

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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HOUSE BILL 917  
Committee Substitute Favorable 5/8/24

Short Title: GSC Technical Corrections 2024.

(Public)

Sponsors:

Referred to:

April 30, 2024

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, AND TO MAKE OTHER TECHNICAL CORRECTIONS.

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**SECTION 1.(a)** G.S. 1-18 is repealed.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

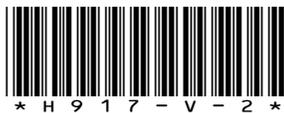
**"§ 29-30. Election of surviving spouse to take life interest in lieu of intestate share provided.**

(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 ~~everture~~ 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



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

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- 11 (3) Repealed by Session Laws 2011-344, s. 5, effective January 1, 2012.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

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

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

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

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

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

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

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

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

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

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

11 (2a) By a conditional sales contract of personal property in which title is retained  
12 by the vendor, made prior to or during the marriage.

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

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

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

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

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

25 **"§ 50-11. Effects of absolute divorce.**

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

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

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

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

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

47 (f) An absolute divorce by a court that lacked personal jurisdiction over the absent spouse  
48 or lacked jurisdiction to dispose of the property ~~shall~~ does not destroy the right of a spouse to  
49 equitable distribution under G.S. 50-20 if an action or motion in the cause is filed within six  
50 months after the judgment of divorce is entered. The validity of ~~such the~~ the divorce may be attacked  
51 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

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

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

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

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

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

19 "**§ 14-113.7A. Application of Article to credit financial transaction cards.**

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

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

23 **SECTION 6.(a)** The last sentence of Section 5 of S.L. 2013-357 is codified as the  
24 last sentence of G.S. 58-50-130(a)(5)b.

25 **SECTION 6.(b)** G.S. 58-50-130, as amended by subsection (a) of this section, reads  
26 as rewritten:

27 "**§ 58-50-130. Required health care plan provisions.**

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

29 ...

30 (5) No small employer carrier, insurer, subsidiary of an insurer, or controlled  
31 individual of an insurance holding company shall provide stop loss,  
32 catastrophic, or reinsurance coverage that does not comply with the applicable  
33 standards in this Article, including underwriting and rating standards, to small  
34 employers ~~who employ employing~~ fewer than 20 eligible employees ~~that does~~  
35 ~~not comply with the underwriting, rating, and other applicable standards in~~  
36 ~~this Act. employees.~~ An insurer shall not issue a stop loss health insurance  
37 policy to any person, firm, corporation, partnership, or association defined as  
38 a small employer that does any of the following:

- 39 a. Provides direct coverage of health expenses payable to an individual.  
40 b. Has an annual attachment point for claims incurred per individual that  
41 is lower than twenty thousand dollars (\$20,000) for plan years  
42 beginning in 2013. For subsequent policy years, the amount shall be  
43 indexed using the Consumer Price Index for Medical Services for All  
44 Urban Consumers for the South Region and shall be rounded to the  
45 nearest whole thousand dollars. The index factor ~~shall be is~~ the index  
46 as of July of the year preceding the change divided by the index as of  
47 July 2012. The Department of Insurance ~~shall make the amount of the~~  
48 ~~attachment points in Section 3 of this act~~ the indexed amount available  
49 to the public annually.  
50 c. Has an annual aggregate attachment point lower than the greater of  
51 one of the following:



- 1 (6) Unless the small employer carrier uses composite rating, the small employer  
2 carrier shall use the following age brackets:  
3 a. Younger than 15 ~~years;~~years.  
4 b. 15 to 19 ~~years;~~years.  
5 c. 20 to 24 ~~years;~~years.  
6 d. 25 to 29 ~~years;~~years.  
7 e. 30 to 34 ~~years;~~years.  
8 f. 35 to 39 ~~years;~~years.  
9 g. 40 to 44 ~~years;~~years.  
10 h. 45 to 49 ~~years;~~years.  
11 i. 50 to 54 ~~years;~~years.  
12 j. 55 to 59 ~~years;~~years.  
13 k. 60 to 64 ~~years;~~years.  
14 l. 65 years.
- 15 Carriers may combine, but shall not split, complete age brackets for the  
16 purposes of determining rates under this subsection. Small employer carriers  
17 shall be permitted to develop separate rates for individuals aged 65 years and  
18 older for coverage for which Medicare is the primary payor and coverage for  
19 which Medicare is not the primary payor.
- 20 (7) A carrier shall define geographic area to mean medical care system. Medical  
21 care system factors shall reflect the relative differences in expected costs, shall  
22 produce rates that are not excessive, inadequate, or unfairly discriminatory in  
23 the medical care system areas, and shall be ~~revenue neutral~~revenue-neutral to  
24 the small employer carrier.
- 25 (8) The Department may adopt rules to administer this subsection and to assure  
26 that rating practices used by small employer carriers are consistent with the  
27 purposes of this subsection. Those rules shall include consideration of  
28 differences based on all of the following:  
29 a. Health benefit plans that use different provider network arrangements  
30 may be considered separate plans for the purposes of determining the  
31 rating in subdivision (1) of this ~~subsection, provided that~~ subsection so  
32 long as the different arrangements are expected to result in substantial  
33 differences in claims costs.  
34 b. Except as provided for in sub-subdivision a. of this subdivision,  
35 differences in rates charged for different health benefit plans shall be  
36 reasonable and reflect objective differences in plan ~~design,~~ design but  
37 shall not permit differences in premium rates because of the case  
38 characteristics of groups assumed to select particular health benefit  
39 plans.  
40 c. Small employer carriers shall apply allowable rating factors  
41 consistently with respect to all small employers.
- 42 (9) In any case where the small employer carrier uses industry as a case  
43 characteristic in establishing premium rates, the rate factor associated with  
44 any industry classification divided by the lowest rate factor associated with  
45 any other industry classification shall not exceed 1.2.
- 46 (b1) For all small employer health benefit plans that are not grandfathered health benefit  
47 plans and that are subject to this section, the premium rates are subject to all of the following  
48 provisions:
- 49 (1) A small employer carrier shall use a method to develop premiums for small  
50 employer group health benefit plans that are not grandfathered health plans

- 1 ~~which~~ that spreads financial risk across a large population and allows  
 2 adjustments for only the following factors:  
 3 a. Age, except that the rate shall not vary by more than the ratio of three  
 4 to one (3:1) for adults.  
 5 b. Whether the plan or coverage covers individual or family.  
 6 c. Geographic rating areas.  
 7 d. Tobacco use, except that the rate shall not vary by more than the ratio  
 8 of one and two-tenths to one (1.2:1) due to tobacco use.

9 With respect to family coverage under a health benefit plan, the rating  
 10 variations for age and tobacco use shall be applied based on the portion of  
 11 premium that is attributable to each family member covered under the plan.  
 12

13 ...

14 (f) Each small employer carrier shall file with the Commissioner annually on or before  
 15 March 15 an actuarial certification certifying that it is in compliance with this ~~Act~~ Article and  
 16 that its rating methods are actuarially sound. The small employer carrier shall retain a copy of  
 17 the certification at its principal place of business.

18 (g) A small employer carrier shall make the information and documentation described in  
 19 subsection (e) of this section available to the Commissioner upon request. Except in cases of  
 20 violations of this ~~Act~~ Article, the information is proprietary and trade secret information and is  
 21 not subject to disclosure by the Commissioner to persons outside of the Department except as  
 22 agreed to by the small employer carrier or as ordered by a court of competent jurisdiction.  
 23 Nothing in this section affects the Commissioner's authority to approve rates before their use  
 24 under G.S. 58-65-60(e) or G.S. 58-67-50(c).

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

33 ...."

34 **SECTION 6.(c)** The introductory language of Section 12 of S.L. 2015-281 reads as  
 35 rewritten:

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

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

38 **SECTION 6.(d)** Subsection (c) of this section is retroactively effective January 1,  
 39 2016. The remainder of this section is effective when it becomes law.

40 **SECTION 7.** G.S. 90A-53 reads as rewritten:

41 "**§ 90A-53. Qualifications and examination for registration as an environmental health  
 42 specialist or environmental health specialist intern.**

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

- 48 (1) Has made application to the Board on a form prescribed by the Board and paid  
 49 a fee not to exceed one hundred dollars ~~(\$100.00); (\$100.00).~~  
 50 (2) Is of good moral and ethical character and has signed an agreement to adhere  
 51 to the Code of Ethics adopted by the ~~Board~~ Board.  
 (3) Meets any of the following education and practice experience standards:

- 1 a. Graduated with a bachelor's ~~degree or a~~ or postgraduate degree from a
- 2 program that is accredited by the National Environmental Health
- 3 Science and Protection Accreditation Council (EHAC).
- 4 b. Graduated with a bachelor's ~~degree or a~~ or postgraduate degree ~~in~~
- 5 ~~public health and earned a minimum of 30 semester hours or 45 quarter~~
- 6 ~~hours in the physical, biological, natural, life, or health sciences and~~
- 7 ~~has one or more years of experience in the field of environmental~~
- 8 ~~health practice. degree, has earned 45 quarter hours physical,~~
- 9 ~~biological, natural, life, or health sciences and has one~~
- 10 c. Graduated with a bachelor's ~~degree or~~ or postgraduate degree in public
- 11 health and has one or more years of experience in the field of
- 12 environmental health practice. ~~degree, has earned or 45 quarter hours~~
- 13 ~~physical, biological, natural, life, or health sciences and has one~~
- 14 d. Has worked five or more continuous years as a registered
- 15 environmental health associate.
- 16 (4) Has satisfactorily completed a course in specialized instruction and training
- 17 approved by the Board in the practice of environmental health.
- 18 (5) Repealed by Session Laws 2009-443, s. 4, effective August 7, 2009.
- 19 (6) Has passed an examination administered by the Board designed to test for
- 20 competence in the subject matters of environmental health sanitation. The
- 21 examination shall be in a form prescribed by the Board and may be oral,
- 22 written, or both. The examination for applicants shall be held annually or more
- 23 frequently as the Board may by rule prescribe, at a time and place to be
- 24 determined by the Board. A person shall not be registered if ~~such the~~ person
- 25 fails to meet the minimum grade requirements for examination specified by
- 26 the Board. Failure to pass an examination ~~shall does~~ not prohibit ~~such the~~
- 27 person from being examined at subsequent times and places as specified by
- 28 the Board.
- 29 (7) Has paid a fee set by the Board not to exceed the cost of purchasing the
- 30 examination and an administrative fee not to exceed one hundred fifty dollars
- 31 (\$150.00).

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

38 **SECTION 8.** G.S. 108A-54.3A(a)(2a) is repealed.

39 **SECTION 9.** Article 3 of Chapter 110 of the General Statutes is repealed.

40 **SECTION 10.** G.S. 110-130 reads as rewritten:

41 "**§ 110-130. Action by the designated representatives of the county commissioners.**

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

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

12       **SECTION 11.(a)** G.S. 115C-284, as amended by Section 1(d) of S.L. 2023-125,  
 13 reads as rewritten:

14 **"§ 115C-284. Method of selection and requirements.**

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

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

20       (b1) through (c3) Repealed by Session Laws 2023-125, s. 1(d), effective September 28,  
 21 2023.

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

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

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

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

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

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

45       **SECTION 11.(b)** G.S. 115C-299 reads as rewritten:

46 **"§ 115C-299. Hiring of teachers.**

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

49       Teachers shall be elected by the ~~county and city local~~ boards of education upon the  
 50 recommendation of the ~~superintendent, in accordance with the provisions of G.S.~~  
 51 ~~115C-276(j).superintendent.~~

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

5 **SECTION 11.(c)** G.S. 115C-315(a) is repealed.

6 **SECTION 11.(d)** G.S. 115C-315(b) reads as rewritten:

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

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

18 **SECTION 12.(a)** G.S. 116-30.2 reads as rewritten:

19 **"§ 116-30.2. Appropriations to special responsibility constituent institutions.**

20 (a) All General Fund appropriations made by the General Assembly for continuing  
21 operations of a special responsibility constituent institution of The University of North Carolina  
22 shall be made in the form of a single sum to each budget code of the institution for each year of  
23 the fiscal period for which the appropriations are being made. Notwithstanding G.S. 143C-6-4  
24 and ~~G.S. 120-76(8), G.S. 120-76.1,~~ each special responsibility constituent institution may expend  
25 monies from the overhead receipts special fund budget code and the General Fund monies so  
26 appropriated to it in the manner deemed by the Chancellor to be calculated to maintain and  
27 advance the programs and services of the institutions, consistent with the directives and policies  
28 of the Board of Governors. Special responsibility constituent institutions may transfer  
29 appropriations between budget codes. These transfers ~~shall be~~ are considered certified even if as  
30 a result of agreements between special responsibility constituent institutions. The preparation,  
31 presentation, and review of General Fund budget requests of special responsibility constituent  
32 institutions shall be conducted in the same manner as are requests of other constituent institutions.  
33 The quarterly allotment procedure established pursuant to G.S. 143C-6-3 ~~shall apply~~ applies to  
34 the General Fund appropriations made for the current operations of each special responsibility  
35 constituent institution. All General Fund monies so appropriated to each special responsibility  
36 constituent institution shall be recorded, reported, and audited in the same manner as are General  
37 Fund appropriations to other constituent institutions.

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

39 **SECTION 12.(b)** G.S. 126-85 reads as rewritten:

40 **"§ 126-85. Protection from retaliation.**

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

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

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

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

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

15 **SECTION 13.** G.S. 116-209.28 reads as rewritten:

16 "**§ 116-209.28. Administration of scholarships previously awarded by the Principal Fellows**  
17 **Program.**

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

22 (b) All funds received by the Authority in association with its administration of the  
23 Principal Fellows Program, including all funds received as repayment of scholarship loans and  
24 all interest earned on these funds, shall be deposited into the North Carolina Principal Fellows  
25 ~~and TP3-Trust Fund~~ established in G.S. 116-74.41B."

26 **SECTION 14.** G.S. 121-42 is repealed.

27 **SECTION 15.(a)** The Revisor of Statutes may recodify the definitions in  
28 G.S. 126-81 so that they appear in alphabetical order and shall make any necessary conforming  
29 changes.

30 **SECTION 15.(b)** Subdivision (5a) of G.S. 131E-176 is recodified as subdivision  
31 (5c) of that section.

32 **SECTION 15.(c)** Subdivision (2a) of G.S. 135-48.1 is recodified as subdivision (2c)  
33 of that section.

34 **SECTION 16.(a)** G.S. 128-28 reads as rewritten:

35 "**§ 128-28. Administration and responsibility for operation of System.**

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

42 (b) Board of Trustees a Body Politic and Corporate; Powers and Authority; Exemption  
43 from Taxation. – The Board of Trustees ~~shall be~~is a body politic and corporate under the name  
44 Board of Trustees of the North Carolina Local Governmental Employees' Retirement ~~System,~~  
45 ~~and as System.~~ As a body politic and ~~corporate shall have~~corporate, it has the right to sue and  
46 be sued, ~~shall have perpetual succession and has perpetual succession,~~ shall have a common seal,  
47 ~~and in said in its corporate name shall be able and capable in law to~~may take, demand, ~~receive~~  
48 ~~receive,~~ and possess all kinds of real and personal property necessary and proper for its corporate  
49 purposes, and ~~to~~may bargain, sell, grant, ~~alien,~~transfer, or dispose of all ~~such~~ real and personal  
50 property ~~as it may lawfully acquire.~~ lawfully acquired by it. All ~~such~~ property owned or acquired

1 by said body politic and corporate shall be it is exempt from all taxes imposed by the State or  
2 any political subdivision thereof, and shall not be thereof and is not subject to income taxes.

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

9 (1) One member shall be a mayor or a member of the governing body of a city or  
10 town participating in the Retirement System; ~~System.~~

11 (2) One member shall be a county commissioner of a county participating in the  
12 Retirement System; ~~System.~~

13 (3) One member shall be a law-enforcement officer employed by an employer  
14 participating in the Retirement System; ~~System.~~

15 (4) One member shall be a county manager of a county participating in the  
16 Retirement System; ~~System.~~

17 (5) One member shall be a city or town manager of a city or town participating in  
18 the Retirement System; ~~System.~~

19 (6) One member shall be an active, Fair Labor Standards Act nonexempt, local  
20 governmental employee of an employer; ~~employer.~~

21 (7) One member shall be a retired, Fair Labor Standards Act nonexempt, local  
22 governmental employee of an employer; ~~and employer.~~

23 (8) One member shall be an active or retired member of the ~~Firemen's and Rescue~~  
24 ~~Squad Workers' Pension Fund.~~ North Carolina Firefighters' and Rescue Squad  
25 Workers' Pension Fund.

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

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

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

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

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

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

11 (h) Officers and Other Employees, ~~Salaries~~ Salaries, and Expenses. – The State Treasurer  
12 shall be ex officio chair of the Board of Trustees and shall appoint a director. The Board of  
13 ~~Trustees~~ shall engage ~~such actuarial and other service as shall be~~ actuarial and other services  
14 required to transact the business of the Retirement System. The compensation of all persons  
15 engaged by the ~~Board of Trustees,~~ Board, and all other expenses of the Board necessary for the  
16 operation of the Retirement System, shall be paid at ~~such rates and in such amounts as the Board~~  
17 ~~of Trustees shall approve~~ rates and in amounts approved by the Board.

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

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

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

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

- 43 (1) The person was not acting within the scope of that person's official duties.
- 44 (2) The person was not acting in good faith.
- 45 (3) The person committed gross negligence or willful or wanton misconduct that  
46 resulted in the damages or injury.
- 47 (4) The person derived an improper financial benefit, either directly or indirectly,  
48 from the transaction.
- 49 (5) The person incurred the liability from the operation of a motor vehicle.

50 (m) Duties of Actuary. – The Board of Trustees shall designate an actuary ~~who shall to be~~  
51 the technical adviser of the Board of Trustees on matters regarding the operation of the funds

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

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

24 (o) ~~In the year 1945, and at least once in each five year period thereafter, At least once~~  
25 ~~every five years,~~ the actuary shall make an actuarial investigation into the mortality, ~~service~~  
26 ~~service,~~ and compensation experience of the members and beneficiaries of the Retirement System  
27 and shall make a valuation of the assets and liabilities of the funds of the System. Taking into  
28 account the result of ~~such the~~ investigation and valuation, the Board of Trustees shall do ~~all both~~  
29 of the following:

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

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

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

45 (q) Notwithstanding any ~~law, rule, regulation or policy law~~ to the contrary, any board,  
46 agency, department, ~~institution institution,~~ or subdivision of the State maintaining lists of names  
47 and addresses in the administration of ~~their its~~ programs may upon request provide to the  
48 Retirement System information limited to social security numbers, current name and addresses  
49 of persons identified by the System as members, beneficiaries, and beneficiaries of members of  
50 the System. The System shall use ~~such this~~ information for the sole purpose of notifying  
51 members, beneficiaries, and beneficiaries of members of ~~their the person's~~ rights to and accruals

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

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

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

34 With respect to the requirements of sub-subdivision (2)b. of this subsection, providers of  
35 social and medical services to a beneficiary shall make copies of records they maintain for  
36 services provided to a beneficiary available to the Retirement Systems Division, or to the  
37 authorized representatives who are assisting the Retirement Systems Division staff. Copies of the  
38 records of social and medical services provided to a beneficiary ~~will~~ permit verification of the  
39 health or other status of a beneficiary as required for the payment of benefits under Article 3 of  
40 this Chapter. The Retirement Systems Division, or authorized representatives who are assisting  
41 the Retirement Systems Division staff, shall request records in writing by providing the name of  
42 each beneficiary for whom records are sought, the purpose of the request, the statutory authority  
43 for the request, and a reasonable period of time for the production of record copies by the  
44 provider. A provider may charge, and the Retirement Systems Division, or authorized  
45 representatives who are assisting the Retirement Systems Division staff, shall, in accordance with  
46 G.S. 90-411, pay a reasonable fee to the provider for copies of the records provided in accordance  
47 with this subsection.

48 (s) Fraud Investigative Reports and Work Papers or Compliance Investigative Reports  
49 and Work Papers. – The Director of the Retirement Systems Division shall maintain for 10 years  
50 a complete file of all fraud investigative reports, compliance investigative reports, and reports of  
51 other examinations, investigations, surveys, and reviews issued under the Director's authority.

1 Fraud investigation work papers, compliance investigation work papers, and other evidence or  
 2 related supportive material directly pertaining to the work of the Retirement Systems Division of  
 3 the Department of State Treasurer shall be retained according to an agreement between the  
 4 Director of Retirement and State Archives. To promote intergovernmental cooperation and avoid  
 5 unnecessary duplication of fraud or compliance investigative effort, and notwithstanding local  
 6 unit personnel policies to the contrary, pertinent work papers and other supportive material  
 7 relating to issued fraud investigation reports or compliance investigative reports may be, at the  
 8 discretion of the Director of Retirement and unless otherwise prohibited by law, made available  
 9 for inspection by duly-authorized representatives of the State and federal government who desire  
 10 access to and inspection of ~~such-the~~ records in connection with some matter officially before  
 11 them, including criminal investigations. Except as provided in this section, or upon an order  
 12 issued in Wake County Superior Court upon 10 days' notice and hearing finding that access is  
 13 necessary to a proper administration of justice, fraud or compliance investigation work papers  
 14 and related supportive material shall be kept confidential, including any information developed  
 15 as a part of the investigation.

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

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

- 23 (1) The person was not acting within the scope of that person's official duties.
- 24 (2) The person was not acting in good faith.
- 25 (3) The person committed gross negligence or willful or wanton misconduct that  
 26 resulted in the damages or injury.
- 27 (4) The person derived an improper personal financial benefit, either directly or  
 28 indirectly, from the transaction.
- 29 (5) The person incurred the liability from the operation of a motor vehicle."

30 **SECTION 16.(b)** G.S. 135-6 reads as rewritten:

31 "**§ 135-6. Administration.**

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

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

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

- 49 ...
- 50 (4) Two members appointed by the General Assembly, one appointed upon the  
 51 recommendation of the Speaker of the House of Representatives, and one

1 appointed upon the recommendation of the President Pro Tempore of the  
2 Senate in accordance with G.S. 120-121. Neither of these members ~~may~~shall  
3 be an active or retired teacher or State employee or an employee of a unit of  
4 local government. The initial members appointed by the General Assembly  
5 shall serve for terms expiring June 30, 1983. Thereafter, their successors shall  
6 serve for two-year terms beginning July 1 of odd-numbered years. Vacancies  
7 in appointments made by the General Assembly shall be filled in accordance  
8 with G.S. 120-122.

9 (c) 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 (d) 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.

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

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

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

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

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

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

1 insurance offerings that are made available to retirees and the extent to which retirees participate  
2 in those offerings.

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

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

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

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

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

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

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

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

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

50 (n) ~~In 1943, and at least once in each five-year period thereafter, At least once every five~~  
51 years, the actuary shall complete an actuarial experience review of the mortality, ~~service~~service,

1 and compensation experience of the members and beneficiaries of the Retirement System and  
2 shall make a valuation of the assets and liabilities of the funds of the System. Taking into account  
3 the result of the actuarial investigation and valuation, the Board of Trustees shall do ~~all~~both of  
4 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 State of North Carolina on  
8 account 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 ...

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

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

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

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

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

11 With respect to the requirements of sub-subdivision (2)b. of this subsection, providers of  
12 social and medical services to a beneficiary shall make copies of records they maintain for  
13 services provided to a beneficiary available to the Retirement Systems Division, or to the  
14 authorized representatives who are assisting the Retirement Systems Division staff. Copies of the  
15 records of social and medical services provided to a beneficiary ~~will~~ permit verification of the  
16 health or other status of a beneficiary as required for the payment of benefits under Article 1,  
17 Article 4, or Article 6 of this Chapter. The Retirement Systems Division, or authorized  
18 representatives who are assisting the Retirement Systems Division staff, shall request records in  
19 writing by providing the name of each beneficiary for whom records are sought, the purpose of  
20 the request, the statutory authority for the request, and a reasonable period of time for the  
21 production of record copies by the provider. A provider may charge, and the Retirement Systems  
22 Division, or authorized representatives who are assisting the Retirement Systems Division staff,  
23 shall, in accordance with G.S. 90-411, pay a reasonable fee to the provider for copies of the  
24 records provided in accordance with this subsection.

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

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

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

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

- 1 (2) The person was not acting in good faith.  
2 (3) The person committed gross negligence or willful or wanton misconduct that  
3 resulted in the damages or injury.  
4 (4) The person derived an improper personal financial benefit, either directly or  
5 indirectly, from the transaction.  
6 (5) The person incurred the liability from the operation of a motor vehicle.  
7 (u) Notwithstanding G.S. 114-2.3 and G.S. 147-17, the Treasurer may designate legal  
8 counsel, including private counsel, to represent the interests of the administration of benefit  
9 programs under this Chapter."

10 **SECTION 16.(c)** G.S. 153A-93 reads as rewritten:

11 "**§ 153A-93. Retirement benefits.**

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

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

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

23 (d) A county ~~which~~ that is providing health insurance under G.S. 153A-92(d) may  
24 provide health insurance for all or any class of former officers and employees of the county. ~~Such~~  
25 The health insurance may be paid entirely by the county, partly by the county and former officer  
26 or employee, or entirely by the former officer or employee, at the option of the county.

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

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

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

48 **SECTION 16.(d)** G.S. 160A-163 reads as rewritten:

49 "**§ 160A-163. Retirement benefits.**

50 (a) The council may provide for enrolling city employees in the Local Governmental  
51 Employees' Retirement System, the Law-Enforcement Officers' Benefit and Relief Fund, the

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

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

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

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

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

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

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

36 **SECTION 17.** G.S. 143-215.107F, as enacted by Section 12.6 of S.L. 2023-134,  
37 reads as rewritten:

38 "**§ 143-215.107F. Prohibit requirements for control of emissions from new motor vehicles.**

39 Notwithstanding any authorization granted under 42 U.S.C. § 7507, no agency of the State,  
40 including the Department of Environmental Quality, the Environmental Management  
41 Commission, the Department of Transportation, or the Department of Administration, may adopt  
42 and enforce standards relating to control of emissions from new motor vehicles or new motor  
43 vehicle engines, including requirements that mandate the sale or purchase of "zero-emission  
44 vehicles," or electric vehicles as defined in G.S. 20-4.01. The prohibitions of this section ~~shall~~  
45 ~~not be construed to effect~~ do not affect requirements for the vehicle emissions testing and  
46 maintenance program established pursuant to G.S. 143-215.107A."

47 **SECTION 18.** Article 29A of Chapter 143 of the General Statutes is repealed.

48 **SECTION 19.** G.S. 144-9(b) reads as rewritten:

49 "(b) The Department of Military and Veterans Affairs shall accept, at no charge, a worn,  
50 tattered, or otherwise damaged flag of the United States of America or the State of North Carolina  
51 from a citizen of the State and shall make arrangements for its respectful disposal. The

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

6 Department"

7 **SECTION 20.(a)** G.S. 150B-37(c) is recodified as the last sentence of  
 8 G.S. 150B-34(a).

9 **SECTION 20.(b)** G.S. 150B-34, as amended by subsection (a) of this section, reads  
 10 as rewritten:

11 "**§ 150B-34. Final decision or order.**

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

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

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

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

25 ...."

26 **SECTION 20.(c)** G.S. 90A-30 reads as rewritten:

27 "**§ 90A-30. Penalties; remedies; contested cases.**

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

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

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

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

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

47 (2) ~~Who~~ The owner or person has requested an administrative hearing and fails  
 48 to pay the penalty within 60 days after ~~service of~~ the Office of Administrative  
 49 Hearings forwards a written copy of the decision as provided in ~~G.S.~~  
 50 ~~150B-36.~~ G.S. 150B-34.

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

4 **SECTION 20.(d)** G.S. 104E-24 reads as rewritten:

5 "**§ 104E-24. Administrative penalties.**

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

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

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

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

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

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

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

27 (2) ~~Who~~The person has requested an administrative hearing and fails to pay the  
 28 penalty within 60 days after ~~service of the Office of Administrative Hearings~~  
 29 forwards a written copy of the decision as provided in ~~G.S.~~  
 30 150B-36.G.S. 150B-34.

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

33 **SECTION 20.(e)** G.S. 108A-70.9A(f) reads as rewritten:

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

39 **SECTION 20.(f)** G.S. 108A-70.9B(g) reads as rewritten:

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

44 **SECTION 20.(g)** G.S. 108D-16 reads as rewritten:

45 "**§ 108D-16. Notice of final decision and right to seek judicial review.**

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

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

3 **SECTION 20.(h)** G.S. 122C-24 reads as rewritten:

4 "**§ 122C-24. Adverse action on a license.**

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

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

16 **SECTION 20.(i)** G.S. 122C-24.1 reads as rewritten:

17 "**§ 122C-24.1. Penalties; remedies.**

18 ...

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

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

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

28 ...

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

32 ...."

33 **SECTION 20.(j)** G.S. 131D-34 reads as rewritten:

34 "**§ 131D-34. Penalties; remedies.**

35 ...

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

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

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

45 ...

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

49 **SECTION 20.(k)** G.S. 131E-129(f) reads as rewritten:

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

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

10       **SECTION 20.(I)** G.S. 143-215.94G reads as rewritten:

11       "**§ 143-215.94G. Authority of the Department to engage in cleanups; actions for fund**  
12 **reimbursement.**

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

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

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

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

- 35           (1) Any funds to which the State is entitled under any federal program providing  
36 for the cleanup of petroleum discharges or releases from underground storage  
37 tanks, including, but not limited to, the Leaking Underground Storage Tank  
38 Trust Fund established pursuant to 26 U.S.C. § 4081 and 42 U.S.C. §  
39 6991b(h).  
40           (2) The Commercial Fund.

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

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

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

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

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

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

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

12 (3) The amounts provided for in G.S. 143-215.94B(b) or G.S. 143-215.94B(b1)  
13 required to be paid for by the owner or operator pursuant to  
14 G.S. 143-215.94E(b) ~~where~~if the owner or operator of a commercial  
15 underground storage tank failed to proceed as required by ~~G.S.~~  
16 ~~143-215.94E(a);~~G.S. 143-215.94E(a).

17 (3a) The amounts provided for by G.S. 143-215.94B(b)(5) required to be paid by  
18 the owner or operator to third parties for the cost of providing interim  
19 alternative sources of drinking water to third parties and the initial cost of  
20 providing permanent alternative sources of drinking water to third  
21 ~~parties;~~parties.

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

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

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

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

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

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

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

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

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

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

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

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

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

11 **SECTION 21.** G.S. 160D-1311 reads as rewritten:

12 **"§ 160D-1311. Community development programs and activities.**

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

17 (1) Programs of assistance and financing of rehabilitation of private buildings  
18 principally for the benefit of low- and moderate-income persons, or for the  
19 restoration or preservation of older neighborhoods or properties, including  
20 direct repair, the making of grants or loans, the subsidization of interest  
21 payments on loans, and the guaranty of loans.

22 (2) Programs concerned with employment, economic development, crime  
23 prevention, child care, health, drug abuse, education, and welfare needs of  
24 persons of low and moderate income.

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

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

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

48 (e) A government may receive and dispense funds from the Community Development  
49 Block Grant (CDBG) Section 108 Loan Guarantee program, Subpart M, 24 C.F.R. § 570.700, et  
50 seq., either through application to the North Carolina Department of Commerce or directly from  
51 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 22.** 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 23.(a)** Subsection (a) of Section 9A.1 of S.L. 2022-74 is repealed.

1           **SECTION 23.(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 23.(c)** This section is retroactively effective January 1, 2023.

17           **SECTION 24.(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 24.(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 Resources  
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 24.(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 (e) 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 24.(d)** This section is retroactively effective January 1, 2023.

9           **SECTION 25.(a)** Section 9H.15(i) of S.L. 2023-134 reads as rewritten:

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

13          **SECTION 25.(b)** This section is retroactively effective October 3, 2023.

14          **SECTION 26.** Except as otherwise provided, this act is effective when it becomes  
15 law.