearing and judicial review conducted according to the procedures outlined in Articles 3 and 4 of Chapter 150B of the General Statutes.

(c) The Secretary may bring a civil action in the superior court of the county in which the violation is alleged to have occurred to recover the amount of the administrative penalty ~~whenever~~ if either of the following applies to an owner or person in control of a water treatment facility:

(1) ~~Who~~ The owner or person has not requested an administrative hearing and fails to pay the penalty within 60 days after being notified of ~~such~~ penalty, ~~or the penalty.~~

(2) ~~Who~~ The owner or person has requested an administrative hearing and fails to pay the penalty within 60 days after ~~service of the Office of Administrative Hearings forwards~~ a written copy of the decision as provided in G.S. 150B-36. G.S. 150B-34.

(d) Notwithstanding any other provision of law, this section imposes the only penalty or sanction, civil or criminal, for violations of G.S. 90A-29(a) or for the failure to meet any other legal requirement for a water system to have a certified operator in responsible charge."

SECTION 24.(d) G.S. 104E-24 reads as rewritten:

"§ 104E-24. Administrative penalties.

(a) The Department may impose an administrative penalty on ~~any person~~a person that does either of the following:

(1) ~~Who fails~~Fails to comply with this Chapter, any order issued ~~hereunder, under it, or any rules adopted pursuant to this Chapter; it.~~

(2) ~~Who refuses~~Refuses to allow an authorized representative of the Radiation Protection Commission or the Department of Health and Human Services a right of entry as provided for in G.S. 104E-11 or impounding materials as provided for in G.S. 104E-14.

(b) Each day of a continuing violation ~~shall constitute~~constitutes a separate violation. ~~Such~~The penalty shall not exceed ten thousand dollars (\$10,000) per day. In determining the amount of the penalty, the Department shall consider the degree and extent of the harm caused by the violation. Any person assessed a penalty shall be notified of the assessment by registered or certified mail, and the notice shall specify the reasons for the assessment.

(c) Any person wishing to contest a penalty or order issued under this section ~~shall be is~~ entitled to an administrative hearing and judicial review in accordance with the procedures outlined in Articles ~~3, 3A, 3~~3 and 4 of Chapter 150B of the General Statutes.

(d) The Secretary may bring a civil action in the superior court of the county in which ~~such the~~ violation is alleged to have occurred to recover the amount of the administrative penalty ~~whenever a person~~if either of the following applies:

(1) ~~Who~~The person has not requested an administrative hearing and fails to pay the penalty within 60 days after being notified of ~~such penalty, or the penalty.~~

(2) ~~Who~~The person has requested an administrative hearing and fails to pay the penalty within 60 days after ~~service of the Office of Administrative Hearings forwards~~service of the Office of Administrative Hearings forwards a written copy of the decision as provided in ~~G.S. 150B-36~~G.S. 150B-34.

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

SECTION 24.(e) G.S. 108A-70.9A(f) reads as rewritten:

"(f) Final Decision. – After a hearing before an administrative law judge, ~~the judge~~OAH shall ~~return~~forward a written copy of the administrative law judge's decision to the Department and the recipient in accordance with ~~G.S. 150B-37~~G.S. 150B-34. The ~~Department decision~~ shall notify the Department and the recipient of the final decision and of the right to judicial review of the decision pursuant to Article 4 of Chapter 150B of the General Statutes."

SECTION 24.(f) G.S. 108A-70.9B(g) reads as rewritten:

"(g) Decision. – The administrative law judge assigned to a contested Medicaid case shall hear and decide the case without unnecessary delay. The judge shall prepare a written decision and ~~send~~shall forward a copy of it to the parties in accordance with ~~G.S. 150B-37~~G.S. 150B-34."

SECTION 24.(g) G.S. 108D-16 reads as rewritten:

"§ 108D-16. Notice of final decision and right to seek judicial review.

The administrative law judge assigned to conduct a contested case hearing under G.S. 108D-15 shall hear and decide the case without unnecessary delay. The judge shall prepare a written decision that includes findings of fact and conclusions of law and ~~send~~shall forward a copy of it to the parties in accordance with ~~G.S. 150B-37~~G.S. 150B-34. The written decision shall notify the parties ~~of the final decision and~~ of the right of the enrollee and the managed care

entity to seek judicial review of the decision under Article 4 of Chapter 150B of the General Statutes."

SECTION 24.(h) G.S. 122C-24 reads as rewritten:

"§ 122C-24. Adverse action on a license.

(a) The Secretary may deny, suspend, amend, or revoke a license in any case in which the Secretary finds that there has been a substantial failure to comply with any provision of this Article or other applicable statutes or any applicable rule adopted pursuant to these statutes. ~~Action[s]~~ Actions under this section and appeals of those actions shall be in accordance with rules of the Commission and Chapter 150B of the General Statutes.

(b) ~~When an appeal is filed concerning the denial, suspension, amendment, or revocation of a license, a copy of the proposal for decision shall be sent to the Chairman of the Commission in addition to the parties specified in G.S. 150B-34. The Chairman or members of the Commission designated by the Chairman may submit for the Secretary's consideration written or oral comments concerning the proposal prior to the issuance of a final agency decision in accordance with G.S. 150B-36."~~

SECTION 24.(i) G.S. 122C-24.1 reads as rewritten:

"§ 122C-24.1. Penalties; remedies.

...

(h) The Secretary may bring a civil action in the superior court of the county ~~wherein~~ where the violation occurred to recover the amount of the administrative penalty ~~whenever if~~ either of the following applies to a facility:

(1) ~~Which~~ The facility has not requested an administrative hearing and fails to pay the penalty within 60 days after being notified of the ~~penalty, or penalty.~~

(2) ~~Which~~ The facility has requested an administrative hearing and fails to pay the penalty within 60 days after ~~receipt of the Office of Administrative Hearings forwards~~ a written copy of the decision as provided in G.S. 150B-37.G.S. 150B-34.

...

(j) The clear proceeds of civil penalties provided for in this section shall be remitted to the ~~State Treasurer for deposit~~ Civil Penalty and Forfeiture Fund in accordance with ~~State law~~ G.S. 115C-457.2.

...."

SECTION 24.(j) G.S. 131D-34 reads as rewritten:

"§ 131D-34. Penalties; remedies.

...

(g) The Secretary may bring a civil action in the superior court of the county ~~wherein~~ where the violation occurred to recover the amount of the administrative penalty ~~whenever if~~ either of the following applies to a facility:

(1) ~~Which~~ The facility has not requested an administrative hearing and fails to pay the penalty within 60 days after being notified of the ~~penalty, or penalty.~~

(2) ~~Which~~ The facility has requested an administrative hearing and fails to pay the penalty within 60 days after ~~receipt of the Office of Administrative Hearings forwards~~ a written copy of the decision as provided in G.S. 150B-36.G.S. 150B-34.

...

(i) The clear proceeds of civil penalties provided for in this section shall be remitted to the ~~State Treasurer for deposit~~ Civil Penalty and Forfeiture Fund in accordance with ~~State law~~ G.S. 115C-457.2."

SECTION 24.(k) G.S. 131E-129(f) reads as rewritten:

"(f) The Secretary may bring a civil action in the superior court of the county ~~wherein~~ where the violation occurred to recover the amount of the administrative penalty ~~whenever if~~ either of the following applies to a facility:

- (1) ~~Which~~ The facility has not requested an administrative hearing and fails to pay the penalty within 60 days after being notified of the ~~penalty; or penalty.~~
- (2) ~~Which~~ The facility has requested an administrative hearing and fails to pay the penalty within 60 days after ~~receipt of the Office of Administrative Hearings forwards~~ a written copy of the decision as provided in G.S. 150B-36; G.S. 150B-34."

SECTION 24.(f) G.S. 143-215.94G reads as rewritten:

"§ 143-215.94G. Authority of the Department to engage in cleanups; actions for fund reimbursement.

(a) ~~The~~ If there is a discharge or release of petroleum from any of the following, the Department may use staff, equipment, or materials under its control or provided by other cooperating federal, State, or local agencies and may contract with any agent or contractor it deems appropriate to investigate a release, to develop and implement a cleanup plan, to provide interim alternative sources of drinking water to third parties, and to pay the initial costs for providing permanent alternative sources of drinking water to third parties, ~~and shall pay the costs resulting from the Commercial Fund whenever there is a discharge or release of petroleum from any of the following parties:~~

- (1) A noncommercial underground storage tank.
- (2) An underground storage tank whose owner or operator cannot be identified or located.
- (3) An underground storage tank whose owner or operator fails to proceed as required by G.S. 143-215.94E(a).
- (4) A commercial underground storage tank taken out of operation prior to 1 January 1974 if, when the discharge or release is discovered, neither the owner nor operator owns or leases the land on which the underground storage tank is located.

(a1) Every State agency shall provide to the Department to the maximum extent feasible ~~such any~~ staff, equipment, and materials ~~as may be that are~~ available and useful to the development and implementation of a cleanup program.

(a2) The cost of any action authorized under subsection (a) of this section shall be paid, to the extent funds are available, from the following sources in the order listed:

- (1) Any funds to which the State is entitled under any federal program providing for the cleanup of petroleum discharges or releases from underground storage tanks, including, but not limited to, the Leaking Underground Storage Tank Trust Fund established pursuant to 26 U.S.C. § 4081 and 42 U.S.C. § 6991b(h).
- (2) The Commercial Fund.

(a3) Expired October 1, 2011, pursuant to Session Laws 2001-442, s. 8, as amended by Session Laws 2008-195, s. 11.

(b) Whenever the discharge or release of a petroleum product is from a commercial underground storage tank, the Department may supervise the cleanup of environmental damage required by G.S. 143-215.94E(a). If the owner or operator elects to have the Commercial Fund reimburse or pay for any costs allowed under subsection (b) or (b1) of G.S. 143-215.94B, the Department shall require the owner or operator to submit documentation of all expenditures claimed for the purposes of establishing that the owner or operator has spent the amounts required to be paid by the owner or operator pursuant to and in accordance with G.S. 143-215.94E(b). The Department shall allow credit for all expenditures that the Department determines to be reasonable and necessary. The Department ~~may~~ shall not pay for any costs for which the

Commercial Fund was established until the owner or operator has paid the amounts specified in G.S. 143-215.94E(b).

(c) The Secretary shall keep a record of all expenses incurred for the services of State personnel and for the use of the State's equipment and material.

(d) The Secretary shall seek reimbursement through any legal means ~~available,~~ for available for the following:

(1) Any costs not authorized to be paid from the Commercial ~~Fund;~~ Fund.

(2) The amounts provided for in G.S. 143-215.94B(b) or G.S. 143-215.94B(b1) required to be paid for by the owner or operator pursuant to G.S. 143-215.94E(b) ~~where-if~~ if the owner or operator of a commercial underground storage tank is later identified or ~~located;~~ located.

(3) The amounts provided for in G.S. 143-215.94B(b) or G.S. 143-215.94B(b1) required to be paid for by the owner or operator pursuant to G.S. 143-215.94E(b) ~~where-if~~ if the owner or operator of a commercial underground storage tank failed to proceed as required by ~~G.S. 143-215.94E(a);~~ G.S. 143-215.94E(a).

(3a) The amounts provided for by G.S. 143-215.94B(b)(5) required to be paid by the owner or operator to third parties for the cost of providing interim alternative sources of drinking water to third parties and the initial cost of providing permanent alternative sources of drinking water to third ~~parties;~~ parties.

(4) Any funds due under ~~G.S. 143-215.94E(g); and~~ G.S. 143-215.94E(g).

(5) Any funds to which the State is entitled under any federal program providing for the cleanup of petroleum discharges or releases from underground storage ~~tanks; [and] tanks.~~

(6) The amounts provided for in G.S. 143-215.94B(b5) and G.S. 143-215.94D(b2).

(e) In the event that a civil action is commenced to secure reimbursement pursuant to subdivisions (1) through (4) of subsection (d) of this section, the Secretary may recover, in addition to any amount due, the costs of the action, including but not limited to reasonable ~~attorney's~~ attorneys' fees and investigation expenses. Any monies received or recovered as reimbursement shall be paid into the appropriate fund or other source from which the expenditures were made.

(f) Repealed by Session Laws 2015-241, s. 14.16A(f), effective December 31, 2016.

(g) If the Department paid or reimbursed costs that are not authorized to be paid or reimbursed under G.S. 143-215.94B or G.S. 143-215.94D as a result of a misrepresentation by an agent ~~who-that~~ that acted on behalf of an owner, operator, or landowner, the Department shall first seek reimbursement, pursuant to subdivision (1) of subsection (d) of this section, from the agent of monies paid to or retained by the agent.

(h) The Department shall take administrative action to recover costs or bring a civil action pursuant to subdivision (1) of subsection (d) of this section to seek reimbursement of costs in accordance with the ~~time limits set out in this subsection.~~ following time limits:

(1) The Department shall take administrative action to recover costs or bring a civil action to seek reimbursement of costs that are not authorized to be paid from the Commercial Fund under subdivision (1), (2), or (3) of G.S. 143-215.94B(d) within five years after payment.

(2) The Department shall take administrative action to recover costs or bring a civil action to seek reimbursement of costs other than those described in subdivision (1) of this subsection within three years after payment.

(3) Notwithstanding the time limits set out in subdivisions (1) and (2) of this subsection, the Department may take administrative action to recover costs or

bring a civil action to seek reimbursement of costs paid as a result of fraud or misrepresentation at any time.

(i) An administrative action or civil action that is not commenced within the time allowed by subsection (h) of this section is barred.

(j) Except with the consent of the claimant, the Department ~~may~~ shall not withhold payment or reimbursement of costs that are authorized to be paid from the Commercial Fund in order to recover any other costs that are in dispute unless the Department is authorized to withhold payment by a final decision of the Commission pursuant to G.S. 150B-36 in a contested case under Article 3 of Chapter 150B of the General Statutes or by an order or final decision of a court."

SECTION 25. G.S. 160D-1311 reads as rewritten:

"§ 160D-1311. Community development programs and activities.

(a) A local government ~~is authorized to~~ may engage in, ~~to~~ accept federal and State grants and loans for, and ~~to~~ appropriate and expend funds for community development programs and activities. In undertaking community development programs and activities, in addition to other authority granted by law, a local government may engage in the following activities:

- (1) Programs of assistance and financing of rehabilitation of private buildings principally for the benefit of low- and moderate-income persons, or for the restoration or preservation of older neighborhoods or properties, including direct repair, the making of grants or loans, the subsidization of interest payments on loans, and the guaranty of loans.
- (2) Programs concerned with employment, economic development, crime prevention, child care, health, drug abuse, education, and welfare needs of persons of low and moderate income.

(b) A governing board may exercise directly those powers granted by law to local government redevelopment commissions and those powers granted by law to local government housing authorities and may do so whether or not a redevelopment commission or housing authority is in existence in ~~such the~~ the local government. Any governing board desiring to do so may delegate to any redevelopment commission, created under Article 22 of Chapter 160A of the General Statutes, or to any housing authority, created under Article 1 of Chapter 157 of the General Statutes, the responsibility of undertaking or carrying out any specified community development activities. Any governing board may by agreement undertake or carry out for another any specified community development activities. Any governing board may contract with any person, association, or corporation in undertaking any specified community development activities. Any county or city board of health, county board of social services, or county or city board of education may by agreement undertake or carry out for any other governing board any specified community development activities.

(c) A local government undertaking community development programs or activities may create one or more advisory committees to advise it and to make recommendations concerning ~~such the~~ the programs or activities.

(d) A governing board proposing to undertake any loan guaranty or similar program for rehabilitation of private buildings ~~is authorized to~~ may submit to its voters the question whether ~~such the~~ the program shall be undertaken, ~~such undertaken~~. The referendum ~~to~~ shall be conducted pursuant to the general and local laws applicable to special elections in ~~such the~~ the local government. ~~No State or local taxes shall be appropriated or expended by a county pursuant to this section for any purpose not expressly authorized by G.S. 153A-149, unless the same is first submitted to a vote of the people as therein provided.~~

(e) A government may receive and dispense funds from the Community Development Block Grant (CDBG) Section 108 Loan Guarantee program, Subpart M, 24 C.F.R. § 570.700, et seq., either through application to the North Carolina Department of Commerce or directly from the federal government, in accordance with State and federal laws governing these funds. Any

1 local government that receives these funds directly from the federal government may pledge
2 current and future CDBG funds for use as loan guarantees in accordance with State and federal
3 laws governing these funds. A local government may implement the receipt, dispensing, and
4 pledging of CDBG funds under this subsection by borrowing CDBG funds and lending all or a
5 portion of those funds to a third party in accordance with applicable laws governing the CDBG
6 program.

7 A government that has pledged current or future CDBG funds for use as loan guarantees prior
8 to the enactment of this subsection is authorized to have taken ~~such~~ the action. A pledge of future
9 CDBG funds under this subsection is not a debt or liability of the State or any political
10 subdivision of the State or a pledge of the faith and credit of the State or any political subdivision
11 of the State. The pledging of future CDBG funds under this subsection does not directly,
12 indirectly, or contingently obligate the State or any political subdivision of the State to levy or to
13 pledge any taxes.

14 (f) All program income from Economic Development Grants from the Small Cities
15 Community Development Block Grant Program may be retained by recipient cities and counties
16 in "economically distressed counties," as defined in G.S. 143B-437.01, for the purposes of
17 creating local economic development revolving loan funds. ~~Such~~ The program income derived
18 through the use by cities of Small Cities Community Development Block Grant money includes,
19 but is not limited to, (i) payment of principal and interest on loans made by the county using
20 CDBG funds, (ii) proceeds from the lease or disposition of real property acquired with CDBG
21 funds, and (iii) any late fees associated with loan or lease payments in (i) and (ii) above. The
22 local economic development revolving loan fund set up by the city shall fund only those activities
23 eligible under Title I of the federal Housing and Community Development Act of 1974, as
24 amended (P.L. 93-383), and shall meet at least one of the three national objectives of the Housing
25 and Community Development Act. Any expiration of G.S. 143B-437.01 or G.S. 105-129.3 ~~shall~~
26 does not affect this subsection as to designations of economically distressed counties made prior
27 to its expiration.

28 (g) No State or local taxes shall be appropriated or expended by a county pursuant to this
29 section for any purpose not expressly authorized by G.S. 153A-149, unless the purpose is first
30 submitted to a vote of the people as provided by that section."

31 **SECTION 26.** G.S. 168-11 reads as rewritten:

32 **"§ 168-11. Reporting by Protection and Advocacy Agency for persons with disabilities.**

33 The designated Protection and Advocacy Agency (Agency) for this State shall report to the
34 General Assembly ~~as provided in this section, twice per year on actions the Agency has taken in~~
35 its efforts to advocate for persons with disabilities. The Agency shall submit its reports to the
36 chairs of the House and Senate Appropriations Committees on Health and Human Services
37 during session and to the Joint Legislative Oversight Committee on Medicaid and the Joint
38 Legislative Oversight Committee on Health and Human Services during the interim.

39 Upon review, the General Assembly is encouraged to examine the activities of the Agency
40 to determine the impact on current and future State budgets. The Agency is encouraged to
41 annually hold six meetings with the public throughout the State to share the Agency's findings in
42 the reports required by this section. Nothing in this section ~~shall be construed as impacting~~
43 impacts the Agency's ability to perform work within its governing laws. ~~The reports shall be~~
44 submitted as follows:

45 ~~A report submitted twice a year of actions the Agency has taken in its efforts to advocate for~~
46 ~~persons with disabilities. The Agency shall submit its reports to the chairs of the House and~~
47 ~~Senate Appropriations Committees on Health and Human Services during session and to the Joint~~
48 ~~Legislative Oversight Committee on Medicaid and NC Health Choice and the Joint Legislative~~
49 ~~Oversight Committee on Health and Human Services during the interim."~~

50 **SECTION 27.(a)** Subsection (a) of Section 9A.1 of S.L. 2022-74 is repealed.

1 **SECTION 27.(b)** G.S. 108A-42.1, as amended by subsection (a) of this section,
2 reads as rewritten:

3 **"§ 108A-42.1. State-County Special Assistance Program payment rates.**

4 (a) Basic Rate. – The maximum monthly rate for State-County Special Assistance
5 recipients residing in adult care homes or in-home living arrangements without a diagnosis of
6 Alzheimer's disease or dementia ~~shall be one thousand one hundred eighty-two dollars (\$1,182)~~
7 is one thousand two hundred eighty-five dollars (\$1,285) per month per resident. This rate shall
8 be adjusted on January 1, 2024, and each January 1 thereafter, using the federally approved Social
9 Security cost-of-living adjustment effective for the applicable year.

10 (b) Enhanced Rate. – The maximum monthly rate for State-County Special Assistance
11 recipients residing in special care units or in-home living arrangements with a diagnosis of
12 Alzheimer's disease or dementia ~~shall be one thousand five hundred fifteen dollars (\$1,515)~~ is
13 one thousand six hundred forty-seven dollars (\$1,647) per month per resident. This rate shall be
14 adjusted on January 1, 2024, and each January 1 thereafter, using the federally approved Social
15 Security cost-of-living adjustment effective for the applicable year."

16 **SECTION 27.(c)** This section is retroactively effective January 1, 2023.

17 **SECTION 28.(a)** Section 9A.3A(a) of S.L. 2021-180 reads as rewritten:

18 **"SECTION 9A.3A.(a)** It is the intent of the General Assembly to provide greater parity
19 among individuals receiving benefits under the State-County Special Assistance Program
20 authorized under G.S. 108A-40 regardless if they elect to reside in an adult care home, a special
21 care unit, or an in-home living arrangement. To that end, ~~no later than 30 days after the effective~~
22 ~~date of this subsection, the Department of Health and Human Services, Division of Aging and~~
23 ~~Adult Services, shall apply to the federal Social Security Administration (SSA) for approval to~~
24 ~~allow eligible individuals residing in in-home living arrangements to qualify for State-County~~
25 ~~Special Assistance under the Social Security Optional State Supplement Program in the same~~
26 ~~manner as individuals residing in adult care homes or special care units. Additionally, no later~~
27 ~~than 30 days after the effective date of this subsection, the Department of Health and Human~~
28 ~~Services, Division of Health Benefits, shall submit a State Plan amendment to the Centers for~~
29 ~~Medicare and Medicaid Services (CMS) for approval to add Medicaid coverage for individuals~~
30 ~~residing in in-home living arrangements who qualify for State-County Special Assistance under~~
31 ~~the Social Security Optional State Supplement Program. It is the further intent of the General~~
32 ~~Assembly to appropriate sufficient funds in future fiscal years to support annual adjustment of~~
33 ~~the State-County Special Assistance Program payment rates using the federally approved Social~~
34 ~~Security cost-of-living adjustment. This subsection is effective when it becomes law."~~

35 **SECTION 28.(b)** Section 9A.3A(d) of S.L. 2021-180, as amended by Section
36 9A.1(b) of S.L. 2022-74, reads as rewritten:

37 **"SECTION 9A.3A.(d)** Subsections (b), (c), and (e) of this section become effective on ~~the~~
38 ~~date the Current Operations Appropriations Act of 2022 becomes law, or 30 days after the date~~
39 ~~that both the SSA and CMS have approved the applications—the date the CMS approves the~~
40 ~~application submitted by the Department of Health and Human Services pursuant to subsection~~
41 ~~(a) of this section, whichever is later.~~section. The Secretary of Health and Human Services
42 reported to the Revisor of Statutes that the CMS approved the application effective January 1,
43 2023.

44 ~~The Secretary of the Department of Health and Human Services shall report to the Revisor~~
45 ~~of Statutes when both the SSA and CMS approvals are obtained and the date of the approval.~~
46 ~~Subsections (b), (c), and (e) of this section shall not become effective if either the SSA or CMS~~
47 ~~disapproves the applications submitted by the Department of Health and Human Services~~
48 ~~pursuant to subsection (a) of this section. If, by June 30, 2023, the Department of Health and~~
49 ~~Human Services has not received notification of application approval from both the SSA and~~
50 ~~CMS pursuant to subsection (a) of this section, then subsections (b), (c), and (e) of this section~~
51 ~~shall expire. This subsection is effective when it becomes law."~~

1 **SECTION 28.(c)** Section 9A.1(d) of S.L. 2022-74 reads as rewritten:

2 "**SECTION 9A.1.(d)** ~~Subsections (a) and (c) of this section become~~ Subsection (c) of this
3 ~~section becomes~~ effective on the date ~~the Current Operations Appropriations Act of 2022~~
4 ~~becomes law, or 30 days after the date that both the SSA and CMS have approved the applications~~
5 ~~submitted by the Department of Health and Human Services pursuant to subsection (a) of Section~~
6 ~~9A.3A of S.L. 2021-180, whichever is later, that subsection (c) of Section 9A.3A of S.L.~~
7 ~~2021-180 becomes effective.~~ The remainder of this section is effective when it becomes law."

8 **SECTION 28.(d)** This section is retroactively effective January 1, 2023.

9 **SECTION 29.** Except as otherwise provided, this act is effective when it becomes
10 law.