

# State Government

See full summary documents for additional detail

## **H44 - Local Government Regulatory Reform 2015, Sec. 7: Verification of Escheats Reports (SL 2015-246)**

Sec. 7 of S.L. 2015-246 authorizes the State Treasurer to utilize any and all reliable external data, including electronic databases, in verifying an escheated property.

This section became effective September 23, 2015, and applies to any examination pending on or after that date.

## **H97 - 2015 Appropriations Act, Sec. 15.11: Workforce Development Boards/Changes to Conform with Federal Law (SL 2015-241)**

Sec. 15.11 of S.L. 2015-241 amends various general statutes to do the following: (i) change the name of the Commission on Workforce Development to the NCWorks Commission; (ii) require the NCWorks Commission to develop performance accountability measures and fiscal control and fund accounting procedures for local workforce development boards; (iii) increase the membership of the NCWorks Commission from 25 to 33 members; and (iv) make other conforming changes required pursuant to the federal Workforce Innovation and Opportunity Act, which became effective July 1, 2015.

This section became effective July 1, 2015.

## **H97 - 2015 Appropriations Act, Sec. 15.13: Repeal Apprenticeship Fee (SL 2015-241)**

Sec. 15.13 of S.L. 2015-241 repeals the fee imposed on each apprentice covered by a written apprenticeship agreement entered into under the statutes pertaining to apprenticeships (Chapter 94 of the General Statutes).

This section became effective July 1, 2015.

## **H97 - 2015 Appropriations Act, Sec. 30.18: State Workers' Compensation Reform (SL 2015-241)**

Sec. 30.18 rewrites Article 63 of Chapter 143 of the General Statutes to provide for centralized coordination of the workplace safety, health, and workers' compensation benefits programs, for State agencies, The University of North Carolina, and the Office of Administrative Hearings. Further, this section amends G.S. 143-166.14 to provide that a State employee remains eligible for salary payments, notwithstanding partial or total incapacity, if the employee's injury results or arises from an episode of violence or resistance, or due to a specialized hazard that occurs while the employee is performing official duties. After two years, the employee becomes subject to the provisions of the Workers' Compensation

Act. The time period for which the employee receives salary continuation under G.S. 143-166.14 will be deducted from the person's total eligibility for workers' compensation benefits under Chapter 97 of the General Statutes. "Salary" is re-defined as the total base pay of the person reflected on the person's salary statement, not including overtime pay, shift differential pay, holiday pay, or other additional earnings to which the person may have been eligible prior to such incapacity.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 6.3 (SL 2015-241)**

Sec 6.3 amends G.S. 147-69.2(b)(12) pertaining to the Escheat Fund by requiring ten percent (10%) of the Fund to be invested as provided by new G.S. 147-69.2 and requires the State Treasurer to engage a third-party professional actuary or consultant to conduct a valuation and projection of the financial status of the Fund.

### **H97 - 2015 Appropriations Act, Sec. 15.1: Economic Development Partnership of North Carolina State Budget Act Exemption (SL 2015-241)**

Sec. 15.1 of S.L. 2015-241 exempts the EDPNC (the North Carolina non-profit corporation with which the Department of Commerce has contracted to perform certain Departmental functions) from the administrative, oversight, and reporting requirements applicable to grantees under the State Budget Act.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 15.10: Modify Economic Development Grant Report (SL 2015-241)**

Sec. 15.10 of S.L. 2015-241 modifies the economic development grant report published annually by the Department of Commerce by (i) changing the reporting period from the previous fiscal year to January 2002 through June 30 preceding the publication date for the Job Development Investment Grant Program and from the previous fiscal year to January 2007 through June 30 preceding the publication date for the Job Maintenance and Capital Development Fund, One North Carolina Fund, and the Utility Account, (ii) adding a requirement that information regarding the physical location of a recipient of an economic development incentive must include whether the physical location is new or expanded, and (iii) adding a requirement that the report indicate whether the award is to a business new to the State or expanding in the State.

This section became effective for reports published for fiscal years beginning on or after July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 15.25: Modify Film and Entertainment Grant Fund (SL 2015-241)**

Sec. 15.25 of S.L. 2015-241 modifies the Film and Entertainment Grant Fund by (i) increasing the minimum qualifying expenses of a television series from \$250,000 to \$1 million per episode, (ii) increasing the maximum grant amount for a television series from \$5 million to \$9 million per season, (iii) broadening the grant to allow for award for productions for on-line distribution, (iv) eliminating the requirement that employees work on a qualifying production at least 35 hours per week, (v) eliminating the requirement that an application be made under oath, and (vi) amending the prohibition against disclosure of tax information to allow for exchange of information regarding a grant between the Departments of Revenue and Commerce and a contractor hired by Commerce necessary to administer the program.

This section became effective September 18, 2015, and applies to grants awarded on or after that date.

**H97 - 2015 Appropriations Act, Sec. 27.4: Dorothea Dix Memorial (SL 2015-241)**

Sec. 27.4 of S.L. 2015-241 directs the Department of Administration, in consultation with the Department of Natural and Cultural Resources, to appoint a task force to acquire items of historical value relating to Dorothea Lynde Dix and mental health efforts in the State and to propose options for a building or space on the Dorothea Dix campus to memorialize, honor, and educate the public about advocacy for and innovations in treatment for the mentally ill. The Department must submit its proposed options to the Joint Legislative Oversight Committee on Health and Human Services by April 1, 2016.

This section became effective July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 31.11: Modify Special Indebtedness Provisions (SL 2015-241)**

Sec. 31.11 of S.L. 2015-241 amends the statute on public-private partnership construction contracts to define private financing for public private partnerships. Private financing does not include securitized State or local lease payments made to a third party. A State supported financing arrangement is further defined to include multi-year agreements to obtain ownership and beneficial use of a capital asset. A clarification is also made within Department of Transportation projects to remove transportation infrastructure projects from the approval process within this statute.

This section became effective September 18, 2015.

### **H97 - 2015 Appropriations Act, Sec. 24.1: Creation of Department (SL 2015-241)**

Sec. 24.1 of S.L. 2015-241, as amended by Sec. 7.3 of S.L. 2015-268, creates a new Department of Military and Veterans Affairs. The Secretary of Military and Veterans Affairs is the head of the new Department and its powers and duties consist of those previously vested in the following entities:

- The Veterans' Affairs Commission of the Department of Administration.
- The Governor's Jobs for Veterans Committee of the Department of Administration.
- The Division of Veterans Affairs of the Department of Administration.
- The North Carolina Military Affairs Commission in the Office of the Governor.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 24.2: Restore State Contribution to County Veterans Services Programs (SL 2015-241)**

Sec. 24.2 of S.L. 2015-241 directs the Department of Military and Veterans Affairs to provide funds for the operation and maintenance of county veterans services programs to counties that apply for them. Where the funds appropriated for this purpose in a particular fiscal year exceed the total amount requested from counties by December 31, each county must receive the full amount requested. Where this is not the case, each county's share must be a pro rata share of the total funds available for this purpose. \$200,000 was made available for this purpose during the 2015 fiscal year.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 24.3: Base Realignment and Closure (BRAC) Special Fund (SL 2015-241)**

Sec. 24.3 of S.L. 2015-241 creates the Military Presence Stabilization Fund in the Department of Military and Veterans Affairs to fund actions designed to make the State less vulnerable to closure pursuant to federal Base Realignment and Closure and related initiatives. The Secretary of Military and Veterans Affairs is authorized to make allocations from the Fund for this purpose.

Use of funds in the Military Presence Stabilization Fund for the 2015-2016 fiscal year is limited as follows:

- Up to \$200,000 can be used to provide grants to local communities or military installations.

The remaining \$1,475,000 may be used for any of the following:

- Administrative expenses and reimbursements for members of the Commission.
- Federal advocacy and lobbying support.
- Updates to strategic planning analysis and strategic plan.
- Economic modeling software and analyses.

- Compatible development mapping (red, yellow, green mapping).
- Public-public/public-private (P4) initiative.
- Identification and implementation of innovated measures to increase the military value of installations.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 26.2: Personal Services Contracts/Temporary Solutions (SL 2015-241)**

Sec. 26.2 of S.L. 2015-241, as amended by Sec. 74 of S.L. 2015-264, requires that personal services contracts, including information technology personal contracts, entered into by Executive Branch agencies are subject to the same requirements and procedures as ordinary services contracts, preempting various administrative rules that previously exempted personal services from those requirements. This requirement does not apply to the engagement of experts or expert witnesses who are involved in the planning, prosecution, or defense of any litigation, by the Department of Justice, the Governor, State agencies, or institutions.

This section also requires Executive Branch State agencies that utilize temporary employees to perform work that is not information technology-related to employ those employees through the Temporary Solutions Program administered by the Office of State Human Resources. This requirement applies to Council of State and non-Council of State agencies and builds on a requirement contained in an executive order issued in February of 2013 that imposed a similar requirement but only on non-Council of State Executive Branch agencies.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 27.3: Streamline Seized Vehicle Disposal (SL 2015-241)**

Sec. 27.3 of S.L. 2015-241, as amended by Sec. 38.3 of S.L. 2015-264, transfers the responsibility for being one of the entities that stores and disposes of vehicles seized for various motor vehicle offenses from the Department of Public Instruction to the Department of Administration.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 6.18: Clarify the Consultation Requirement Before the Joint Legislative Commission on Governmental Operations when a State Agency Establishes or Increases a Fee or Charge (SL 2015-241)**

Sec. 6.18 of S.L. 2015-241 amends the statute that requires State agencies to consult with the Joint Legislative Commission on Governmental Operations before a rule establishing or increasing a fee can take effect to provide that where an administrative rule provides for a periodic automatic adjustment to a fee, the agency is not required to consult with the Commission every time the fee automatically adjusts.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 6.19: Emergency and Disaster Response Funding Changes (SL 2015-241)**

Sec. 6.19 of S.L. 2015-241 amends several sections of the North Carolina Emergency Management Act (Article 1A of Chapter 166A of the General Statutes) that govern how State emergency management and response is funded as follows:

- The State Emergency Response Account is renamed the State Emergency Response and Disaster Relief Fund and the statutes are amended to clarify that this Fund is the primary vehicle through which State emergency relief funds must be routed.
- The statutes are reorganized to clarify the circumstances under which Contingency and Emergency Funds and other appropriations may be used for emergency response purposes.
- Two additional prerequisites are added to the Governor's power to use funds appropriated to the various State agencies for emergency response purposes: (i) a state of emergency must have been declared and (ii) funds in the State Emergency Response and Disaster Relief Fund must be insufficient.
- Conforming statutory changes are made.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 6.21: Legislative Research Commission Study on Methods for Increasing Transfers to the Savings Reserve Account (SL 2015-241)**

Sec. 6.21 of S.L. 2015-241 requires the Legislative Research Commission to study methods for increasing the amount of funds transferred to the Savings Reserve Account. The Commission is required to report its findings, together with any proposed legislation, to the 2016 Regular Session of the 2015 General Assembly upon its convening.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 6.23: Require Transfer of Savings from the Refinancing of Certain State Debt to be Transferred to the Savings Reserve (SL 2015-241)**

Sec. 6.23 of S.L. 2015-241 amends the statutes governing State Debt and the State Capital Facilities Finance Act to change the way that savings generated from the refinancing of debt is to be handled. Specifically, where savings are realized from refinancing such debt, the following requirements apply:

- The General Assembly must not reduce the funds appropriated for servicing the refinanced debt during the fiscal biennium in which the refinancing occurs.
- The State Controller must, in conjunction with the State Treasurer, periodically transfer the savings resulting from the refinancing of the debt to the Savings Reserve Account during the fiscal biennium in which the refinancing occurs.

- The Director of the Budget must, in the fiscal biennium immediately following the refinancing, adjust the amount of debt service funded in the base budget so that it aligns with actual debt service needs.

This section becomes effective July 1, 2017, and applies to indebtedness issued, incurred, or refinanced on or after that date.

### **H97 - 2015 Appropriations Act, Sec. 23.3: Study Transition to Rent-Based Model for State-Owned Facilities (SL 2015-241)**

Sec. 23.3 of S.L. 2015-241 directs the Office of State Budget and Management to study charging State agencies rent to cover the cost of facility management, maintenance, and related costs that are attributable to those agencies. The Office of State Budget and Management must report its findings to the Joint Legislative Oversight Committee on General Government by March 1, 2016.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 31.9: Require Non-General Fund Resources to be Used for Advanced Planning of University Capital Projects (SL 2015-241)**

Sec. 31.9 of S.L. 2015-241, as amended by Sec. 9.3 of S.L. 2015-268, requires The University of North Carolina to complete advanced planning through the schematic design phase with funds other than General Fund appropriations before making a capital funds request to construct a new facility, expand the building area (square feet) of an existing facility, or rehabilitate an existing facility to accommodate new or expanded uses.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 31.16: Create Joint Legislative Oversight Committee on Capital Improvements (SL 2015-241)**

Sec. 31.16 of S.L. 2015-241 creates the new 16-member Joint Legislative Oversight Committee on Capital Improvements. The Committee is empowered: (i) to examine capital improvements requested, authorized, or undertaken by State agencies; (ii) with oversight over implementation of the six-year capital improvements plan; (iii) to recommend, to the General Assembly, ways to improve various components of State capital improvements; and (iv) to report and make recommendations as to which requested capital improvements should be authorized and how those requests should be funded.

This section became effective July 1, 2015.

## **H97 - 2015 Appropriations Act, Sec. 14.11: Dynamic Pricing for State Parks and Attractions (SL 2015-241)**

Sec. 14.11 of S.L. 2015-241, as amended by Sec. 5.5 of S.L. 2015-268, makes a variety of changes to the laws governing the charging of admission and other fees by various State attractions managed by the Department of Agriculture and Consumer Services and the Department of Natural and Cultural Resources. This section includes the following provisions:

- Authorization for the Department of Natural and Cultural Resources (DNCR) to establish admission fees and related activity fees using a dynamic pricing strategy for State historic sites and museums administered by the Department of Cultural Resources prior to the reorganization set forth in this Act. With respect to the North Carolina Zoo, State parks, and the North Carolina Aquariums transferred to DNCR, the Department must issue new rules governing admission and other fees using a dynamic pricing strategy. The provision expressly withholds authorization for DNCR to charge new parking fees at these attractions, or to charge an admission fee at any site or facility not already charging an admission fee.
- Authorization for the Department of Agriculture and Consumer Services (DACS) to establish admission fees and related activity fees using a dynamic pricing strategy for State forests. However, the provision expressly withholds authorization for the Department to charge new parking fees at State forests.
- Exemption from rulemaking under the procedures set forth in the Administrative Procedures Act for the setting of operating hours, admission fees or activity fees by the Board of Agriculture, with respect to State forests and by DNCR with respect to the North Carolina Zoo, State parks, the North Carolina Aquariums, and the North Carolina Museum of Natural Sciences (except for a decision to eliminate all public operating hours for those sites and facilities).
- A definition of "dynamic pricing," which includes a goal of maximizing revenues from use of these State resources to the extent practicable to offset State appropriations
- Prohibition on charging admission fees for school groups visiting the North Carolina Zoo, State parks, or the North Carolina Aquariums.
- A report to the General Assembly by the DACS and the DNCR on implementation of the new pricing strategy by March 1, 2016 that also includes an evaluation of charging new entrance or admission fees at attractions where such fees are not already charged.
- A report to the General Assembly by the DNCR regarding the possibility of charging admission fees at the North Carolina Museum of History and the North Carolina Museum of Natural Sciences by April 1, 2016 that also includes the impact on receipts and attendance, the costs to implement a new admissions fee, and a comparison with state-supported museums in other states.

This section became effective July 1, 2015, and applies to admission fees or related activity fees charged on or after September 18, 2015.

## **H97 - 2015 Appropriations Act, Sec. 14.30: Consolidate All State Attractions within Department of Cultural Resources to Create the Department of Natural and Cultural Resources (SL 2015-241)**

Sec. 14.30 of S.L. 2015-241, as amended by Sec. 5.4 of S.L. 2015-268 and Sec. 54 of S.L. 2015-264, reorganizes the Department of Cultural Resources (DCR) and the Department of Environment and



Natural Resources (DENR) by transferring the following divisions, programs, councils, and committees from DENR to DCR:

- Division of Parks and Recreation.
- State Parks System.
- North Carolina Aquariums Division.
- North Carolina Zoological Park.
- Museum of Natural Sciences.
- Clean Water Management Trust Fund.
- The Natural Heritage Program within DENR's Office of Land and Water Stewardship.
- North Carolina Parks and Recreation Authority.
- North Carolina Trails Committee.
- North Carolina Zoological Park Council.
- Advisory Committee for the North Carolina State Museum of Natural Sciences.
- Clean Water Management Trust Fund Board of Trustees.

DCR is renamed the Department of Natural and Cultural Resources (DNCR), and DENR is renamed the Department of Environmental Quality (DEQ).

The Secretary of DEQ must inventory and compile all written and stated policies related to the attractions and programs transferred under this section and provide that compilation to the Secretary of DNCR.

The Office of State Budget and Management must make an interim report by January 1, 2016, and a final report by April 1, 2016, to the General Assembly regarding its progress in implementing the reorganization, including the movement of position and funds and suggestions for additional changes needed to statutes amended or recodified by this section.

This section became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Sec. 14.31: Study Further Efficiencies in Organization of Department of Natural and Cultural Resources and Department of Environmental Quality (SL 2015-241)**

Sec. 14.31 of S.L. 2015-241 directs the Department of Environment and Natural Resources, the Department of Cultural Resources, and the Wildlife Resources Commission to jointly study and report to the General Assembly no later than April 1, 2016, on the potential for efficiency, cost savings, and alignment of core mission and values from transferring the following divisions or programs to the Department of Natural and Cultural Resources:

- Albemarle-Pamlico National Estuary Partnership.
- Coastal Reserves Program.
- Office of Land and Water Stewardship.
- All or a portion of the Office of Environmental Education and Public Affairs.
- Division of Marine Fisheries.
- Wildlife Resources Commission.

This section became effective July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 15.24: Create Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources (SL 2015-241)**

Sec. 15.24 of S.L. 2015-241 creates a new Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, codified as Article 36 of Chapter 120 of the General Statutes. The Committee is structured similarly to other existing General Assembly Oversight Committees set out in Chapter 120, and is charged with examining, on a continuing basis, the services provided by the following agencies in order to make ongoing recommendations to the General Assembly on ways to improve the effectiveness, efficiency, and quality of State government services:

- Department of Agriculture and Consumer Services.
- Department of Environmental Quality.
- Department of Natural and Cultural Resources.
- Wildlife Resources Commission.
- Department of Labor.
- Department of Commerce.

The provision also includes a catchall duty giving the Committee oversight over any other agency placed within the jurisdiction of the House and Senate appropriations subcommittees on agriculture, natural, or economic resources.

This section became effective July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 29.33: Division of Motor Vehicles/Umstead Act Clarification (SL 2015-241)**

Sec. 29.33 of S.L. 2015-241 clarifies that the Umstead Act does not apply to the operation by the Division of Motor Vehicles of digital advertising and automated teller machines in the offices of the Division or contract license plate agencies.

This section became effective July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 25.1: Stop Fraud and Abuse of Taxpayer Dollars (SL 2015-241)**

Sec. 25.1 of S.L. 2015-241, as amended by Sec. 7.4 of S.L. 2015-268, directs the State Auditor and any internal auditors of a State agency to report to the State Purchasing Officer or the appropriate political subdivision official, as applicable, if an audit results in a finding that a private person or entity has received public funds as a result of deceptive acts or practices while doing business with the State or a political subdivision thereof. The report may include a recommendation that the private person or entity be debarred from doing business with the State or a political subdivision thereof.

This section became effective October 1, 2015, and the requirement to submit a report applies to audits performed on or after that date.

**H97 - 2015 Appropriations Act, Sec. 27.6: Vehicles Assigned to Section of Community Correction/Exempt from Minimum Mileage Requirement (SL 2015-241)**

Sec. 27.6 of S.L. 2015-241 provides that, for the 2015-2017 fiscal biennium only, motor vehicles assigned from the central motor fleet to the Section of Community Corrections of the Division of Adult Correction of the Department of Public Safety are exempt from any requirement that the motor vehicle be driven a minimum number of miles per month or quarter. In addition, the Department of Administration must provide to the Joint Legislative Oversight Committee on General Government and the Joint Legislative Oversight Committee on Justice and Public Safety a report (i) providing details on the use of the exempt motor vehicles and (ii) on the status of all motor vehicles managed by the Department of Administration for the Department of Public Safety.

This section became effective July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 29.9: Right-Of-Way Acquisitions/Reduce Remnant Property (SL 2015-241)**

Sec. 29.9 of S.L. 2015-241 requires the Department of Administration, in collaboration with the Department of Transportation, to develop a plan to reduce the amount of remnant property resulting from the acquisition of rights-of-way. The Departments must jointly report to the Joint Legislative Transportation Oversight Committee by February 1, 2016, on the development of the plan, and the Department of Administration must implement the plan by July 1, 2016.

This section became effective July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 16A.5: Sensitive Public Security Information is Not a Public Record (SL 2015-241)**

Sec. 16A.5 of S.L. 2015-241 exempts from the definition of a "public record" all of the following:

- Plans, schedules, or other documents that contain information related to patterns or practices associated with executive protection; and
- Specific security information or detailed plans, patterns, or practices associated with prison operations, or the prevention of or response to criminal, gang, or organized illegal activity.

This section became effective July 1, 2015.

**H97 - 2015 Appropriations Act, Sec. 5.2(c)-(e): Education Lottery Funds/Expenses of the Lottery/Limit on Regional Offices (SL 2015-241)**

Secs 5.2(c) through (e) of S.L. 2015-241 make the following changes to the North Carolina State Lottery Act:

- Establishes an annual transfer of \$2.1 million to the Department of Public Safety, Alcohol Law Enforcement Branch for gambling enforcement activities, and classifies this transfer as an expense of the Lottery.
- Limits the number of regional offices operated by the Lottery Commission (Commission) to no more than seven.
- Prohibits the Commission and lottery game retailers from accepting any form of public assistance funds for ticket purchases or game play.

This provision also directs the Commission to adopt any rules necessary to implement these changes.

These sections became effective July 1, 2015.

### **H97 - 2015 Appropriations Act, Part VII-A: Establish Department of Information Technology (SL 2015-241)**

Part VII-A of S.L. 2015-241 establishes the Department of Information Technology (DIT) and does all of the following:

Consolidates information technology functions from principal departments and participating agencies and places those functions within the new cabinet-level DIT and names the State Information Officer (appointed by the Governor) as the head of the Department.

- The DIT is comprised of: the Office of the State CIO and the Office of Information Technology Services (a Type I transfer); and the 911 Board, Criminal Justice Information Network, Government Data Analytics Center, and North Carolina Geographic Information Coordinating Council, and the Center for Geographic Information and Analysis (a Type II transfer).

As amended by Secs. 2.2, 2.8, 2.11, 2.12, 2.13, 2.14, 2.16, and 2.20 of S.L. 2015-268, this Part does the following:

- Establishes powers and duties of DIT and State CIO.
- Directs the State CIO to develop policies for information technology planning and financing for State Agencies, including a biennial State Information Technology Plan, and strategic and business-continuity plans at the agency level.
- Consolidates human resources for all State information technology personnel within DIT and directs the State CIO to establish a plan to address agency requirements with individual career planning and personnel allocation.
- Creates an Information Technology Fund and Internal Service Fund; requires quarterly reporting to the Joint Legislative Oversight Committee on Information Technology and Fiscal Research on the funds, expenditures, and personnel changes.
- Creates a project management process for participating agency information technology projects, including a dispute resolution process through the Office of the Governor.
- Directs the State CIO to establish an information technology procurement process to centralize procurement across all participating agencies.
- Directs the State CIO to create an inventory of data center operations throughout the Executive Branch.
- Directs the State CIO to develop standards and planning for a consolidated and standardized State communications network.

- Directs the State CIO to establish standards for management and safekeeping of all data held by State agencies and their vendors; subjects all State agencies to State CIO approval of and compliance with security measures established by DIT.

This Part also: (i) instructs the Revisor of Statutes to recodify portions of the General Statutes pertaining to programs and entities transferred to the newly created DIT; (ii) makes conforming statutory changes to reflect the repeal of the former Office of Information Technology Services and the transfer of authority to DIT and the State CIO; and (iii) clarifies that existing business or legal matters undertaken or ongoing at the time of the creation of DIT retain their validity and enforceability.

This Part became effective September 18, 2015.

### **H97 - 2015 Appropriations Act, Sec. 15.23: Lottery Proceeds Disclosure (SL 2015-241)**

Sec. 15.23 of S.L. 2015-241 directs each State department or agency to provide to the public all amounts received and activities funded by any lottery proceeds.

This section became effective July 1, 2015.

### **H140 - Lineman Appreciation Day in North Carolina (SL 2015-8)**

S.L. 2015-8 honors the work of linemen in North Carolina and designates Lineman Appreciation Day on April 18, 2015, and on the second Monday in April of each year thereafter.

The addition of language authorizing Lineman Appreciation Day to the General Statutes became effective July 1, 2015. The remainder of this act became effective April 16, 2015.

### **H147 - Update Fire and Rescue Commission Membership (SL 2015-39)**

S.L. 2015-39 updates the membership of the State Fire and Rescue Commission and clarifies the powers of the Commission.

This act became effective July 1, 2015.

### **H154 - Local Governments in State Health Plan (SL 2015-112)**

S.L. 2015-112 makes local governments eligible to have their employees participate in the State Health Plan for Teachers and State Employees (State Health Plan) under specific conditions:

- The local government unit must pass a valid resolution expressing its desire to participate in the State Health Plan.

- The local government unit must enter into a memorandum of understanding with the State Health Plan.
- The local government unit must provide at least 90 days' notice to the State Health Plan prior to entry and complete these requirements at least 60 days prior to entry into the State Health Plan.
- The local government unit and its employees must meet the federal requirements to enter into a governmental plan and the State Health Plan has the right to refuse participation of the local government unit if its qualification as a governmental plan would be jeopardized.

The State Health Plan must admit any local government unit that meets the qualifications regardless of past claims experience or the financial impact to the State Health Plan. A local government unit must determine the eligibility of its employees and their dependents and what portion of the premiums employees will pay to the local government unit. Premiums for coverage and State Health Plan options will be the same as those offered to State employees and their dependents on a fully contributory basis. The local government unit must pay all premiums for covered individuals directly to the State Health Plan or its designee.

Enrollment in the State Health Plan by local government units is limited to 10,000 employees and dependents of employees, a number after which no additional local governments will be allowed to join Plan. Any local government that elects to participate must have fewer than 1,000 employees and dependents enrolled at the time of notice to the Plan of its desire to participate.

Local governments currently participating in the State Health Plan are authorized to elect to participate under these conditions. Local government units that to participate would also cease monthly contributions to the Retiree Health Benefit Fund. The Retiree Health Benefit Fund is a fund in which accumulated contributions from employers and any earnings on those contributions must be used to provide health benefits to retired and disabled employees and their applicable beneficiaries.

This act also authorizes the Board of Directors of the Pioneer Springs Community School, a charter school, to elect to participate in the State Health Plan.

This act became effective June 24, 2015.

## **H157 - Amend Environmental Laws (SL 2015-1)**

S.L. 2015-1 amends various environmental laws, including provisions that:

- Authorize the Governor to send an official from the Department of Environmental Quality (DEQ) (formerly the Department of Environment and Natural Resources (DENR)) to act on the Governor's behalf at meetings of the Interstate Mining Commission.
- Make changes to the statues governing recycled and recovered materials
- Make several technical corrections and clarifications to the Coal Ash Management Act of 2014
- Change the name of the Ecosystem Enhancement Program within DEQ to the Division of Mitigation Services.
- Make various changes that pertain to the membership of the Energy Policy Council.
- Effective retroactively to July 2, 2012, clarify that the Environmental Management Commission is only required to adopt a rule on air toxics from drilling operations associated with oil and gas activities if it determines that the State's current air toxics program, and any applicable federal regulations adopted by the State by reference, are inadequate.

Except as otherwise provided, this act became effective March 16, 2015.

### **H184 - Change Department of Cultural Resources' Process for Unclaimed Property (SL 2015-218)**

S.L. 2015-218 does all of the following: (i) permits the Office of Archives and History within the Department of Cultural Resources to use the net proceeds of sales of artifacts for the maintenance or conservation of other artifacts, (ii) clarifies the circumstances and procedures under which a public or private museum or archives repository may acquire title to loaned property, (iii) causes all restrictions on access to public records to expire 100 years after creation of the record, with specified exceptions, (iv) clarifies that all photographs, video recordings, or other documentary materials of a derelict vessel or shipwreck or its contents in the custody of any agency of North Carolina government or its subdivisions are a public record, and (v) provides that a card or certificate for merchandise credit is not abandoned property if the card or certificate meets certain criteria.

The provision dealing with merchandise credit became effective July 1, 2012, and applies to merchandise credit issued on or after that date. The remainder of this act became effective August 18, 2015.

### **H185 - Repeal Department of Cultural Resources' Obsolete Commissions and Language (SL 2015-184)**

S.L. 2015-184 repeals commissions within the Department of Cultural Resources that are obsolete and deletes from various statutes references to those obsolete commissions. It also deletes statutory language related to printing of government publications on alkaline paper.

This act became effective August 5, 2015.

### **H186 - Cape Fear Water Resources Availability Study (SL 2015-196)**

S.L. 2015-196, as amended by Sec. 86.2 of S.L. 2015-264, (i) directs the Environmental Review Commission, with the assistance of the Department of Environment and Natural Resources, to study the availability of surface water and groundwater resources in or affecting the Cape Fear River Basin and (ii) authorizes the Rules Review Commission to retain private counsel under certain circumstances.

This act became effective August 5, 2015.

### **H190 - State Health Plan Modifications (SL 2015-100)**

S.L. 2015-100 makes a number of modifications to the State Health Plan, including:

- Amends the statute pertaining to enrollment to allow retirees and surviving spouses to disenroll themselves or their dependents from the Plan during the Plan year without a qualifying event.

- Amends the statute to provide that coverage ceases on the earliest of the last day of the month or as soon thereafter as administratively feasible, in which the Plan approves cancellation of coverage for an employee or retired employee.
- Adds "employees eligible for coverage on a noncontributory basis" to the statute pertaining to partially contributory coverage.
- Provides eligibility for coverage under the Plan on a fully contributory basis to Disability Income Plan Beneficiaries.
- Removes some references to preexisting conditions and waiting periods from eligibility provisions.
- Adds "other contributory basis" to enrollment language pertaining to new employees that must be given the opportunity to enroll or decline enrollment for themselves and their dependents within 30 days from the date of employment or from first becoming eligible on a partially contributory or other contributory basis.

This act became effective July 1, 2015.

### **H291 - Hazardous Materials in Safe Deposit Box (SL 2015-68)**

S.L. 2015-68 gives the State Treasurer authority in the handling of unclaimed property determined to be of a hazardous nature or otherwise regulated, illegal, or which has no substantial commercial value and provides guidance for the proper disposition of these materials on the part of financial organizations. The act provides that none of the following are liable for any loss due to the disposal of materials unless the loss is due to intentional misconduct:

- The State, the Treasurer, or any officer, employee, or agent of the State or the Treasurer, acting in the person's individual and official capacity.
- A financial organization or any officer, employee, or agent of the financial organization.

This act became effective October 1, 2015.

### **H318 - Protect North Carolina Workers Act (SL 2015-294)**

S.L. 2015-294, as amended by Secs. 36.3 and 91.2 of S.L. 2015-264, makes the following changes:

- Effective October 1, 2015, and applying to contracts entered into on or after that date, requires E-Verify compliance by contractors and subcontractors with State and local governments, agencies, and institutions, with certain exceptions.
- Effective October 1, 2015, provides that (i) consulate or embassy documents or (ii) identity documents created by other entities, unless expressly authorized by the General Assembly to be used for identification, may not be used to determine identification or residency for law enforcement or other government purposes. If no other documentation is available, law enforcement may use identity documents created by other entities to assist in determining an individual's identity or residency.
- Prohibits counties and cities from adopting certain restrictions related to enforcement of federal immigration laws and gathering information related to citizenship or immigration status.



- Effective October 1, 2015, prohibits the Department of Health and Human Services from seeking certain work requirement waivers for food and nutrition benefits for able-bodied adults without dependents.

Except as otherwise provided, this act became effective October 29, 2015.

### **H364 - Clarify Laws on Executive Orders and Appointments (SL 2015-9)**

S.L. 2015-9 amends conflict of interest provisions applicable to the Coal Ash Management Commission, the Environmental Review Commission, and the Coastal Resources Commission. It also modifies appointments to the North Carolina Longitudinal Data System Board, the Domestic Violence Commission, and the Governor's Crime Commission to remove members who are also members of the General Assembly.

This act became effective April 27, 2015.

### **H371 - Terror Claims/Damages/Liability for Support, Sec. 2.7: Rules Review Commission Private Counsel (SL 2015-215)**

Sec. 2.7 of S.L. 2015-215 authorizes the chairman of the Rules Review Commission to retain private counsel under certain circumstances. [This provision is identical to Sec. 2 of S.L. 2015-196, which is summarized in the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

This section became effective August 18, 2015.

### **H495 - Office of State Human Resources Modernization/Technical Changes (SL 2015-260)**

S.L. 2015-260 makes changes to the State's system of Human Resources Management, including:

- Amending the definition of "career State employee," effective October 1, 2015, and applies to employees hired before, on or after that date.
- Deleting language that prohibited the State Human Resources Commission from establishing an incentive pay program.
- Changing certain reporting requirements from quarterly to annually.
- Making other organizational and employee policy changes, effective October 1, 2015, and applies to employees separated on or after that date.

Except as otherwise provided, this act became effective September 30, 2015.

### **H512 - Amend/Clarify Back-Up Public Safety Answering Points (PSAP) Requirements (SL 2015-219)**

S.L. 2015-219 allows time extensions for implementation of back-up PSAP requirements to July 1, 2017, under certain circumstances; and requires the 911 Board to investigate alternatives for facilitation of uniform procurement and pricing of 911 eligible expenses through bulk purchasing and other means.

This act became effective August 18, 2015.

### **H540 - Billy Graham/National Statuary Hall (SL 2015-269)**

S.L. 2015-269, as amended by Sec. 91.3 of S.L. 2015-264, requests the Joint Committee on the Library of Congress to approve the replacement of the statue of Charles Brantley Aycock in National Statuary Hall with a statue of the Reverend William Franklin Graham, II.

This act became effective October 2, 2015.

### **H556 - Achieving a Better Life Experience Act (SL 2015-203)**

S.L. 2015-203 authorizes the establishment of the Achieving a Better Life Experience (ABLE) Trust Fund, administered by the ABLE Board of Trustees, to assist and encourage the contribution of private funds to accounts from which specified expenses may be paid for individuals with disabilities.

This act became effective August 11, 2015.

### **H558 - Reserve and National Guard/Military Affairs Commission (SL 2015-297)**

S.L. 2015-297 adds two voting members to the North Carolina Military Affairs Commission to be appointed by the Governor. One of the new members must be a current or retired member of the North Carolina National Guard and the other one must be a current or retired member of one of a reserve component of the United States Armed Forces.

This act became effective October 30, 2015.

### **H584 - Use of Position/Letters of Reference (SL 2015-208)**

S.L. 2015-08 amends the State Government Ethics Act to permit a covered person to mention their public position in certain letters of reference and in responses to inquiries of potential employers.

This act became effective on October 11, 2015

### **H730 - Next Generation 911 (SL 2015-261)**

S.L. 2015-261 authorizes the 911 Board to create a reserve fund for the implementation of next generation 911 service, and makes other conforming changes to the statutes governing the 911 Fund to allow for the implementation of next generation 911 service. The act also amends the limitation of liability provision for 911 service to provide it applies to next generation 911 technology, and amends the standard of proof required in a civil action arising out of an act or omission for an individual with assigned job duties as a 911 or public safety telecommunicator or dispatcher.

[Section 2 of the act includes a technical change to a provision in S.L. 2015-259 clarifying the sales tax treatment of certain motorsports equipment. A summary of this provision is available in the FINANCE chapter.]

The changes in the act related to 911 service became effective January 1, 2016.

### **H765 - Regulatory Reform Act of 2015, Sec. 1.2: Burden of Proof in Certain Contested Cases (SL 2015-286)**

Sec. 1.2 of S.L. 2015-286 amends the Administrative Procedures Act to clarify that the petitioner has the burden of proof in most contested cases and establishes that the State agency has the burden of proof in certain contested cases, including cases involving the imposition of civil fines or penalties and cases involving the demotion, suspension, or discharge of a career State employee. The Joint Legislative Administrative Procedure Oversight Committee is directed to study whether there are other categories of cases in which the burden should be placed with the agency.

This section became effective October 22, 2015, and applies to contested cases commenced on or after that date.

### **H765 - Regulatory Reform Act of 2015, Sec. 1.6: No Fiscal Note Required for Less Stringent Rules (SL 2015-286)**

Sec. 1.6 of S.L. 2015-286 amends the process for the periodic review and expiration of existing rules under the Administrative Procedure Act. The section provides that if, during the readoption process, a rule is amended to impose a less stringent burden on regulated persons than the existing rule, the agency is not required to prepare a fiscal note for the rule.

This section became effective October 22, 2015, and applies to periodic review of rules occurring on or after that date.

### **H765 - Regulatory Reform Act of 2015, Sec. 1.3: Legislative Appointments (SL 2015-286)**

Sec. 1.3 of S.L. 2015-286 amends the law governing legislative appointments upon recommendation or nomination by a third party.

This section became effective October 22, 2015, and applies to recommendations, consultations, and nominations made on or after that date.

### **H765 - Regulatory Reform Act of 2015, Sec. 3.1: Reduce State Agency Mobile Device Reporting Frequency (SL 2015-286)**

Sec. 3.1. of S.L. 2015-286 reduces the reporting requirement for State agencies with regard to the number, type, and use of mobile devices issued by the agency. This section reduces the reporting requirement from quarterly to annually.

This section became effective October 22, 2015.

### **H765 - Regulatory Reform Act of 2015, Sec. 3.12: Amend Underground Damage Prevention Review Board, Enforcement, and Civil Penalties (SL 2015-286)**

Sec. 3.12 of S.L. 2015-286 amends the statute establishing the Underground Damage Prevention Review Board (Board). The Board is charged with reviewing reports of alleged violations of the Underground Utility Safety Act (Act) and recommending penalties for violation of the Act. This section makes a number of clarifying changes to the Board's statute, including provisions for length of Board member terms, how vacancies are filled and members are removed, what constitutes a quorum, how the Chair of the Board is appointed, and the process for how the Board recommends actions or penalties when violations of the Act occur.

This section became effective October 22, 2015.

### **H795 - State Environmental Policy Act Reform (SL 2015-90)**

S.L. 2015-90 increases the thresholds for when the State Environmental Policy Act (SEPA) applies, increases the number of exemptions from the Act, and otherwise amends the Act.

The act became effective June 19, 2015, and applies to State agency action occurring on or after that date.

### **H823 - Establish Advisory Council on Rare Diseases (SL 2015-199)**

S.L. 2015-199 establishes the Advisory Council on Rare Diseases housed within the School of Medicine of the University of North Carolina at Chapel Hill. The Advisory Council is tasked with studying, advising, and reporting annually to the Governor, the Secretary of Health and Human Services, and the General Assembly on research, diagnosis, treatment, and education relating to rare diseases.

This act became effective August 1, 2015.

### **H924 - Highway Safety/Other Changes, Secs. 5 and 6: Upset bids on State Land Mineral Leases and Force Account Changes (SL 2015-276)**

Secs. 5 and 6 of S.L. 2015-276:

- Provide for upset bids for leases of mineral deposits on State lands.
- Increase the cost limit on work that can be performed by governmental force account labor.

These sections became effective October 20, 2015.

### **H943 - Connect North Carolina Bond Act of 2015 (SL 2015-280)**

S.L. 2015-280 authorizes the issuance of \$2 billion in general obligation bonds if approved by a majority of the voters in the presidential primary in 2016.

This act became effective October 21, 2015.

### **S14 - Academic Standards/Rules Review/Coal Ash/Funds, Sec. 10: Department of Commerce Change (SL 2015-7)**

Sec. 10 of S.L. 2015-7 amends the State law authorization for the Department of Commerce to contract with a non-profit to perform one or more of its functions, to delete a prohibition on State officers serving on the non-profit's board.

This section became effective April 13, 2015.

### **S22 - Historic Artifact Management and Patriotism Act (SL 2015-170)**

S.L. 2015-170 does the following:

- Establishes laws for the handling, display, storage and retirement of both the United States and the North Carolina flags by State agencies and other political subdivisions of the State.
- Requires the Division of Veterans Affairs to establish a flag retirement program.
- Provides for the protection of certain monuments on public property by prohibiting their permanent removal and limiting the circumstances under which they may be relocated.
- Requires the Secretary of State to transfer the historical editions of the State Constitution and certain other documents to the Department of Cultural Resources.
- Requires the Department of Cultural Resources, in 2016, to arrange programs and public displays of the North Carolina and United States Constitutions and their amendments and related documents.

The requirement that the Secretary of State transfer certain documents to the Department of Cultural Resources became effective December 1, 2015. The remainder of this act became effective July 23, 2015.

**S119 - GSC Technical Corrections 2015, Sec. 73: Clarify Cochair of Virginia-North Carolina High-Speed Rail Commission (SL 2015-264)**

Sec. 73 of S.L. 2015-264 authorizes co-chairs, one from each State, for the existing Virginia-North Carolina High-Speed Rail Compact Commission.

This section became effective October 1, 2015.

**S119 - GSC Technical Corrections 2015, Secs. 68, 68.5, 69, and 70: State Government-Related Provisions (SL 2015-264)**

Secs. 68, 68.5, 69, and 70 of S.L. 2015-264 made the following changes related to State government:

- Changes the time for the start of the legislative session.
- Deletes the requirement for the Program Evaluation Division annual work plan.
- Repeals statutory provisions related to new licensing boards that are not used.
- Adds a representative of the Campbell University's medical school to the Commission of Anatomy.

These sections became effective October 1, 2015.

**S119 - GSC Technical Corrections 2015, Sec. 46: Amend Experience for Membership on the 911 Board (SL 2015-264)**

Sec. 46 of S.L. 2015-264 amends the experience requirement for the member of the 911 Board that is appointed to represent fire chiefs.

This section became effective October 1, 2015.

### **S123 - Uniform Fraudulent Transfer Act (SL 2015-23)**

S.L. 2015-23 amends the Uniform Fraudulent Transfer Act (UFTA) to adopt the amendments approved by the Uniform Law Commission in 2014, and makes related conforming and technical amendments, as recommended by the General Statutes Commission.

This act became effective October 1, 2015, and applies to a transfer made or obligation incurred on or after that date.

### **S313 - Industrial Hemp (SL 2015-299)**

S.L. 2015-299: (i) creates the North Carolina Industrial Hemp Commission to establish and oversee a program to license growers to cultivate industrial hemp for commercial purposes and to promote the use of industrial hemp products; (ii) requires the Commission to obtain funding from non-State sources of \$200,000 before meeting or undertaking any of its statutory powers or duties; and (iii) decriminalizes the production and use of industrial hemp upon the completion of permanent rulemaking by the Board of Agriculture of rulemaking proposals made by the Commission pertaining to supervision of the planting, cultivation, harvesting, and use of industrial hemp under license issued by the Commission.

The decriminalization of industrial hemp cultivation, sale, and possession becomes effective only after permanent rules governing the cultivation, production, and sale are adopted by the Board of Agriculture. The remainder of this act became effective October 31, 2015.

### **S366 - Amend Certain Requirements/Permanency Innovation Committee (SL 2015-95)**

S.L. 2015-95 amends the reporting and meeting requirements of the Permanency Innovation Initiative Oversight Committee. The act reduces the frequency of meetings the Committee must hold from quarterly to at least twice a year, directs the Committee to report to the chairs of the Senate and House Appropriations Subcommittees on Health and Human Services and the Fiscal Research Division, and moves the reporting date from September 15 to February 15 each year.

This act became effective June 19, 2015.

### **S379 - Cemeteries Located on State Property (SL 2015-285)**

S.L. 2015-285 requires each State agency to identify and inventory all known cemeteries on State lands allocated to that agency, and provide that inventory listing to the State Property Office and the Department of Cultural Resources; and authorizes State agencies to allow family members or other interested persons to maintain cemeteries.

This act became effective October 22, 2015.

**S455 - Iran Divestment Act (SL 2015-118)**

S.L. 2015-118 prohibits certain investments and contracts with persons determined to be engaging in investment activities in Iran. The State Treasurer is directed to adopt a policy on divestment consistent with its current policy.

Except for a provision pertaining to implementation of the act by the Treasurer's Office, which became effective June 29, 2015, this act became effective October 1, 2015.

**S699 - Protect Law Enforcement Officers Home Address/Other Information (SL 2015-225)**

S.L. 2015-225 exempts from disclosure certain personal information of sworn law enforcement officers who are employees of a county or city.

The act became effective October 1, 2015.