

# Legislative Bulletin

A Summary of New Laws
Affecting North Carolina Lawyers

Prepared by the Government Affairs Team North Carolina Bar Association Volume 39 • August 2022

# NORTH CAROLINA BAR ASSOCIATION

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The Legislative Bulletin is provided as a service of the NCBA Government Affairs Team. Included is a summary of bills passed from January 2022 through July 2022. These bills either were tracked by sections and committees of the NCBA or were independently tracked by the Teamduring the 2022 session of the General Assembly.

These summaries are designed to put you on notice of changes made in the statutes this session which may affect your practice. They are not intended to instruct you fully as to those changes; there is no substitute for reading the Session Laws themselves. Our purpose is to offer a tool to assist in your practice, and we hope you will find that this publication serves your purpose. Finally, we note that the Government Affairs Team relied heavily on information available on the General Assembly's website, including bill summaries drafted by legislative staff, in the compilation of this document.

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## North Carolina General Assembly Short Session Demographics & Statistics

### House of Representatives

120 Members (69 Republicans, 51 Democrats)

#### Leadership:

- Speaker:
   Tim Moore (R)\*
- Speaker Pro Tempore:
   Rep. Sarah Stevens (R)\*
- Majority Leader: Rep. John Bell (R)
- Democratic Leader:
   Rep. Robert T. Reives, II (D)\*

#### Senate

50 Members (28 Republicans, 22 Democrats)

#### Leadership:

- President:
   Lt. Governor Mark Robinson (R)
- President Pro Tempore:
   Sen. Phil Berger (R)\*
- Majority Leader:
   Sen. Kathy Harrington (R)
- Democratic Leader:
   Sen Dan Blue (D)\*

\* = Lawyer Legislator

- 2022 Short Session convened May 18, 2022, and temporarily adjourned July 1, 2022. The legislature is scheduled to reconvene once a month through December as provided in their adjournment resolution.
- 2,095 bills and resolutions filed in the 2021-2022 session to date.
  - House of Representatives: 1,178 bills
  - o Senate: 917 bills
- 75 laws enacted during the short session as of July 12, 2022.
- 4 vetoes in the Short Session, 22 overall. None of the vetoes were overridden.

#### **HOUSE OF REPRESENTATIVES**



Rep. Vernetta Alston (D)
House Freshman Caucus
Co-Chair
District 29
Durham

APPROPRIATIONS;
APPROPRIATIONS – HEALTH &
HUMAN SERVICES; FEDERAL
RELATIONS AND AMERICAN
INDIAN AFFAIRS; JUDICIARY 4;
TRANSPORTATION



Rep. Hugh Blackwell (R)

District 86

Burke

EDUCATION K-12, CHAIR JUDICIARY 4, CHAIR

APPROPRIATIONS;

APPROPRIATIONS – HEALTH AND
HUMAN SERVICES; EDUCATION –
COMMUNITY COLLEGES;
EDUCATION – K-12; ELECTION
LAW AND CAMPAIGN FINANCE
REFORM; HEALTH;
TRANSPORTATION



Rep. Terry M. Brown, Jr. (D) House Freshman Caucus

Co-Chair
District 92
Mecklenburg

APPROPRIATIONS;
APPROPRIATIONS –
AGRICULTURE AND NATURAL
AND ECONOMIC RESOURCES;
ENERGY AND PUBLIC
UTILITIES; JUDICIARY 3;
REGULATORY REFORM



Rep. Deb Butler (D)

House Democratic Whip
District 18
New Hanover

BANKING; COMMERCE; FINANCE; JUDICIARY 3; TRANSPORTATION



Rep. Ted Davis, Jr. (R)
District 20
New Hanover

JUDICIARY 1, CHAIR
HOUSE SELECT COMMITTEE
ON STRATEGIC
TRANSPORTATION PLANNING
AND LONG-TERM
SOLUTIONS, VICE CHAIR
UNC BOARD OF GOVERNORS
NOMINATIONS, VICE CHAIR
APPROPRIATIONS;
APPROPRIATIONS – JUSTICE
AND PUBLIC SAFETY;
EDUCATION – UNIVERSITIES;
ELECTION LAW AND
CAMPAIGN FINANCE REFORM;
ENVIRONMENT; RULES



Rep. Terence Everitt (D)

District 35 Wake

AGRICULTURE; BANKING; COMMERCE; FINANCE; JUDICIARY 4



Rep. Destin Hall (R)
District 87
Caldwell

REDISTRICTING, CHAIR RULES, CHAIR

ENERGY AND PUBLIC UTILITIES; FINANCE



Rep. Pricey Harrison (D)
District 61
Guilford

ENVIRONMENT, VICE CHAIR

APPROPRIATIONS;

APPROPRIATIONS – AGRICULTURE
AND NATURAL AND ECONOMIC
RESOURCES; ELECTION LAW AND
CAMPAIGN FINANCE REFORM;
ENERGY & PUBLIC UTILITIES;
JUDICIARY 1; MARINE RESOURCES
AND AQUACULTURE;
REDISTRICTING



Rep. Rachel Hunt (D)
District 103
Mecklenburg

EDUCATION – COMMUNITY COLLEGES, VICE CHAIR

APPROPRIATIONS; APPROPRIATIONS – EDUCATION; EDUCATION – K-12; FAMILIES, CHILDREN, AND AGING POLICY; JUDICIARY 1



Rep. Joe John (D)
District 40
Wake

APPROPRIATIONS;
APPROPRIATIONS – JUSTICE AND
PUBLIC SAFETY; FAMILIES,
CHILDREN, AND AGING POLICY;
JUDICIARY 2; TRANSPORTATION



Rep. Abe Jones (D)
District 38
Wake

APPROPRIATIONS;
APPROPRIATIONS – JUSTICE
AND PUBLIC SAFETY; HOUSE
SELECT COMMITTEE ON
STRATEGIC
TRANSPORTATION;
JUDICIARY 1; REGULATORY
REFORM; UNC BOARD OF
GOVERNORS NOMINATIONS;
WILDLIFE RESOURCES



Rep. Brandon Lofton (D)
District 104
Mecklenburg

AGRICULTURE; COMMERCE; FINANCE; JUDICIARY 4; LOCAL GOVERNMENT



Rep. Grier Martin (D)
Resigned 7/8/22
District 34
Wake

HOMELAND SECURITY, MILITARY, AND VETERANS' AFFAIRS, VICE CHAIR

APPROPRIATIONS;
APPROPRIATIONS –
TRANSPORTATION;
EDUCATION – UNIVERSITIES;
JUDICIARY 3; PENSIONS AND
RETIREMENT;
TRANSPORTATION



Rep. Grey Mills (R)
District 95
Iredell

ELECTION LAW AND CAMPAIGN FINANCE REFORM, CHAIR JUDICIARY 1, VICE CHAIR

APPROPRIATIONS;
APPROPRIATIONS – HEALTH AND
HUMAN SERVICES; EDUCATION –
UNIVERSITIES; REDISTRICTING;
RULES



Rep. Tim Moore (R)

House Speaker

District 111

Cleveland



Rep. Marcia Morey (D)

District 30

Durham

APPROPRIATIONS;

APPROPRIATIONS – JUSTICE AND

PUBLIC SAFETY; EDUCATION –

UNIVERSITIES; FAMILIES,

CHILDREN, AND AGING POLICY;

JUDICIARY 2; TRANSPORTATION



Rep. Robert Reives, II (D)
House Democratic Leader
District 54
Chatham, Durham

AGRICULTURE;
APPROPRIATIONS;
APPROPRIATIONS – JUSTICE
AND PUBLIC SAFETY;
JUDICIARY 2; REDISTRICTING;
RULES



Rep. William "Billy" Richardson (D) District 44 Cumberland

JUDICIARY 2, CHAIR REDISTRICTING, VICE CHAIR

APPROPRIATIONS;
APPROPRIATIONS – JUSTICE AND
PUBLIC SAFETY; ENERGY AND
PUBLIC UTILITIES; HOUSE SELECT
COMMITTEE ON STRATEGIC
TRANSPORTATION; RULES;
TRANSPORTATION; UNC BOARD
OF GOVERNORS NOMINATIONS



Rep. David Rogers (R)
District 112
Burke, Rutherford

JUDICIARY 3, CHAIR APPROPRIATIONS – JUSTICE AND PUBLIC SAFETY, VICE CHAIR

APPROPRIATIONS; ELECTION
LAW AND CAMPAIGN
FINANCE REFORM; MARINE
RESOURCES AND
AQUACULTURE;
REDISTRICTING; WILDLIFE
RESOURCES



Rep. Sarah Stevens (R)
Speaker Pro Tempore
District 90
Alleghany, Surry, Stokes

JUDICIARY 2, CHAIR

APPROPRIATIONS; APPROPRIATIONS – CAPITAL; REGULATORY REFORM



Rep. Julie von Haefen (D)
District 36
Wake

APPROPRIATIONS;
APPROPRIATIONS – GENERAL
GOVERNMENT; HOMELAND
SECURITY, MILITARY, AND
VETERANS AFFAIRS; LOCAL
GOVERNMENT; STATE
GOVERNMENT



Rep. Lee Zachary (R)
District 73
Forsyth, Yadkin

JUDICIARY 3, CHAIR

ALCOHOLIC BEVERAGE CONTROL; EDUCATION – COMMUNITY COLLEGES; EDUCATION – UNIVERSITIES; ETHICS; FINANCE; REDISTRICTING

#### **SENATE**



Sen. Sydney Batch (D)
District 17
Wake

APPROPRIATIONS –
EDUCATION/HIGHER
EDUCATION; COMMERCE AND
INSURANCE; PENSIONS AND
RETIREMENT AND AGING;
SELECT COMMITTEE ON STORM
RELATED RIVER DEBRIS AND
DAMAGE IN NORTH CAROLINA



Sen. Phil Berger (R)
Senate President Pro
Tempore
District 30
Caswell, Rockingham,
Stokes, Surry



Sen. Dan Blue (D)
Senate Democratic Leader
District 14
Wake

APPROPRIATIONS – JUSTICE
AND PUBLIC SAFETY;
APPROPRIATIONS/BASE
BUDGET; FINANCE; JUDICIARY;
REDISTRICTING AND
ELECTIONS; RULES; SELECT
COMMITTEE ON NOMINATIONS



Sen. Danny Earl Britt Jr. (R)
District 13
Columbus, Robeson

APPROPRIATIONS – JUSTICE AND PUBLIC SAFETY, CHAIR JUDICIARY, CHAIR SELECT COMMITTEE ON STORM RELATED RIVER DEBRIS AND DAMAGE, CHAIR TRANSPORTATION, CHAIR

APPROPRIATIONS/BASE BUDGET; COMMERCE AND INSURANCE; FINANCE; HEALTH CARE; SELECT COMMITTEE ON PRISON SAFETY



Sen. Jay Chaudhuri (D) Senate Democratic Whip District 15 Wake

APPROPRIATIONS –
EDUCATION/HIGHER
EDUCATION;
APPROPRIATIONS/BASE
BUDGET; EDUCATION/HIGHER
EDUCATION; PENSIONS AND
RETIREMENT AND AGING;
RULES



Sen. Warren Daniel (R)

District 46 Avery, Burke, Caldwell

APPROPRIATIONS – JUSTICE AND PUBLIC SAFETY, CHAIR FINANCE, CHAIR REDISTRICTING AND ELECTIONS, CHAIR

APPROPRIATIONS/BASE BUDGET; JUDICIARY; RULES; SELECT COMMITTEE ON PRISON SAFETY; TRANSPORTATION



Sen. Milton F. "Toby" Fitch, Jr. (D) District 4 Edgecombe, Halifax, Wilson

AGRICULTURE, ENERGY, AND ENVIRONMENT;
APPROPRIATIONS – JUSTICE
AND PUBLIC SAFETY; FINANCE;
JUDICIARY; RULES; SELECT
COMMITTEE ON PRISON
SAFETY; SELECT COMMITTEE ON
STORM RELATED RIVER DEBRIS
AND DAMAGE IN NORTH
CAROLINA; TRANSPORTATION



Sen. Amy Galey (R)
District 24
Alamance, Guilford

APPROPRIATIONS – JUSTICE AND PUBLIC SAFETY; EDUCATION/HIGHER EDUCATION; JUDICIARY; STATE AND LOCAL GOVERNMENT



Sen. Jeff Jackson (D)
District 37
Mecklenburg

AGRICULTURE, ENERGY, AND ENVIRONMENT; APPROPRIATIONS – JUSTICE AND PUBLIC SAFETY; JUDICIARY; STATE AND LOCAL GOVERNMENT; TRANSPORTATION



Sen. Michael V. Lee (R)

District 9

New Hanover

APPROPRIATIONS – EDUCATION/HIGHER EDUCATION, CHAIR EDUCATION/HIGHER EDUCATION, CHAIR

APPROPRIATIONS/BASE BUDGET; FINANCE; HEALTH CARE; JUDICIARY



Sen. Natasha Marcus (D)
District 41
Mecklenburg

APPROPRIATIONS –
AGRICULTURE, NATURAL, AND
ECONOMIC RESOURCES;
APPROPRIATIONS/BASE
BUDGET; JUDICIARY;
REDISTRICTING AND ELECTIONS



Sen. Julie Mayfield (D)
District 49
Buncombe

APPROPRIATIONS –
AGRICULTURE, NATURAL,
AND ECONOMIC RESOURCES;
SELECT COMMITTEE ON
STORM RELATED RIVER
DEBRIS AND DAMAGE IN NC;
STATE AND LOCAL
GOVERNMENT;
TRANSPORTATION



Sen. Mujtaba Mohammed (D)
District 38
Mecklenburg

APPROPRIATIONS –
AGRICULTURE, ENVIRONMENT,
AND NATURAL RESOURCES;
APPROPRIATIONS/BASE
BUDGET; HEALTH CARE;
JUDICIARY; SELECT COMMITTEE
ON PRISON SAFETY



Sen. Paul Newton (R)
District 36
Cabarrus, Union

FINANCE, CHAIR REDISTRICTING AND ELECTIONS, CHAIR

AGRICULTURE, ENERGY, AND
ENVIRONMENT;
APPROPRIATIONS –
AGRICULTURE, NATURAL,
AND ECONOMIC RESOURCES;
COMMERCE AND
INSURANCE; JUDICIARY;
RULES



Sen. Wiley Nickel (D)
District 16
Wake

APPROPRIATIONS – GENERAL GOVERNMENT; JUDICIARY; PENSIONS AND RETIREMENT AND AGING; REDISTRICTING AND ELECTIONS

<sup>\*</sup> Members of the North Carolina Bar Association are underlined. All information and photographs in this segment are pulled from the North Carolina General Assembly website, www.ncleg.gov, and are current as of August 29, 2022.

#### **ADMINISTRATIVE LAW**

Senate Bill 219 (SL 2022-1) – Surveyor Lic. & Ed. Req's/Constr. Contracts Rev's See summary under Construction Law.

<u>Senate Bill 347 (SL 2022-7)</u> – Captive Insurance Amendments See summary under Insurance Law.

<u>Senate Bill 448 (SL 2022-9)</u> – Amendments to Schedule VI of the CSA See summary under Health Law.

Senate Bill 372 (SL 2022-11) – Electrical Lic./Bldg. Code/Dev. Reform 2022 See summary under Construction Law.

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes See summary under Tax.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 See summary under Elder & Special Needs Law.

House Bill 219 (SL 2022-43) – Amend Environmental Laws See summary under Environment, Energy & Natural Resources Law.

#### House Bill 768 (SL 2022-44) – 2022 ABC Omnibus

House Bill 768 makes various changes to the alcoholic beverage laws of the State, including the following:

- Repeals the obsolete limited winery permit enacted in 1981.
- Establishes a new packaging and logistics permit for packagers who label and package alcoholic beverages from suppliers. This Section became effective August 1, 2022.
- Repeals the purchase-transportation permit and the commercial transportation permit, as well as limits the number of alcoholic beverages that can be purchased or transported.
- Allows a transition period for Alcoholic Beverage Control (ABC) permits after a change in ownership of a permitted establishment so long as the new owner submits a permit application within 60 days.
- Allows alcohol sales at professional sporting events occurring at a stadium on the campus of a community college if the town allows the operation of ABC stores and

the community college Board of Trustees votes to allow the issuance of permits at the stadium.

- Amends the definition of "private bar" to eliminate the membership requirement.
- Allows a distillery to obtain mixed beverages catering permits and provide spirituous liquor for an event being catered by a hotel or restaurant.
- Allows a distillery to obtain a mixed beverages permit and sell mixed beverages
  containing the spirituous liquor owned by the distillery, regardless of the results of
  any local mixed beverages election.

Except as otherwise provided, the bill became effective July 7, 2022, when it became law.

#### Senate Bill 496 (SL 2022-46) – DOI Omnibus Bill

See summary under Insurance Law.

### House Bill 211 (SL 2022-49) – Social District/Common Area Clarifications

See summary under Government & Public Sector.

#### Senate Bill 470 (SL 2022-51) – ABC Technical and Other Changes

Senate Bill 470 makes several technical changes to <u>S.L. 2021-150</u>, the 2021 Alcoholic Beverage Control (ABC) Omnibus Legislation, and numerous technical and conforming changes to the alcohol laws of this State.

Section 8 makes a clarifying change directing a business that opts to expand its licensed premises for the outdoor possession and consumption of alcoholic beverages to submit a diagram of the expanded premises to the ABC Commission, in addition to the Alcohol Law Enforcement (ALE) Division and local law enforcement.

Section 9 excludes ice cream and ice pops from the definition of "alcohol consumable" until December 1, 2022. This section is effective retroactively to September 10, 2021, the date that <u>S.L. 2021-150</u> was signed into law.

Section 10 makes a clarifying change to the conditions under which a tour boat may obtain an ABC permit.

Section 11 clarifies the definition of the term "supplier", and Section 18 amends the definition of "bar" as it was defined in <u>S.L. 2022-44</u>.

Section 12 exempts the ABC Commission from rulemaking under the Administrative Procedure Act with respect to approval of alcoholic beverages to be sold in ABC stores and setting prices of alcoholic beverages.

Section 16 exempts bar areas, where food is not prepared, from health inspections.

Section 17 restricts the ABC Commission from limiting or restricting branded plug-in coolers in ABC stores.

Section 18 allows 50-milliliter containers of malt beverages under G.S. 18B-1122.

Except as otherwise provided, the bill became effective July 7, 2022, when it became law.

#### House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting

House Bill 791 establishes and enters the State into an interstate compact for the practice of professional counseling and implements procedures for contract reform within the Department of Health and Human Services. Section 1 of the bill creates a new Article 24A: Professional Counseling Licensure Compact. The new provisions include definitions, guidelines on adverse actions, a requirement for the Compact to adopt rules to govern dispute resolution, and requirements for a data system. Section 2 of the bill appropriates \$20,000 in nonrecurring funds to the North Carolina Board of Licensed Mental Health Counselors to assist with the administrative costs of the Act. The Compact provisions would be effective when the tenth member state enacts the Compact. The remainder of the bill became effective July 7, 2022, when it became law.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

House Bill 560 (SL 2022-58) – Public Safety Reform See summary under Criminal Justice.

<u>Senate Bill 671 (SL 2022-59)</u> – Virtual Educ./Remote Acad./Virtual Charters See summary under Education Law.

#### Senate Bill 138 (SL 2022-63) – Funeral Dir. Exam/Death Certs.

Senate Bill 138 defines "entry level examination in funeral directing" for funeral directors, allows greater flexibility granting North Carolina licenses to individuals who are licensed as funeral directors in other states, and extends the time period for individuals selling preneed funeral contracts to pay their fees to the Board of Funeral Services. Section 2

requires local health departments and registers of deeds to accept paper death certificates through August 31, 2022. Starting September 1, 2022, death certificates must be electronically filed with the Office of Vital Records through the North Carolina Database Application for Vital Events System.

Except as otherwise provided, this bill became effective July 8, 2022, when it became law.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

#### Senate Bill 339 (SL 2022-65) – 2022 WRC Amendments

See summary under Environment, Energy & Natural Resources Law.

#### <u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods.

Senate Bill 424 makes various changes to the Private Protection Services Board (Board) and the private protective services profession.

Section 1 makes several changes, including:

- Removing persons employed to protect individuals from serious bodily harm or death from the definition of "private detective or private investigator".
- Amending the definition of "electronic countermeasures profession" to include persons who, for a fee, discover, locate, or disengage by electronic, electrical, or mechanical means any device intended to block the transmission of an electronic signal.
- Authorizing the Board to (1) adopt rules for use of firearms and other weapons, (2) investigate unlicensed activity and issue cease and desist letters, and (3) deal with real property in the same manner as a private person or corporation when it has the approval of the Governor and Council of State.
- Adds a conviction of a crime involving the illegal use, carrying, or possession of a
  deadly weapon and a conviction of a crime involving "assault" to the list of
  criminal convictions that are prima facie evidence that the applicant lacks good
  moral character.
- Extending the liability insurance requirement for licensees to include a trainee supervised by a licensee.
- Exempting several groups of people, including honorably discharged military
  personnel whose military occupational specialty included Military Police or
  Criminal Investigative Division within three years of applying for licensure, from
  firearms training requirements.

Section 2 exempts private investigators licensed on or before December 31, 2021, and private investigator trainees permitted on or before December 31, 2021, from the new provisions governing the "close personal protection" category of private personal protective professions and permits these persons to continue to provide services for the protection of individuals from serious bodily harm, provided that this exemption is indicated by an endorsement on their existing license or permit.

Section 3 permits armed security guards to carry weapons into assemblies and establishments where alcoholic beverages are sold and consumed.

Section 1 becomes effective October 1, 2022. Section 2 becomes effective January 1, 2023, and applies to licenses and permits granted on or after that date. Section 3 becomes effective December 1, 2022, and applies to offenses committed on or after that date.

<u>Senate Bill 651 (SL 2022-67)</u> – Amend Veterinary Practice Act/DACS Budget Senate Bill 651 makes various changes to the Veterinary Practice Act and to the Department of Agriculture and Consumer Services (DACS) budget provisions in the 2022 budget.

Section 1 defines "veterinary consulting" as "when any person, whose expertise the veterinarian believes would benefit the veterinarian's patient, provides advice by any means of communication to a veterinarian at the veterinarian's direction or request". It further clarifies that veterinary consulting does not constitute the practice of veterinary medicine by that act alone. In addition, Section 1 does the following: (1) defines "staff" as any person performing duties at the direction, and under the supervision, of a veterinarian; (2) increases the dollar fee cap for the inspection of a veterinary practice facility, and a veterinary facility where the inspection is the result of a serious inspection violation or complaint, from \$125 to \$150; (3) establishes a dollar fee cap of \$150 for the issuance of veterinary facility permits; (4) expands eligibility for veterinary student interns; and (5) eliminates "veterinary student preceptees" from the veterinary statutes.

Section 2 makes a change to the DACS Budget to allow specific renovations to the restaurant facility at the Piedmont Triad Farmers Market. This Section became effective July 1, 2022.

Section 3 corrects a provision in Section 10.1 of <u>S.L. 2022-74</u> that mistakenly limited the payment of overtime compensation to only those members of the North Carolina Forest

Service who are exempt from the Fair Labor Standards Act by applying the provision to all North Carolina Forest Service employees. This Section became effective July 1, 2022.

Except as otherwise provided, this bill becomes effective October 1, 2022.

# House Bill 159 (SL 2022-71) – Education Law Changes See summary under Education Law.

#### House Bill 792 (SL 2022-72) – Barbers/Electrolysis Boards/Merger

House Bill 792 merges the existing State Board of Barber Examiners and the Board of Electrolysis Examiners into a single board (Board). This provision becomes effective January 1, 2023, and applies to applications for licensure, examination, and renewal submitted on or after that date. In addition, the bill authorizes mobile barbershops, revises barber school requirements, establishes an electrolysis apprenticeship program, and modifies certain fee provisions. Individuals operating mobile barbershops are subject to Motor Vehicle Laws, Title 19A of the North Carolina Administrative Code, applicable OSHA requirements, and all local laws and ordinances regulating businesses. The Board is to adopt wastewater rules for the mobile barbershop. Section 3 contains transitional provisions for pending litigation and disciplinary proceedings under the authority of the individual boards. Except as otherwise provided, the remainder of the bill became effective July 8, 2022, when it became law.

House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes See summary under Criminal Justice.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

#### ANTITRUST & COMPLEX BUSINESS DISPUTES

<u>Senate Bill 766 (SL 2022-30)</u> – Organized Retail Theft See summary under Criminal Justice.

#### **BANKRUPTCY**

<u>Senate Bill 219 (SL 2022-1)</u> – Surveyor Lic. & Ed. Req's/Constr. Contracts Rev's See summary under Construction Law.

<u>Senate Bill 347 (SL 2022-7)</u> – Captive Insurance Amendments See summary under Insurance Law.

<u>Senate Bill 278 (SL 2022-12)</u> – Prop./Fam. Law-Reimburse Prop. Expenditures See summary under Family Law.

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes See summary under Tax.

Senate Bill 496 (SL 2022-46) – DOI Omnibus Bill See summary under Insurance Law.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

<u>Senate Bill 265 (SL 2022-53)</u> – Bond Info Transparency/LGC Toolkit II See summary under Government & Public Sector.

<u>Senate Bill 762 (SL 2022-55)</u> – North Carolina Farm Act of 2022 See summary under Real Property.

<u>Senate Bill 769 (SL 2022-60)</u> – GSC Postponement/Judicial & Execution Sales See summary under Real Property.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

#### **BUSINESS LAW**

<u>Senate Bill 219 (SL 2022-1)</u> – Surveyor Lic. & Ed. Req's/Constr. Contracts Rev's See summary under Construction Law.

<u>Senate Bill 347 (SL 2022-7)</u> – Captive Insurance Amendments See summary under Insurance Law.

House Bill 315 (SL 2022-8) – Arson Law Revisions See summary under Criminal Justice.

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes See summary under Tax.

<u>Senate Bill 766 (SL 2022-30)</u> – Organized Retail Theft See summary under Criminal Justice.

<u>Senate Bill 455 (SL 2022-32)</u> – Conform Hemp with Federal Law See summary under Criminal Justice.

House Bill 768 (SL 2022-44) – 2022 ABC Omnibus See summary under Administrative Law.

<u>Senate Bill 388 (SL 2022-45)</u> – Qualifying Farmer Zoo Sales Tax Exemption See summary under Tax.

<u>Senate Bill 496 (SL 2022-46)</u> – DOI Omnibus Bill See summary under Insurance Law.

House Bill 211 (SL 2022-49) – Social District/Common Area Clarifications See summary under Government & Public Sector.

<u>Senate Bill 470 (SL 2022-51)</u> – ABC Technical and Other Changes See summary under Administrative Law.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

<u>Senate Bill 762 (SL 2022-55)</u> – North Carolina Farm Act of 2022 See summary under Real Property.

House Bill 619 (SL 2022-56) – Weston's Law See summary under Construction Law.

<u>Senate Bill 769 (SL 2022-60)</u> – GSC Postponement/Judicial & Execution Sales See summary under Real Property.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

<u>Senate Bill 339 (SL 2022-65)</u> – 2022 WRC Amendments See summary under Environment, Energy & Natural Resources Law.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

Senate Bill 201 (SL 2022-68) – Var. Motor Veh. and Transport. Law Changes Senate Bill 201 makes various changes to motor vehicle and transportation laws. Specifically, the bill does the following:

- Makes the unlawful possession of a catalytic converter a Class I felony.
- Authorizes the Division of Motor Vehicles (DMV) to issue three new special registration plates and repeals authorization to issue one existing special registration plate. The new special registration plates include United States Army Special Forces, Pilot Mountain State Park, and NC Association of Fire Chiefs. This Section becomes effective October 1, 2022.
- Requires the DMV to provide a dealer license plate registration card to motor vehicle dealers that lists all valid dealer license plates issued to the dealer and clarifies requirements for displaying a dealer license plate on a motor vehicle. Both of these provisions become effective December 1, 2022.
- Clarifies the applicability of the Move Over Law to vehicles listed under G.S. 20-157(a). This Section became effective August 1, 2022, and applies to offenses committed on or after that date.
- Amends requirements for temporary dealer licenses issued during a pending license renewal application. This Section becomes effective October 1, 2022, and applies to applications for licensure renewals submitted on or after that date.
- Makes it an infraction, with up to a \$50 penalty, for a motor vehicle dealer to fail to inspect a used motor vehicle offered for retail sale as required by law. This Section becomes effective December 1, 2022, and applies to offenses committed on or after that date.
- Amends requirements for registration and certificate of title applications for motor vehicles owned by firms, partnerships, corporations, or other entities. This Section becomes effective October 1, 2022.

- Authorizes the DMV to charge a fee to authorized individuals to verify registration or liability insurance information from motor vehicle and drivers license records.
   This Section became effective July 1, 2022.
- Exempts motor vehicles used by State agencies for research pilot or demonstration projects from highway use tax, certificate of title fees, and registration fees.
- Expands the application of certain Department of Transportation (Department) contracting laws to specify that the construction, maintenance, and repair of rail equipment is treated the same as ferryboats, docks, and marine floating equipment for the purposes of G.S. 136-28.1, Chapter 44A, and Chapter 143C of the General Statutes.
- Specifies the treatment of certain federal funds within the Strategic Transportation Investments (STI) formula, and provides for a delay in STI reprioritization for certain projects with route redesignations.
- Clarifies that net proceeds from the disposition of lands that involve the Department must be paid into the Highway Fund.
- Expands the application of the State's policy to encourage and promote participation by disadvantaged minority-owned and women-owned businesses in contracts let by the Department.
- Directs the Department to increase Small Professional Services Firm contracting.

Except as otherwise provided, this bill became effective July 8, 2022, when it became law.

House Bill 661 (SL 2022-69) – AgeReq.Mod's/CapProj.Oversight/BEAD correct See summary under Education Law.

House Bill 792 (SL 2022-72) – Barbers/Electrolysis Boards/Merger See summary under Administrative Law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

#### **CONSTITUTIONAL RIGHTS & RESPONSIBILITIES**

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

House Bill 560 (SL 2022-58) – Public Safety Reform See summary under Criminal Justice.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes See summary under Criminal Justice.

#### **CONSTRUCTION LAW**

Senate Bill 219 (SL 2022-1) – Surveyor Lic. & Ed. Req's/Constr. Contracts Rev's Senate Bill 219 makes various changes to surveyor licensure and education requirements, as well as changes to large building construction contracting. Specifically, the bill:

- Modifies practical experience requirements applicable to persons seeking licensure as a professional land surveyor.
- Makes technical changes to Chapter 89C of the General Statutes.
- Makes changes to the design-build contracting process.
- Clarifies that construction agreements, lien waivers and releases not for final
  payments, or design professional agreements that purport to require a promisor to
  submit a waiver or release of liens or claims as a condition of receiving interim or
  progress payments are void and unenforceable unless they are limited to the
  specific payment actually received by the promisor in exchange for the lien waiver.
  This provision does not apply to agreements to settle and compromise disputed
  claims after the claim has been identified by the claimant in writing and became
  effective for liens attached on or after March 1, 2022.
- Modifies the procedure for awarding attorneys' fees in actions to enforce statutory liens by (1) allowing arbitrators to award attorneys' fees, (2) removing the requirement that attorneys' fees be awarded only upon a finding that the losing party unreasonably refused to resolve the matter, (3) directing the court to determine the prevailing party by examining the which party's monetary position is closest to the amount of the judgment or award, and (4) by listing factors the court or arbitrator can consider when determining reasonable attorneys' fees. This modification is effective for claims arising on or after March 1, 2022.
- Defines the term "supplier" for purposes of a provision prohibiting a supplier of alcoholic beverages from having an ownership interest in its wholesaler.

Except as otherwise provided, the bill became effective January 26, 2022.

#### House Bill 315 (SL 2022-8) – Arson Law Revisions

See summary under Criminal Justice.

Senate Bill 372 (SL 2022-11) – Electrical Lic./Bldg. Code/Dev. Reform 2022 Senate Bill 372 makes various changes to the North Carolina electrical licensing, wastewater, building code, and development laws.

Section 1 sets a cap on the total number of required hours of experience to achieve a limited, intermediate, or unlimited electrical contracting license. The cap on experience hours varies for each license. This Section becomes effective October 1, 2022, and applies to applicants for licensure on or after that date.

Section 2 delays the implementation of certain North Carolina Administrative Code Section 18E wastewater rules adopted by the North Carolina Commission for Public Health until January 1, 2024, and preserves the existing 18A wastewater rules until that date.

Section 3 amends Section 8.26 of <u>S.L. 2021-180</u> to set the funding cap for projects funded by the Innovative Highly Treated Wastewater Program at \$4,000,000, regardless of total project cost, and expands the types of entities eligible for the Program by eliminating the requirement that an entity be considered "distressed" pursuant to G.S. 159G-20. This Section also changes the timeframe in which the manufacturer of a highly treated wastewater system has to file a performance bond with the Department of Environmental Quality to within five days of issuance of the permit to construct the system.

Section 4 changes the sunset date to allow licensed soil scientists to approve on-site wastewater system projects without an Authorized On-Site Wastewater Evaluator (AOWE) until January 1, 2023.

Section 5 makes the following changes to the statutes governing on-site wastewater systems:

- Establishes a 10 business day limit for local health departments (LHD) to review certain on-site wastewater permit applications where a licensed soil scientist or licensed geologist submits soil evaluations, including pre-construction conferences, to be conducted by a licensed engineer or an AOWE, and requiring the conference to be completed within 10 business days.
- Clarifies that LHDs are released from any liabilities, duties, and responsibilities arising from claims related to soil evaluations submitted, or pre-construction

- conferences conducted, by non-LHD personnel, but that LHDs retain liability for existing obligations under law.
- Allows an engineer to submit a site plan instead of a plat to an LHD as part of the Notice of Intent to Construct pursuant to the Engineered Option Permit process for on-site wastewater systems.

Section 6 provides that an LHD may not conduct a grouting inspection for the construction, repair, or abandonment of a private drinking water well if all of the notice requirements set out in the new G.S. 87-97(e)(2) are met and the well contractor provides certification to the LHD that the grouting complies with State law. Section 6 becomes effective October 1, 2022, and applies to inspections conducted on or after that date.

Section 8 adds a requirement that the North Carolina Building Code Council promulgate rules, procedures, and policies for the approval of alternative designs and construction. Approved alternative designs and construction that are in effect by June 29, 2022, shall remain in effect.

Section 9 requires that local governments designate a person responsible for the daily oversight of duties and responsibilities under G.S. 160D-1104. This Section also requires local governments to publish, no later than October 1 of 2023, 2024, and 2025, an annual financial report on how they used fees the previous year for their building code enforcement programs. This Section becomes effective October 1, 2022, and applies to financial reports due after that date.

Section 10 expressly prohibits a zoning or development regulation from setting a maximum parking space size larger than nine feet wide by twenty feet long, unless the parking space is a handicap, parallel, or diagonal parking space. This Section becomes effective October 1, 2022.

Section 11 clarifies the scope of "home inspection" under the home inspector licensure statute to mean an inspection that is based on observation or noninvasive testing, and further defines noninvasive testing as testing methods that do not result in any damage to a component or system. The Section also increases the inspection report deadline from three days to ten days. This Section becomes effective October 1, 2022, and applies to inspections conducted on or after that date.

Section 12 increases the project value limitations to \$1,500,000 (increase of \$500,000) for intermediate general contractor licensees and \$750,000 (increase of \$250,000) for limited general contractor licensees.

Section 13 revises the directive contained in Section 6 of <u>S.L. 2021-121</u> to require the Building Code Council to adopt revisions that would not require two or more separate and approved fire apparatus access roads in residential developments where there are fewer than 100 dwelling units.

Section 14(a) requires personnel assigned by the Commissioner of Insurance to conduct inspections under G.S 143-139.4 to begin conducting the inspection within two business days after their assignment by the Commissioner. This Section becomes effective October 1, 2022, and applies to inspections conducted on or after that date.

Section 15 makes a technical correction related to Chapter 160D.

Section 17 amends Section 160D-706(a) to clarify that the provision applies to both cities and counties. This Section became effective June 30, 2022, when the bill became law, clarifies and restates the intent of existing law, and applies to permit applications and appeals filed before, on, or after that date.

Except as otherwise provided, the bill became effective June 30, 2022, when it became law.

House Bill 1068 (SL 2022-15) – UNC Non-Appropriated Capital Projects See summary under Education Law.

House Bill 219 (SL 2022-43) – Amend Environmental Laws
See summary under Environment, Energy & Natural Resources Law.

<u>Senate Bill 388 (SL 2022-45)</u> – Qualifying Farmer Zoo Sales Tax Exemption See summary under Tax.

<u>Senate Bill 496 (SL 2022-46)</u> – DOI Omnibus Bill See summary under Insurance Law.

Senate Bill 265 (SL 2022-53) – Bond Info Transparency/LGC Toolkit II See summary under Government & Public Sector.

<u>Senate Bill 265 (SL 2022-53)</u> – Bond Info Transparency/LGC Toolkit II See summary under Government & Public Sector.

# <u>Senate Bill 762 (SL 2022-55)</u> – North Carolina Farm Act of 2022 See summary under Real Property.

#### House Bill 619 (SL 2022-56) - Weston's Law

House Bill 619 imposes new safety requirements for elevators in private residences, cottages, and similar accommodations that are rented for 15 days or more in any calendar year. If the elevator is not in compliance with the new safety requirements, the landlord is required under Section 1 of the bill to prevent its operation until it is brought into compliance. Any person who violates this requirement and permits operation of a noncompliant elevator can be charged with a Class 2 misdemeanor. Sections 2 and 3 make conforming changes. Section 4 directs the Building Code Council to adopt amendments to the North Carolina Building Code consistent with these requirements. Sections 1, 2, and 3 become effective October 1, 2022. The remainder of the bill became effective July 8, 2022, when the bill became law.

<u>Senate Bill 768 (SL 2022-62)</u> – GSC Technical Corrections 2022/Additional TC See summary under Zoning, Planning & Land Use.

<u>Senate Bill 201 (SL 2022-68)</u> – Var. Motor Veh. and Transport. Law Changes See summary under Business Law.

House Bill 661 (SL 2022-69) – AgeReq.Mod's/CapProj.Oversight/BEAD correct See summary under Education Law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

#### CRIMINAL JUSTICE

<u>Senate Bill 347 (SL 2022-7)</u> – Captive Insurance Amendments See summary under Insurance Law.

#### House Bill 315 (SL 2022-8) – Arson Law Revisions

House Bill 315 makes the following changes to various laws related to arson:

Increases the punishment for certain arson offenses.

- Creates Class D felonies for (1) burning a penal institution and (2) burning an occupied commercial structure. A Class E felony was created for burning an unoccupied commercial structure.
- Amends the offense of arson resulting in injury to a firefighter, law enforcement officer, fire investigator, or emergency medical technician by (1) adding "advanced emergency medical technician" to the definition of "emergency medical technician" and (2) creating a Class F felony for anyone who causes "serious injury" to those listed in the statute.
- Requires criminal history background checks of applicants to fire departments, requires applicants to disclose certain convictions, and prohibits persons convicted of certain crimes from serving as a volunteer or paid member of a fire department.

Sections 1 and 2 of the bill become effective December 1, 2022, and apply to offenses committed on or after that date. Section 3 became effective June 14, 2022, when it became law, and applies to applications submitted on or after that date.

<u>Senate Bill 448 (SL 2022-9)</u> – Amendments to Schedule VI of the CSA See summary under Health Law.

#### Senate Bill 766 (SL 2022-30) – Organized Retail Theft

Senate Bill 766 makes various changes to criminal statutes, including the following:

- Amends the current organized retail crime statute and creates new felonies based on the value of the property that was stolen or damaged.
- Increases the penalties for organized retail theft by creating a Class F felony for organized retail theft of property with a value exceeding \$50,000 aggregated over 90 days and creating a Class C felony for organized retail theft of property with a value exceeding \$100,000 aggregated over 90 days.
- Creates a Class A1 misdemeanor for (1) damage to real or personal property over \$1000 during the commission of an organized retail crime and (2) assault of a retail employee, or its independent contractor, or a law enforcement officer during the commission of organized retail theft.
- Provides additional civil recovery to retail establishments for damages incurred due to organized retail theft.
- Section 6 adds a new Article that regulates high-volume third-party sellers operating through online marketplaces and allows the Attorney General to initiate a class action against an online marketplace that violates the Act.

Sections 1 through 5 of the bill become effective December 1, 2022, and apply to offenses committed on or after that date. Section 6 of the bill becomes effective January 1, 2023.

#### Senate Bill 455 (SL 2022-32) – Conform Hemp with Federal Law

Senate Bill 455 defines and permanently excludes "hemp" and "hemp products" from the North Carolina Controlled Substances Act, as well as tetrahydrocannabinols (THC) found in products with a delta-9 THC concentration of not more than 0.3%. The United States Department of Agriculture (USDA) is currently operating the State's hemp program through the U.S. Domestic Hemp Production Program. Making the exception for hemp permanent maintains hemp's legal status and allows the USDA to continue operating the State's hemp program. The bill became effective June 30, 2022, when it became law.

## House Bill 607 (SL 2022-47) – Various Court Changes

See summary under General Interest.

# House Bill 211 (SL 2022-49) – Social District/Common Area Clarifications See summary under Government & Public Sector.

#### House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters

House Bill 674 makes various changes to statutes dealing with (1) DNA samples in criminal actions, (2) sexual assault medical charges, (3) deed stamp tax refunds issued by county governments, and (4) the register of deeds.

G.S. 15A-266.4(a) requires that when a person is convicted, or found not guilty by reason of insanity, of certain crimes, that person must provide a DNA sample. Section 1 of the bill, effective December 1, 2022, amends the list of offenses found in G.S. 15A-266.4 to require DNA collection upon a conviction or finding of not guilty by reason of insanity for the following crimes:

- Assault on a female by a male person at least 18 years of age.
- Assault on a child under the age of 12.
- Offenses described in G.S. 50B-4.1 (violation of a 50B protective order and similar orders entered by other states).

Section 2 of the bill modifies G.S. 143B-1200(c) to clarify that medical providers may not bill victims, the victim's personal insurance, Medicaid, Medicare, or any other collateral source for forensic medical examinations. The bill also updates the definitions section in G.S. 143B-1200(i) to conform the definitions in that section with the definitions included in the updated federal grant law. Additionally, Section 2 modifies G.S. 131E-91(d) to

require hospitals to have policies in place to prevent the collection of debts related to a forensic medical examination. This Section becomes effective October 1, 2022, and applies to forensic medical examinations completed on or after that date.

Section 2.1 of the bill authorizes a county board of commissioners to designate the county finance officer or the county manager to refund the deed stamp tax. If the county manager or county finance officer denies the refund request, the taxpayer may file a refund request with the board of county commissioners.

Section 2.2 requires the register of deeds to back up storage media of alphabetical indexes required under G.S. 161-22.

Unless otherwise provided, this bill became effective July 7, 2022, when it became law.

# <u>Senate Bill 470 (SL 2022-51)</u> – ABC Technical and Other Changes See summary under Administrative Law.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

House Bill 619 (SL 2022-56) – Weston's Law See summary under Construction Law.

### House Bill 560 (SL 2022-58) - Public Safety Reform

House Bill 560 amends various statutes pertaining to public safety.

Section 1(a) authorizes the Secretary of Public Safety to assign probation officers to perform additional duties during a declared state of emergency or a natural disaster. Section 1(a) becomes effective October 1, 2022.

Section 2 authorizes the Post-Release Supervision and Parole Commission to issue orders of temporary or conditional revocation of post-release supervision and parole subjecting supervisees and parolees to arrest and require those orders to be entered into the Criminal Justice Law Enforcement Automated Data System. This Section becomes effective October 1, 2022.

Section 4 requires the Department of Public Safety to do a damage assessment when a municipality or county declares a State of Emergency. Section 4 became effective July 8, 2022, and applies to States of Emergency declared on or after that date.

Section 5 amends the privilege provided to peer counselors for law enforcement to include all emergency personnel officers, defined as firefighters, search and rescue, or emergency medical services personnel. This Section became effective July 8, 2022, and applies to communications made on or after that date.

Section 6 exempts inmates under the jurisdiction of the Department of Public Safety from barber licensing requirements. This Section became effective July 8, 2022, and applies to actions performed on or after that date.

Section 7, effective August 1, 2022, increases the amount of allowable expenses under the Victims Compensation Fund for funeral, cremation, and burial to \$10,000. Section 10, effective when the bill became law, increases the total amount payable for economic loss by the Crime Victims Compensation Fund to \$45,000.

Section 8 amends the controlling conditions for a person on post-release supervision to provide that they must submit to warrantless searches by a post-release supervision officer of the supervisee's person, vehicle, and premises while the supervisee is present for purposes reasonably related to the post-release supervision. This Section became effective July 8, 2022, and applies to searches on or after that date.

Section 12 extends the use of time-limited private proactive security services to January 1, 2024.

Section 16 repeals the requirement that any person working in an emergency management agency take an oath.

Section 17 directs the Department of Public Safety, the Office of State Budget and Management, and the Office of the State Controller to establish and certify the budget for the new Department of Adult Correction.

Section 20 makes wardens of adult correction facilities hired on or after July 1, 2022, exempt from certain provisions of the State Human Resources Act.

Throughout the bill, various Sections make technical corrections to statutes that reflect the creation of the new Department of Adult Correction on January 1, 2023. These Sections become effective January 1, 2023.

Except as otherwise provided, the bill became effective July 8, 2022, when it became law.

<u>Senate Bill 769 (SL 2022-60)</u> – GSC Postponement/Judicial & Execution Sales See summary under Real Property.

<u>Senate Bill 339 (SL 2022-65)</u> – 2022 WRC Amendments See summary under Environment, Energy & Natural Resources Law.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

<u>Senate Bill 201 (SL 2022-68)</u> – Var. Motor Veh. and Transport. Law Changes See summary under Business Law.

#### House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes

House Bill 252 makes various changes to bail bonds and bail bondsmen statutes and other changes related to forfeiture. Section 1 requires an applicant for licensure as a bail bondsman or a runner to be a legal resident or a documented citizen of the United States. Section 2 permits an applicant who fails an examination to be licensed as a professional bondsman, surety bondsman, or runner to retake the examination within 90 days, upon payment of an additional examination fee. Section 2 also requires an applicant who fails the reexamination to wait at least one year before filing a new application to be examined again.

Section 3(a) requires the forfeiture of a bail bond to disclose the following additional grounds for setting it aside: (1) that the defendant was incarcerated at any time between the failure to appear and the final judgment of forfeiture in a local, state, or federal detention center, jail, or prison within the United States; (2) that notice of forfeiture was not given within 30 days after the failure to appear; and (3) that the court refused to issue an order for arrest for the defendant's failure to appear.

Section 3(b) provides two additional grounds for setting aside a forfeiture: (1) that the notice of forfeiture was not given within 30 days after the failure to appear and (2) that the court refused to issue an order for arrest for the defendant's failure to appear. Section 3(b) also requires the forfeiture to be set aside if the court before which a defendant's appearance was secured enters an order to strike the failure to appear and to recall any order for arrest issued for that failure to appear.

Section 3 of this bill becomes effective December 1, 2022, and applies to forfeitures entered on or after that date. The remainder of the bill became effective July 11, 2022, when it became law.

#### **DISPUTE RESOLUTION**

House Bill 615 (SL 2022-48) – Jordan's Law See summary under Family Law.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

#### **EDUCATION LAW**

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes See summary under Tax.

House Bill 1056 (SL 2022-14) – Ret. & Treasury Changes Act of 2022 See summary under Elder & Special Needs Law.

#### House Bill 1068 (SL 2022-15) – UNC Non-Appropriated Capital Projects

House Bill 1068 authorizes the financing and construction of specific capital improvement projects by the constituent institutions of The University of North Carolina. The projects will be financed through revenue bonds, special obligation bonds, and other funds available to the institutions, excluding tuition and appropriations from the General Fund. The bill also makes a series of changes related to capital improvement projects included in the 2021 Appropriations Act. The bill became effective June 29, 2022, when it became law.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 See summary under Elder & Special Needs Law.

House Bill 768 (SL 2022-44) – 2022 ABC Omnibus See summary under Administrative Law.

Senate Bill 496 (SL 2022-46) – DOI Omnibus Bill See summary under Insurance Law.

Senate Bill 671 (SL 2022-59) – Virtual Educ./Remote Acad./Virtual Charters
Senate Bill 671 makes various changes to the North Carolina education statutes.
Specifically, the bill does the following:

- Repeals the sunset clause for the statute permitting limited virtual instruction during emergency conditions.
- Allows all local school administrative schools that provided full-time virtual
  instruction in the 2021-2022 school year to continue providing full-time virtual
  instruction in the 2022-2023 school year, and any charter school that provided fulltime virtual instruction during the 2021-2022 school year to continue providing
  such instruction through the 2023-2024 school year.
- Starting in the 2023-2024 school year, authorizes local school administrative units to establish remote academies that meet certain requirements to provide full-time virtual instruction for any combination of grade levels. The statute lays out requirements for class size, reassignment of students, and for students under an Individualized Education Plan.
- Modifies pilot virtual charter schools to complete 10 year charters, instead of eight year charters, with eligibility to apply for renewal upon expiration.

Except as otherwise provided, the bill became effective July 8, 2022, when it became law, and applies beginning with the 2022-2023 school year.

House Bill 661 (SL 2022-69) – AgeReq.Mod's/CapProj.Oversight/BEAD correct House Bill 661 makes various changes to statutes related to (1) underage employment, (2) alcohol sales, (3) the State Board of Community Colleges, and (4) the 2022 Budget.

Section 1 clarifies that qualified youth 15 and older can enroll in courses, including certification eligible courses, in fire training at a community college on a specialized course list approved by the State Board of Community Colleges. This section applies to any course enrolled in by a qualified youth on or after January 1, 2021.

Section 2 of the bill reduces the required age for issuance of a salesman permit for route salesmen and salesmen working at a wholesaler's warehouse from 21 to 18 years of age.

Section 3 temporarily allows youths 15 years of age to work inside an ABC permittee premises that allows on-premises consumption. This Section expires December 31, 2023. Youth are still not allowed to prepare, serve, dispense, or sell alcohol for on-site consumption under this Section.

Section 4 does two things: (1) eliminates the requirement that the State Building Commission (Commission) and Director of the Budget approve Board-adopted guidelines that a community college must meet in order to be delegated authority for a capital improvement project; and (2) exempts projects having an estimated required expenditure

of public funds of less than \$2 million from the list of projects included in the Community Colleges System Office's annual report to the Commission.

Section 5 requires, upon written request from the State Board of Community Colleges and after a contract for work has been awarded, the Department of Administration to review and approve all plans and specifications for construction or renovation of community college buildings requiring the estimated expenditure of less than \$2 million in public funds.

Section 6 amends the 2022 Appropriations Act (S.L. 2022-74) to authorize the Department of Information Technology to use up to three percent of initial federal funds received under the Broadband, Equity, Access, and Deployment Program for planning purposes and to use up to two percent of such funds for administrative purposes.

The bill became effective July 11, 2022. Section 1 of the act applies to any courses in which a qualified youth enrolls, including certification eligible courses, on or after January 1, 2021.

#### House Bill 177 (SL 2022-70) – Extend Spiking Moratorium/LGERS Surety

House Bill 177 extends the pension-spiking moratorium enacted in <u>S.L. 2021-72</u> from June 30, 2022, to June 30, 2023, and requires the Local Governmental Employees' Retirement System's Board of Trustees to adopt rules by August 1, 2023, for eligible employers that do not have taxing authority in order to cover a withdrawal liability should they cease participation in the Retirement System. The bill became effective June 30, 2022.

#### House Bill 159 (SL 2022-71) – Education Law Changes

House Bill 159 makes various changes to the State's education law statutes. Part I makes changes to Pre-K requirements, Part II makes K-12 education changes, Part III makes changes to higher education laws, Part IV covers the "School Threat Assessment Survey", and Part V makes advanced teaching role changes.

Section 1.1 directs the North Carolina Child Care Commission to adopt a rule to expand how a North Carolina Early Childhood Credential can be earned.

Section 1.2 prohibits the Division of Child Development and Early Education of the Department of Health and Human Services from requiring an individual working towards an associate degree to complete a minimum number of semester hours per year in order to be eligible for employment as an NC Pre-K teacher assistant.

Section 1.3 requires the Department of Public Instruction to use federal funds to add at least 13 employees to provide professional development and support to teachers in public schools who work with students with disabilities ages 3 through 5, including preschool and kindergarten teachers.

Starting with applications and enrollments for the 2022-2023 school year, Section 2.3 extends the charter school enrollment priority to grandchildren of employees or board members.

Section 2.5 grants the following to the children of inactive members of the National Guard and military reserves, if the member is required to move to perform military service-related responsibilities: (i) for intrastate moves, the same services as are provided to children of active duty military under the Compact and (ii) for interstate moves, any services provided to children of active duty military under the Compact to the extent possible without coordination with another state.

Section 2.8 extends the principal license exemption to cover individuals who have completed at least one course as part of a master's degree program or post-master's certificate designed for school administrators by August 31, 2024.

Section 3.2 allows community colleges to enroll students from public school units and non-public schools (private and home schools) in academic transition courses and college transfer pathway courses.

Section 3.6 clarifies the definition of "eligible disabled veteran" for the Patriot Star Family Scholarship Program to include veterans who incurred traumatic injuries, wounds, or illness as a member of the Armed Forces while training in preparation for future conflicts if the veteran is receiving compensation of at least 50% as rated by the U.S. Department of Veterans Affairs as a result of those injuries, wounds, or illness.

Part IV requires all public-school units to report the following information to the Center for Safer Schools by November 15, 2022:

• Whether the public-school unit or any school in the public-school unit has any systems, policies, procedures, or precautions in place to identify or address indications that a student may pose a risk of violence or other harm to themselves or others and, if so, a description of the system, policy, procedure, or precaution.

- The number and nature of threats identified under any system in place for the public-school unit.
- The response to any identified threat and the result.
- Whether each school in the public-school unit has a School Risk Management Plan and the number of drills conducted under the plan.
- Any other systems, policies, procedures, or precautions the public-school unit or a school in the public-school unit undertakes with the purpose of minimizing violence and threats in schools.

Except as otherwise provided, the bill became effective July 8, 2022, when it became law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

#### **ELDER & SPECIAL NEEDS LAW**

<u>Senate Bill 448 (SL 2022-9)</u> – Amendments to Schedule VI of the CSA See summary under Health Law.

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes See summary under Tax.

#### House Bill 1056 (SL 2022-14) - Ret. & Treasury Changes Act of 2022

House Bill 1056 allows a limited exception to the irrevocable election to transfer funds from supplemental plans to the Teachers' and State Employees' Retirement System (TSERS) and the Local Governmental Employees' Retirement System (LGERS). Also, the bill makes changes related to employer reporting of inactive employees in TSERS and LGERS and establishes a default option for employing units that fail to select an option for the transfer of assets when a Section 403(b) plan is discontinued. In addition, the bill clarifies (1) the non-assignability of line of duty death benefits for public safety employees and (2) the administration of long-term disability benefits. Section 6 of the bill amends the criteria for agreements to locate property between property finders and owners or apparent owners to contain a notarized signature from a licensed private investigator authorized to bind the property finder. Lastly, the bill specifies that the Local Government Commission (LGC) may deny an energy savings contract application involving a financing agreement of any school administrative unit or community college that fails to notify the LGC of its intent to issue a request for proposal for solicitation of said contract at least 15 days in advance. Except as otherwise provided, the bill became effective July 1, 2022.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 House Bill 1058 makes the following changes:

- Technical corrections to the Teachers' and State Employees' Retirement System (TSERS), Local Governmental Employees' Retirement System (LGERS), and the Consolidated Judicial Retirement System (CJRS).
- Removes a specific reference to Section 501(c)(9) of the Internal Revenue Code from certain death benefit statutes.
- Makes a conforming change and removes language in the Separate Insurance Benefits Plan (Plan) for State and Local Government Law Enforcement Officers that required the accident and sickness disability insurance benefits to be payable to a participant at any time after they become a participant in the Plan.
- Changes the Achieve a Better Life Experience (ABLE) Program by: (1) amending the definitions through removing references to the "parent, sibling, guardian, or agent under a power of attorney" and replaces it with "an authorized representative" as it relates to who may act for the account owner; (2) defining "authorized representative" as "an individual or entity authorized to open or manage an ABLE account on behalf of an account owner under the provisions of the federal ABLE act and federal regulations promulgated under the Act"; (3) requiring the ABLE Program Board of Trustees to administer the ABLE Program Trust in compliance with the federal ABLE Act and regulations; and (4) adding a reference to the Board of Trustees" and "authorized representative" in the disclaimer providing that administration of the program does not create an obligation to guarantee a benefit.
- Makes a technical correction to the applicability clause in <u>S.L. 2016-108</u>.

The bill became effective July 1, 2022.

Senate Bill 496 (SL 2022-46) – DOI Omnibus Bill See summary under Insurance Law.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

<u>Senate Bill 671 (SL 2022-59)</u> – Virtual Educ./Remote Acad./Virtual Charters See summary under Education Law.

Senate Bill 138 (SL 2022-63) – Funeral Dir. Exam/Death Certs.

See summary under Administrative Law.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

House Bill 177 (SL 2022-70) – Extend Spiking Moratorium/LGERS Surety See summary under Education Law.

House Bill 159 (SL 2022-71) – Education Law Changes See summary under Education Law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

# **ENVIRONMENT, ENERGY & NATURAL RESOURCES LAW**

<u>Senate Bill 372 (SL 2022-11)</u> – Electrical Lic./Bldg. Code/Dev. Reform 2022 See summary under Construction Law.

<u>Senate Bill 455 (SL 2022-32)</u> – Conform Hemp with Federal Law See summary under Criminal Justice.

### House Bill 219 (SL 2022-43) - Amend Environmental Laws

House Bill 219 makes various changes to the environmental laws of the State.

Section 1 provides that entities receiving a directed infrastructure grant for certain water, sewer, and stormwater projects must provide a complete request for funding to Department of Environmental Quality (DEQ) for an eligible project no later than June 30, 2023. Failure to provide a complete funding request form by June 30, 2023, will cause the directed allocations to fully revert on July 1, 2023. For complete funding requests that are less than the amount allocated to the requesting entity, the excess amount of the directed allocation reverts on July 1, 2023.

Section 2 expands the allowable uses of State Capital and Infrastructure funds (SCIF) allocated by Section 40.7(a) of <u>S.L. 2021-180</u> for stream debris removal to include other flood mitigation strategies prioritized throughout the Flood Resiliency Blueprint Plan (Plan). Section 3 makes a technical correction to the Plan. Sections 2 and 3 became effective July 7, 2022, when the bill became law, and apply retroactively to July 1, 2021.

Section 5 amends the Coastal Area Management Act (CAMA) notice requirement in G.S. 113A-110 for land-use plan or amendment hearings to match the required notice period under G.S. 160D-601. This section also allows a local government to post the proposed plan or amendment at a designated county or local government office, instead of the county courthouse.

Section 6 directs DEQ to conduct a study to expedite permit issuance under the express permit and review certification program (G.S. 143B-279.13) and the fast-track permitting for stormwater management program (G.S. 143-214.7B). DEQ must report its findings, including recommendations for legislative action, to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources no later than December 31, 2022.

Section 7 provides that permitted wastewater discharges to certain surface waters of this State shall not cause a reduction in the dissolved oxygen levels of those surface waters of more than 0.10mg/l below the approved model in-stream level for the surface waters at total permitted capacity for all discharges. This requirement applies to surface waters that have been determined by DEQ to have naturally occurring low dissolved oxygen levels.

Section 8(a) provides that an applicant for a mine permit is only required to provide notice to landowners within 1,000 feet of the land to be added under a proposed permit modification, rather than all landowners within 1,000 feet of existing boundaries. Section 8(b) provides that a decision to grant a permit may be contested and establishes that the 30-day period for contesting a DEQ permitting decision begins on the day DEQ posts the decision on a publicly available website.

Except as otherwise provided, the bill became effective July 7, 2022, when it became law.

# <u>Senate Bill 339 (SL 2022-65)</u> – 2022 WRC Amendments

Senate Bill 339 makes various changes to the statutes governing the Wildlife Resources Commission (WRC). Section 1 of the bill increases penalties for violations of WRC emergency powers or rules exercised to respond to a wildlife disease to include misdemeanors. Section 1 is effective December 1, 2022, and applies to offenses

committed on or after that date. Section 2 reduces fees for a fur dealer license and amends the definition of "dealing in furs". The bill also allows holders of Resident Subsistence Unified Inland/Coastal Recreational Fishing License Waivers to fish in public mountain trout waters. Lastly, the bill defines the phrase "domestically raised waterfowl and game birds" to mean propagated mallard ducks, bobwhite quail, ringed neck pheasants, chukar partridges, and Hungarian partridges in accordance with the Code of Federal Regulations. Except as otherwise provided, the bill became effective July 8, 2022, when it became law.

House Bill 792 (SL 2022-72) – Barbers/Electrolysis Boards/Merger See summary under Administrative Law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

### **ESTATE PLANNING & FIDUCIARY LAW**

<u>Senate Bill 278 (SL 2022-12)</u> – Prop./Fam. Law-Reimburse Prop. Expenditures See summary under Family Law.

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes See summary under Tax.

House Bill 1056 (SL 2022-14) – Ret. & Treasury Changes Act of 2022 See summary under Elder & Special Needs Law.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 See summary under Elder & Special Needs Law.

<u>House Bill 674 (SL 2022-50)</u> – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

Senate Bill 265 (SL 2022-53) – Bond Info Transparency/LGC Toolkit II See summary under Government & Public Sector.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

### Senate Bill 138 (SL 2022-63) – Funeral Dir. Exam/Death Certs.

See summary under Administrative Law.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

### **FAMILY LAW**

# Senate Bill 278 (SL 2022-12) - Prop./Fam. Law-Reimburse Prop. Expenditures

Section 1, as recommended by the NCBA Family Law Section, clarifies the right of one spouse to reimbursement from the other spouse for expenditures made with respect to property during the time that the property is held as tenants by the entirety. The new language clarifies that nothing in that statute: (1) applies to equitable distribution proceedings, (2) renders unenforceable the terms of any otherwise valid and enforceable provisions of contracts between spouses, or (3) affects any otherwise valid and enforceable lien or judgment.

Section 2 requires certain information to be included in a condominium declaration before recordation, and applies to declarations recorded on or after the bill's effective date. Section 3 clarifies the applicability of certain provisions of the Condominium Act to condominiums created on or before October 1, 1986. Lastly, as of July 1, 2022, Section 4 amends the Marketable Title Act to exempt provisions contained in a declaration applicable to certain condominium, cooperatives, and planned communities. Except as otherwise provided, the bill became effective June 30, 2022, when it became law.

# House Bill 607 (SL 2022-47) - Various Court Changes

See summary under General Interest.

### House Bill 615 (SL 2022-48) – Jordan's Law

House Bill 615 makes a few changes to Chapter 50 and Chapter 50B. Section 1 allows a court to temporarily extend a domestic violence protective order if a court date to consider the extension has been set after the expiration date on the order. Section 2 amends the requirements for custody mediation to make mediation optional for custody and visitation issues arising from motions for contempt or motions to show cause. Section 1 of the bill becomes effective December 1, 2022, and applies to pending motions to renew filed before, on, or after that date. Section 2 of the bill becomes effective December 1, 2022, and applies to motions filed on or after that date.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes See summary under Criminal Justice.

#### **GENERAL INTEREST**

# House Bill 607 (SL 2022-47) – Various Court Changes

House Bill 607 makes various changes affecting the North Carolina court system.

Sections 1, 2, and 3 make changes to expunctions. Section 1 suspends the automatic expunction of dismissed charges, not guilty verdicts, and findings of not responsible from August 1, 2022, until August 1, 2023. This Section became effective August 1, 2022, and expires August 1, 2023. Section 2(a) requires the Administrative Office of the Courts (AOC) to convene a group of stakeholders to examine and make recommendations to resolve the issues that have arisen with the implementation of G.S. 15A-146(a4), including issues related to notice to all relevant agencies and file retention. Section 2(b) allows AOC to make court records impacted by Section 1 of the bill confidential from the public while Section 1 of the bill is in effect. Section 3 amends G.S. 15A-145.5, which allows the expunction of nonviolent misdemeanors and felonies, as follows: (1) clarifies the findings on prior convictions necessary for expunction of misdemeanors; (2) increases the period allowed for filing of multiple petitions in multiple counties from 30 days to 120 days; and (3) authorizes the court to allow an additional petition outside the 120 days for good cause shown. Section 3 became effective July 1, 2022, and applies to petitions filed on or after that date.

Section 4, effective December 1, 2022, allows magistrates to accept domestic violence ex parte orders or civil no-contact orders and issue summonses when the clerk's office is closed.

Effective October 1, 2022, Section 5 allows magistrates to reside in a county that borders the county in which they serve.

Section 6 allows chief district court judges to investigate written complaints against magistrates and discipline magistrates in accordance with the Rules of Conduct for Magistrates. The language specifies that once a chief district court judge issues a letter of caution, written reprimand, or suspension, the written complaint and records relating to the chief district court judge's action are no longer confidential personnel records but are instead public record. This Section becomes effective October 1, 2022, and applies to any letter of caution, written reprimand, or suspension issues on or after that date.

Section 7 adds another Court of Appeals Judge to the Judicial Standards Commission and allows the additional judge to serve as the vice-chair on the Commission.

Section 8 requires that judges be appointed to hear medical malpractice cases in the first proceeding that occurs 150 days or more after the case is filed. This Section became effective August 1, 2022, and applies to actions filed on or after that date.

Section 15 makes several clarifying changes, including a clarification that a clerk or magistrate authorized to conduct a first appearance under Session Law 2022-6 has the same authority as a district court judge has in conducting the first appearance.

Section 16 makes conforming changes to North Carolina's Criminal Procedure statutes in preparation for E-Courts.

The remainder of the bill repeals the requirement for certain annual legislative reports, authorizes judicial support staff to process jury deferrals, extends the Chief Justice of the Supreme Court's time to assign emergency judges until July 1, 2023, makes various technical and conforming changes, requires magistrates to receive training on summary ejectment laws, and eliminates the State Judicial Council.

Except as otherwise provided, the bill became effective July 7, 2022, when it became law.

#### House Bill 776 (SL 2022-54) – Remote Electronic Notarization

House Bill 776 lays the groundwork and establishes procedures for remote online notarization (RON) to begin in North Carolina starting July 1, 2023. Under the new Part 4A of Article 2 of Chapter 10B of the General Statutes, notaries physically located in North Carolina will be allowed to notarize certain documents so long as the notary is able to adequately verify that the principal is located in the United States, U.S. territories, or U.S. embassies, or on a U.S. military base. Documents RON will not apply to are as follows:

Self-proved wills.

- Revocable or irrevocable trusts or any documents amending the same.
- Death beneficiary forms that require an acknowledgment.
- Codicils to wills.
- Documents related to the relinquishment of parental rights in adoptions.
- Mail-in absentee ballots.

Several of the NCBA's Sections were involved in the stakeholder group that advocated for RON legislation during the 2021 and 2022 legislative sessions – specifically the Real Property and Corporate Counsel Sections. The Secretary of State's Office is directed to begin rulemaking for RON's implementation. The bill provides that the Emergency Video Notarizations (EVN) provisions enacted during COVID will resume immediately as a stopgap measure to allow video notarizations while permanent RON procedures are being put in place. EVN expires on June 30, 2023, then the permanent RON procedures take effect.

# House Bill 869 (SL 2022-61) – State Bar Grievance Process/Ethics Records

House Bill 869 creates a Grievance Review Panel of the Grievance Committee of the State Bar to review Grievance Committee determinations. Specifically, the bill creates a grievance review panel to allow respondents to appeal privately a public discipline decision by the Grievance Committee before appealing to the Disciplinary Hearing Commission (DHC). In addition, the bill authorizes the recovery of attorneys' fees by respondents in actions before the DHC who have been found not to have committed a violation. Further, the bill provides that documents in the possession of the State Bar or its staff, employees, legal counsel, councilors, or Ethics Committee advisory members concerning any request for ethics advice are not public records, unless the material, with the consent of the inquiring party, appears in a public agenda of the Ethics Committee. The State Bar is required to adopt temporary rules to implement the Act. The bill became effective July 8, 2022, when it became law, and applies to grievances and proceedings existing, or commenced, on or after that date.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation House Bill 1018, recommended by the General Statutes Commission, contains various amendments requested either by a Section of the North Carolina Bar Association (NCBA) or the Department of Natural and Cultural Resources (DNCR).

Part I primarily consists of the following amendments affecting real property as requested by the Real Property Section:

• Section 1 amends the section catchline of G.S. 47-18.1 to accurately reflect the substance of the statute and makes corresponding changes.

- Section 2(a) amends G.S. 47-119 to clarify that a memorandum may be used to register numerous types of instruments described in G.S. 47-18, in conformity with changes <u>S.L. 2021-91</u> made to G.S. 47-18.
- Section 2(b) amends G.S. 47-119.1 to clearly identify the required components for a memorandum for contract to purchase real estate, including which parties must sign the memorandum, and to remove the statutory form.
- Section 3(a) adds a new G.S. 41-6.5 to clarify the intent of the General Assembly to abolish the common-law rule against perpetuities when the Uniform Rule Against Perpetuities was enacted. This new Section applies to a property interest or power of appointment created on or after October 1, 1995 (the effective date of the Uniform Rule Against Perpetuities). Section 3(b) repeals G.S. 41-22. This Section became effective July 8, 2022, when it became law, and does not affect any rights adjudicated in a final court decision entered on or before that date.

Part II primarily consists of amendments requested by the Business Law Section to strengthen the personal liability protections for limited liability partnerships. Section 4(a) amends G.S. 59-45(a1) to provide that a partner in a registered limited liability partnership is not individually liable, directly or indirectly, including by indemnification, contribution, assessment, or otherwise, for liabilities of the partnership incurred while it is a registered limited liability partnership. This language is modeled after the comparable Delaware statute and is parallel to existing language in subsection (b) related to liability for professional services. Section 4(b) amends G.S. 59-70 in subdivision (4) to provide that partners shall contribute the amount necessary to satisfy any liabilities incurred when the partnership was not a registered limited liability partnership. The current language does not specifically address liabilities incurred by a registered limited liability partnership.

Part III, requested by the Administrative Law Section, amends G.S. 150B-45 to provide that a superior court may order a change of venue but shall not dismiss the petition due to improper venue.

Part IV makes a conforming change to account for special fiduciaries in guardianship proceedings as requested by the Estate Planning & Fiduciary Law Section.

Part V primarily consists of amendments requested by DNCR that clarify and improve the landmark designation procedure under G.S. 160D.

Except as otherwise provided, the bill became effective July 8, 2022, when it became law.

# House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022.

Section 1 clarifies that, as with local school boards, charter school boards can request that an individual be issued a residency license.

Section 2 allows charter schools to automatically extend the deadline to begin operations if it notifies the State Board of Education that it is seeking land use or development approvals for its selected site or facilities or if it is challenging the denial of any requested land use or development approvals. The term of the charter will be tolled during the extension period issued under this Section.

Section 3 authorizes sanitary districts to provide for the creation, maintenance, and operation of parks and recreation programs and facilities, but they are prohibited from using the power of eminent domain to acquire real property for parks and recreation facilities.

Section 4 permits the Veterinary Medical Board to impose and collect from licensees and veterinary facility permittees a civil penalty of up to \$5,000 for each violation of the veterinary licensing statute.

Section 5 eliminates outdated statutory language in G.S. 143C-6-23 (the State Budget Act) that directed State agencies to register grant programs and recipients with the State Auditor's office.

Section 6 conforms the State standards for post-remediation lead dust clearance levels to the new federal standards set in 40 CFR Part 745. This Section becomes effective December 1, 2022.

Section 7 makes the following changes:

- Excludes detailed plans and drawings contained in information storage systems or geographic information system databases from the definition of "public records" under G.S. 132-1.7.
- Excludes from disclosure as a public record the specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (both physical and virtual) for energy utilities.
- Makes technical, formatting, and clarifying changes to the existing exemptions in the statute and other applicable statutes.
- Expands the public records exclusion for "prison operations" to "prison or local confinement facilities operations".

Section 9 amends G.S. 143-139.1(a) by making it applicable only to single-family modular homes that are built on a frame. Modular homes that are not built on a frame do not have to meet these requirements for compliant manufacturing certification.

Section 10 extends the deadline for municipalities with a population of 1,500 or less to adopt a comprehensive plan from July 1, 2022, to July 1, 2023.

Section 11 permits a consumer finance licensee to take a confession of judgment from a borrower following the borrower's failure to make a payment as required under the loan contract.

# Section 12 makes the following changes:

- Clarifies that the installation or replacement of condensing units, air handlers, gas
  furnaces, package units, boilers, water heaters, heat exchangers, whole-house
  water purification or treatment systems, as well as the connection, repair, or
  alteration to the plumbing drainage, water or venting systems or the potable water
  system are included under the umbrella of plumbing, heating, and fire sprinkler
  contracting work, and persons engaged in those practices must be licensed under
  this Article.
- Clarifies that the Article does not apply to those who clean plumbing drains.
- Requires that a sales and installation contract for a water heater to only be signed by the retailer and the buyer, identify the licensee, and include the licensee's license number and telephone number.

Section 13 defines "waterslide dispatcher" under the Amusement Device Safety Act of North Carolina as an employee stationed at the top of a waterslide for the purpose of managing the ride queue and dispatching waterslide users. It also provides that waterslide dispatchers must be at least 16 years of age.

Sections 14 allows counties and cities to enter into Intergovernmental Support Agreements with military installations.

Section 15 amends licensure requirements for Cosmetic Arts by reducing the existing experience requirements to one year for all applicants and requiring applicants for licensure as a natural hair care teacher to pass a Board-conducted examination. This Section becomes effective October 1, 2022, and applies to applications for licensure on or after that date.

Section 16 adds the United States Concealed Carry Association (CCA) to the list of organizations that may certify or sponsor firearms safety and training courses, and adds CCA-certified instructors to the list of instructors permitted for firearms safety and training courses offered by law enforcement agencies, colleges, private or public institutions or organizations, or firearms training schools. This Section became effective July 1, 2022, and applies to permit applications submitted on or after that date.

Section 17 makes the following changes to the North Carolina Timeshare Act:

- Narrows the definition of "timeshare transfer services" to exclude services "offered" in the State or "offered or provided anywhere in connection with a timeshare program containing timeshare units or a timeshare property located in this State".
- Removes language that could be interpreted to subject out-of-state companies acting out-of-state to personal jurisdiction in a North Carolina court and narrows this to any business providing such services "in this State".

Section 18, effective July 1, 2022, repeals Section 9B.1(c) of <u>House Bill 103</u> that prohibited the Department of Health and Human Services from reorganizing its child and family well-being programs and services and associated funding without express authorization from the General Assembly.

Section 21 repeals Section 12.9(f) of <u>House Bill 103</u> that set out alternative criteria for the disbursement of grant funds for certain water and wastewater infrastructure funds.

Except as otherwise provided, this bill became effective July 12, 2022, when it became law.

### **GOVERNMENT & PUBLIC SECTOR**

House Bill 315 (SL 2022-8) – Arson Law Revisions See summary under Criminal Justice.

Senate Bill 372 (SL 2022-11) – Electrical Lic./Bldg. Code/Dev. Reform 2022 See summary under Construction Law.

House Bill 1056 (SL 2022-14) – Ret. & Treasury Changes Act of 2022 See summary under Elder & Special Needs Law.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 See summary under Elder & Special Needs Law.

<u>Senate Bill 455 (SL 2022-32)</u> – Conform Hemp with Federal Law See summary under Criminal Justice.

### House Bill 219 (SL 2022-43) – Amend Environmental Laws

See summary under Environment, Energy & Natural Resources Law.

### House Bill 768 (SL 2022-44) - 2022 ABC Omnibus

See summary under Administrative Law.

# House Bill 607 (SL 2022-47) – Various Court Changes

See summary under General Interest.

### House Bill 615 (SL 2022-48) - Jordan's Law

See summary under Family Law.

### House Bill 211 (SL 2022-49) – Social District/Common Area Clarifications

House Bill 211 recodifies and revises the statutes related to common area entertainment permits and social districts to make them more uniform and to clarify which areas can be included under a common area entertainment permit or a social district.

Section 1 clarifies that an individual can possess an open container of spirituous liquor or fortified wine in a social district or a designated consumption area under a common area entertainment permit.

Section 2 repeals the existing common area entertainment permit statutes and recodifies the permit to clarify what the permit authorizes. This permit does not limit the possession or consumption of alcoholic beverages otherwise authorized by law. The permit continues to be issued to the owner or property owners' association of a multi-tenant establishment, but a common area would be defined as "an indoor or outdoor portion of a multi-tenant establishment that is open to the public", and the permit holder could designate common areas as "designated consumption areas" where consumption of alcoholic beverages is allowed. The designated consumption area may include (1) any indoor or outdoor area of a permittee business that is contiguous to a designated common area or (2) any indoor or outdoor area of a non-permittee business that is contiguous to the designated common area and that chooses to allow customers to bring open containers of alcoholic beverages onto its premises.

Section 3 repeals the existing social district statute in Chapter 18B and recodifies it to clarify what is authorized in a social district. A local government is authorized in this Section to adopt an ordinance to designate one or more defined areas to be social districts, which may include both indoor and outdoor areas of permittee and non-permittee businesses within, or contiguous to, the defined area during the days and hours set by the local government. The local government has to submit maps of the social districts to the Alcoholic Beverage Control Commission and must mark the social districts in a way that clearly indicates to customers the physical boundaries of the social district.

Section 4 provides that, if a social district directly borders a designated consumption area established by the holder of a common area entertainment permit, the multi-tenant establishment and the local government that established the social district may enter into a memorandum of understanding that allows open containers approved for consumption in either the social district or designated consumption area to be possessed and consumed in both the social district and the designated consumption area during times when both the social district and designated consumption area are active.

The bill became effective July 7, 2022, when it became law.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

<u>Senate Bill 470 (SL 2022-51)</u> – ABC Technical and Other Changes See summary under Administrative Law.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

<u>Senate Bill 265 (SL 2022-53)</u> – Bond Info Transparency/LGC Toolkit II Senate Bill 265 strengthens the local government bond process and makes changes to local government finance provisions by doing the following:

- Requiring locating government units ("units") to provide a statement of disclosures that contains: estimated interest costs of the bond issuance; estimated property tax rate changes, if any, needed to service the proposed debt; and a calculation of the two-thirds bonds capacity of the unit for the current fiscal year.
- Requiring units to file interim reports with the Local Government Commission (LGC) for events that will or may have a material, adverse effect on the financial

health, operations, or internal controls of the unit. This change helps the LGC more aptly evaluate a unit's fiscal condition for the issuance of debt that may not be reflected on the unit's current annual report.

- Limiting the amount of debt a unit on the most recently published Unit Assistance List could incur, and the types of contracts they may enter into, without LGC approval.
- Repealing a provision that required the State Health Plan to charge interest on late premiums to local governments and charter schools, as the provision was not costeffective to administer.
- Requiring local governments and state entities to provide notice to the LGC of the creation of any new public authority or unit that is subject to the Local Government Budget and Fiscal Control Act.
- Increasing the fidelity bond requirements for finance officers to protect the assets of local governments and public authorities in Section 9 of the Act.
- Authorizing charter schools to participate in the State Treasurer's Ancillary Governmental Participant Investment Program.

Section 9 of the bill becomes effective January 1, 2023. The remainder of the bill became effective July 7, 2022, when it became law, and applies to bonds issued under bond orders introduced on or after October 1, 2022, and to contracts entered into on or after October 1, 2022.

### Senate Bill 435 (SL 2022-57) – Terminations of States of Emergency

Senate Bill 435 amends G.S. 166A-19.31 to add a publication requirement for expiration or termination of the restrictions and prohibitions set in place during a local state of emergency. When restrictions or prohibitions have been imposed and the local state of emergency expires or terminates, the county or city is required to do both of the following:

- (1) Post a notice of the expiration or termination on the county or city's website, if the county or city has one.
- (2) Submit a notice of expiration or termination to the Department of Public Safety WebEOC critical incident management system.

The bill became effective July 8, 2022, when it became law, and applies to prohibitions and restrictions imposed, and states of emergency declared, on or after that date.

House Bill 560 (SL 2022-58) – Public Safety Reform See summary under Criminal Justice.

<u>Senate Bill 671 (SL 2022-59)</u> – Virtual Educ./Remote Acad./Virtual Charters See summary under Education Law.

<u>Senate Bill 768 (SL 2022-62)</u> – GSC Technical Corrections 2022/Additional TC See summary under Zoning, Planning & Land Use.

Senate Bill 138 (SL 2022-63) – Funeral Dir. Exam/Death Certs. See summary under Administrative Law.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

<u>Senate Bill 201 (SL 2022-68)</u> – Var. Motor Veh. and Transport. Law Changes See summary under Business Law.

House Bill 661 (SL 2022-69) – AgeReq.Mod's/CapProj.Oversight/BEAD correct See summary under Education Law.

House Bill 177 (SL 2022-70) – Extend Spiking Moratorium/LGERS Surety See summary under Education Law.

House Bill 792 (SL 2022-72) – Barbers/Electrolysis Boards/Merger See summary under Administrative Law.

House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes See summary under Criminal Justice.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

### **HEALTH LAW**

House Bill 315 (SL 2022-8) – Arson Law Revisions See summary under Criminal Justice.

Senate Bill 448 (SL 2022-9) – Amendments to Schedule VI of the CSA

Senate Bill 448 makes prescription drugs containing marijuana and tetrahydrocannabinols (THC) lawful in North Carolina automatically once all of the following factors are met:

- The Food and Drug Administration (FDA) approves the use of the prescription drug.
- The Drug Enforcement Administration (DEA) makes the appropriate change to the federal controlled substance schedules.
- The North Carolina Commission for Mental Health, Developmental Disabilities, and Substance Abuse (Commission) does not object to excluding the new drug from Schedule VI.

While the bill allows the Commission to object to removing the new drug from Schedule VI, it does not require any positive action by the Commission. If the Commission does not make an objection as described under G.S. 90-88(d), the new drug would automatically be excluded from Schedule VI. The bill became effective June 14, 2022, when it became law, and applies to prescription drugs approved by the FDA on or after that date.

<u>Senate Bill 372 (SL 2022-11)</u> – Electrical Lic./Bldg. Code/Dev. Reform 2022 See summary under Construction Law.

<u>Senate Bill 455 (SL 2022-32)</u> – Conform Hemp with Federal Law See summary under Criminal Justice.

<u>Senate Bill 496 (SL 2022-46)</u> – DOI Omnibus Bill See summary under Insurance Law.

House Bill 607 (SL 2022-47) – Various Court Changes See summary under General Interest.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

Senate Bill 470 (SL 2022-51) – ABC Technical and Other Changes See summary under Administrative Law.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

<u>Senate Bill 265 (SL 2022-53)</u> – Bond Info Transparency/LGC Toolkit II See summary under Government & Public Sector.

### House Bill 776 (SL 2022-54) – Remote Electronic Notarization

See summary under General Interest.

# House Bill 560 (SL 2022-58) - Public Safety Reform

See summary under Criminal Justice.

### Senate Bill 138 (SL 2022-63) - Funeral Dir. Exam/Death Certs.

See summary under Administrative Law.

### Senate Bill 339 (SL 2022-65) – 2022 WRC Amendments

See summary under Environment, Energy & Natural Resources Law.

# House Bill 792 (SL 2022-72) – Barbers/Electrolysis Boards/Merger

See summary under Administrative Law.

# House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes

See summary under Criminal Justice.

### House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022.

See summary under General Interest.

### **INSURANCE LAW**

### Senate Bill 347 (SL 2022-7) – Captive Insurance Amendments

Senate Bill 347 makes various technical and substantive changes to the laws governing captive insurance companies in the State. Specifically, the bill does the following:

- Section 1 requires the Commissioner of Insurance (Commissioner) to maintain the
  confidentiality of information filed by a captive insurance company when it seeks
  approval of a distribution from capital or surplus, a change to its plan of operation,
  or a loan to an affiliate.
- Section 2 authorizes the Commissioner, upon written request, to exempt any captive insurance company from compliance with audit requirements if such compliance would cause it financial or organizational hardship.
- Section 3 authorizes the Commissioner to conduct a financial analysis of information obtained from a captive insurance company whenever the Commissioner deems it prudent to do so.
- Section 5.(a) amends G.S. 105-228.4A to:

- Provide that two or more captive insurance companies under common ownership and control will be taxed as separate companies if they are either a protected cell captive insurance company or a special purpose captive insurance company with a cell or series structure.
- Specify the aggregate amount of tax payable by a special purpose captive insurance company with a cell or series structure with more than 10 cells or series.
- Section 5.(b) provides that, if a licensed captive insurance company, formed and licensed in another jurisdiction, redomesticates to North Carolina with the approval of the Commissioner prior to December 31, 2022, it is exempted from premium taxes otherwise due for the remainder of the year in which redomestication occurs and for the following calendar year. This provision expires for taxable years beginning on or after January 1, 2024.
- Section 6 requires captive insurance companies to be managed by a captive manager approved by the Commissioner.
- Section 7 subjects a captive insurance company to license suspension or revocation for failing to operate in accordance with its approved plan of operation.
- Section 8 prohibits a captive insurance company from becoming a surety on bail bonds or guaranteeing their performance.
- Section 9 provides that a captive insurance company is not entitled to claim a gross premium tax exemption as an inactive captive insurance company unless the Commissioner has declared that it is inactive.

Sections 5(a) and 9 of the bill are effective for taxable years beginning on or after January 1, 2022. Section 5(b) is effective for taxable years beginning on or after January 1, 2021. The remainder of the bill became effective June 14, 2022, when it became law.

House Bill 315 (SL 2022-8) – Arson Law Revisions See summary under Criminal Justice.

<u>Senate Bill 448 (SL 2022-9)</u> – Amendments to Schedule VI of the CSA See summary under Health Law.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 See summary under Elder & Special Needs Law.

### Senate Bill 496 (SL 2022-46) – DOI Omnibus Bill

Senate Bill 496 makes clarifying changes to various insurance laws, as recommended by the Department of Insurance (DOI). Specifically, the bill makes the following changes:

- Eliminates personal delivery as a delivery option for certain DOI forms under Article 19 of Chapter 58.
- Expands quality limitations to include certain obligations held by subsidiaries and affiliated corporations.
- Discontinues certain notification requirements to the Commissioner of Insurance (Commissioner) from licensed professional employer organizations.
- Extends certain requirements applicable to Prepaid Health Plans (PHP) to Health Maintenance Organizations (HMO). These requirements treat HMOs the same as PHPs for reinsurance purposes.
- Clarifies continuation of health care service requirements for PHPs when impacted by insolvency.
- Requires public educational entities to annually report by October 30 a list of insurable buildings, equipment and content of these buildings, and uninsurable valuables to the Commissioner.
- Conforms penalties related to manufactured housing standards with federal law and codifies the definition of "qualifier".
- Prevents businesses with a revoked or suspended license in North Carolina from offering insurance products to North Carolina residents through another state's licensure.
- Modifies state of disaster provisions as to property and casualty insurance companies and premium finance companies.
- Expands enhancements that may be offered by insurers to consumers.
- Provides additional notice to consumers regarding exclusions contained in travel insurance.

The bill became effective July 7, 2022, when it became law.

House Bill 607 (SL 2022-47) – Various Court Changes See summary under General Interest.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

<u>Senate Bill 265 (SL 2022-53)</u> – Bond Info Transparency/LGC Toolkit II See summary under Government & Public Sector.

### House Bill 619 (SL 2022-56) – Weston's Law

See summary under Construction Law.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

<u>Senate Bill 201 (SL 2022-68)</u> – Var. Motor Veh. and Transport. Law Changes See summary under Business Law.

### INTERNATIONAL PRACTICE

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

### **JUVENILE JUSTICE & CHILDREN'S RIGHTS**

House Bill 315 (SL 2022-8) – Arson Law Revisions See summary under Criminal Justice.

<u>Senate Bill 448 (SL 2022-9)</u> – Amendments to Schedule VI of the CSA See summary under Health Law.

<u>Senate Bill 766 (SL 2022-30)</u> – Organized Retail Theft See summary under Criminal Justice.

<u>Senate Bill 455 (SL 2022-32)</u> – Conform Hemp with Federal Law See summary under Criminal Justice.

House Bill 607 (SL 2022-47) – Various Court Changes See summary under General Interest.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

<u>Senate Bill 671 (SL 2022-59)</u> – Virtual Educ./Remote Acad./Virtual Charters See summary under Education Law.

### Senate Bill 339 (SL 2022-65) - 2022 WRC Amendments

See summary under Environment, Energy & Natural Resources Law.

House Bill 661 (SL 2022-69) – AgeReq.Mod's/CapProj.Oversight/BEAD correct See summary under Education Law.

House Bill 159 (SL 2022-71) – Education Law Changes

See summary under Education Law.

House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes See summary under Criminal Justice.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022.

See summary under General Interest.

### LABOR & EMPLOYMENT

House Bill 315 (SL 2022-8) – Arson Law Revisions

See summary under Criminal Justice.

House Bill 1056 (SL 2022-14) – Ret. & Treasury Changes Act of 2022

See summary under Elder & Special Needs Law.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 See summary under Elder & Special Needs Law.

Senate Bill 496 (SL 2022-46) - DOI Omnibus Bill

See summary under Insurance Law.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

House Bill 560 (SL 2022-58) – Public Safety Reform

See summary under Criminal Justice.

<u>Senate Bill 671 (SL 2022-59)</u> – Virtual Educ./Remote Acad./Virtual Charters See summary under Education Law.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

<u>Senate Bill 651 (SL 2022-67)</u> – Amend Veterinary Practice Act/DACS Budget See summary under Administrative Law.

House Bill 661 (SL 2022-69) – AgeReq.Mod's/CapProj.Oversight/BEAD correct See summary under Education Law.

House Bill 177 (SL 2022-70) – Extend Spiking Moratorium/LGERS Surety See summary under Education Law.

House Bill 792 (SL 2022-72) – Barbers/Electrolysis Boards/Merger See summary under Administrative Law.

House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes See summary under Criminal Justice.

### LITIGATION

House Bill 607 (SL 2022-47) – Various Court Changes See summary under General Interest.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

House Bill 619 (SL 2022-56) – Weston's Law See summary under Construction Law.

Senate Bill 769 (SL 2022-60) – GSC Postponement/Judicial & Execution Sales See summary under Real Property.

House Bill 177 (SL 2022-70) – Extend Spiking Moratorium/LGERS Surety See summary under Education Law.

### **MILITARY & VETERANS LAW**

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

<u>Senate Bill 201 (SL 2022-68)</u> – Var. Motor Veh. and Transport. Law Changes See summary under Business Law.

House Bill 159 (SL 2022-71) – Education Law Changes See summary under Education Law.

House Bill 252 (SL 2022-73) – Bail Bond/Bondsmen Provisions/Other Changes See summary under Criminal Justice.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

### **PRIVACY & DATA SECURITY**

<u>Senate Bill 766 (SL 2022-30)</u> – Organized Retail Theft See summary under Criminal Justice.

House Bill 791 (SL 2022-52) – Lic. Counselors Compact/DHHS Contracting See summary under Administrative Law.

House Bill 776 (SL 2022-54) – Remote Electronic Notarization See summary under General Interest.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022.

See summary under General Interest.

### **REAL PROPERTY**

<u>Senate Bill 219 (SL 2022-1)</u> – Surveyor Lic. & Ed. Req's/Constr. Contracts Rev's See summary under Construction Law.

House Bill 315 (SL 2022-8) – Arson Law Revisions See summary under Criminal Justice.

<u>Senate Bill 372 (SL 2022-11)</u> – Electrical Lic./Bldg. Code/Dev. Reform 2022 See summary under Construction Law.

<u>Senate Bill 278 (SL 2022-12)</u> – Prop./Fam. Law-Reimburse Prop. Expenditures See summary under Family Law.

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes See summary under Tax.

House Bill 1056 (SL 2022-14) – Ret. & Treasury Changes Act of 2022 See summary under Elder & Special Needs Law.

<u>Senate Bill 766 (SL 2022-30)</u> – Organized Retail Theft See summary under Criminal Justice.

<u>Senate Bill 388 (SL 2022-45)</u> – Qualifying Farmer Zoo Sales Tax Exemption See summary under Tax.

Senate Bill 496 (SL 2022-46) – DOI Omnibus Bill See summary under Insurance Law.

House Bill 211 (SL 2022-49) – Social District/Common Area Clarifications See summary under Government & Public Sector.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

### House Bill 776 (SL 2022-54) – Remote Electronic Notarization

See summary under General Interest.

### Senate Bill 762 (SL 2022-55) – North Carolina Farm Act of 2022

Senate Bill 762 makes various changes to the agricultural laws of the State. Specifically, the bill makes the following changes:

- Provides that a building used primarily for storage of agricultural commodities or
  products, or storage and use of materials for agricultural purposes is considered a
  farm building for purposes of the building code, regardless of whether the building
  is located on the same property where the agricultural commodities or products
  were produced. The building must be surrounded by at least 60 feet of open space
  and be placarded as "Ag Exempt", at the front of the building. Requirements for
  sizing of the placard are set in the new statute.
- Clarifies that, for purposes of county zoning, a building or structure that is used solely for the storage of cotton, peanuts, or sweet potatoes, or any of the byproducts of those commodities, is a bona fide farm purpose, and that the list under G.S. 160D-903(a) is not exhaustive.
- Directs the Agriculture and Forestry Awareness Study Commission to study whether to establish a "right to repair" for electronic farm equipment.
- Provides that, in the event of a tax foreclosure on property encumbered by a conservation agreement, the conservation agreement is not extinguished upon the sale of the property.
- Specifies that "farmed cervid feed", for the purposes of a farmed cervid assessment, means commercial feed sold to a cervid farmer for farmed cervid use, rather than commercial feed labeled or marketed for farmed cervid use.
- Adds "boarding horses" to the list of activities that qualify as commercial production or growing of animals for the purposes of the present use value property tax program. This change is effective for taxes imposed for taxable years beginning on or after July 1, 2022.
- Provides that \$2.5 million in nonrecurring funds appropriated in both the 2021-2022 and 2022- 2023 fiscal years to the North Carolina Sweet Potato Commission for a contract with North Carolina State University to study nematode mitigation will remain available until expended and not revert.
- Updates bona fide farm cross-references to the correct G.S. 160D statute.

Except as otherwise provided, the bill became effective July 8, 2022, when it became law.

### House Bill 619 (SL 2022-56) – Weston's Law

See summary under Construction Law.

# Senate Bill 769 (SL 2022-60) – GSC Postponement/Judicial & Execution Sales

Senate Bill 769, recommended by the General Statutes Commission, allows judicial sales and execution sales to be postponed up to 90 days, aligning the postponement authority for judicial and execution sales with that of sales under a contractual power of sale clause. The bill also clarifies that the original date of the sale is computed pursuant to G.S. 1A-1, Rule 6. Notice of the postponement must be given to each party previously served pursuant to G.S. 1A-1, Rule 4(j), and written notice of postponement can be served in any manner provided in G.S. 1A-1, Rule 5(b). Sheriffs are required to provide notice to judgment debtors. Finally, the bill makes conforming, clarifying, and numerous technical changes to each statute amended. This act becomes effective October 1, 2022, and applies to sales noticed on or after that date.

<u>Senate Bill 768 (SL 2022-62)</u> – GSC Technical Corrections 2022/Additional TC See summary under Zoning, Planning & Land Use.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

<u>Senate Bill 201 (SL 2022-68)</u> – Var. Motor Veh. and Transport. Law Changes See summary under Business Law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

### **SPORTS & ENTERTAINMENT LAW**

House Bill 768 (SL 2022-44) – 2022 ABC Omnibus See summary under Administrative Law.

House Bill 211 (SL 2022-49) – Social District/Common Area Clarifications See summary under Government & Public Sector.

Senate Bill 470 (SL 2022-51) – ABC Technical and Other Changes See summary under Administrative Law.

<u>Senate Bill 424 (SL 2022-66)</u> – Private Protection Srvs. Licensing Mods. See summary under Administrative Law.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.

#### **TAX**

<u>Senate Bill 347 (SL 2022-7)</u> – Captive Insurance Amendments See summary under Insurance.

House Bill 83 (SL 2022-13) – Rev. Laws Tech., Clarifying, & Admin. Changes House Bill 83 makes various technical, clarifying, and administrative changes to the revenue laws, as recommended by the Department of Revenue.

Part I clarifies that (1) a corporation may not artificially reduce its franchise tax base by making a no-interest loan to an affiliate and (2) a corporation cannot claim a qualified interest expense by creating multiple layers of affiliated debt that meets one of the exceptions from the limitation when, in the end, the ultimate payee is a related member that would not have met the exception.

Part II corrects a drafting error to ensure taxpayers are allowed the benefits of student debt forgiveness to the extent allowed under North Carolina law. North Carolina conformed to the Tax Cut and Jobs Act exclusion from gross income for the discharge of a student loan if the loan was discharged on account of the death or disability of the taxpayer. In addition, Part II also clarifies that the state and local tax (SALT) provisions enacted in 2021 are effective for the 2022 taxable year.

Part III does the following: (1) makes a technical and clarifying change by repealing the definition of "operator" in the sales and use tax statutes, which is no longer needed; (2) updates the reference date to the Streamlined Sales Tax agreement to December 21, 2021; (3) amends the definition of "state" under the Uniform Sales Use and Tax Administration Act; and (4) repeals the facilitator report requirement, as it is no longer necessary.

Part IV updates the reference to the International Fuel Tax Agreement to January 1, 2022, and requires corporations that are required under the Tobacco Products Tax article to be licensed and file a report with the Department of Revenue to file using the specific form required by the Secretary.

Part V provides that the amount of overpayment available for refund after payment of the tax may not exceed the portion of the tax paid during the two years immediately preceding the taxpayer's request for refund when the taxpayer does not file the claim for refund within the three-year period after the due date of the return.

Except as otherwise provided, the bill became effective June 30, 2022, when it became law.

House Bill 1056 (SL 2022-14) – Ret. & Treasury Changes Act of 2022 See summary under Elder & Special Needs Law.

House Bill 1058 (SL 2022-16) – Ret. & Treasury Tech. Corrections Act of 2022 See summary under Elder & Special Needs Law.

# Senate Bill 388 (SL 2022-45) – Qualifying Farmer Zoo Sales Tax Exemption

Senate Bill 388 makes three changes related to qualifying zoo farmer laws. First, the bill allows qualifying farmers who also have zoo operations to purchase items for the zoo under their qualifying farmer sales tax exemption certificate, effective for items purchased on or after January 1, 2023. Second, the bill creates a new sales tax exemption for certain items purchased by a wildlife manager for wildlife management activities, effective for items purchased on or after October 1, 2022. Third, the bill modifies and expands the property tax classification for wildlife conservation land. Property classified as wildlife conservation land is assessed and taxed at a value lower than its fair market value. This change is effective for taxes imposed for taxable years beginning on or after July 1, 2022.

House Bill 674 (SL 2022-50) – Require DNA Various Convict'ns/Other Matters See summary under Criminal Justice.

Senate Bill 470 (SL 2022-51) – ABC Technical and Other Changes See summary under Administrative Law.

<u>Senate Bill 762 (SL 2022-55)</u> – North Carolina Farm Act of 2022 See summary under Real Property.

House Bill 619 (SL 2022-56) – Weston's Law

See summary under Construction Law.

<u>Senate Bill 201 (SL 2022-68)</u> – Var. Motor Veh. and Transport. Law Changes See summary under Business Law.

# **ZONING, PLANNING & LAND USE**

Senate Bill 372 (SL 2022-11) – Electrical Lic./Bldg. Code/Dev. Reform 2022 See summary under Construction Law.

<u>Senate Bill 278 (SL 2022-12)</u> – Prop./Fam. Law-Reimburse Prop. Expenditures See summary under Family Law.

House Bill 219 (SL 2022-43) – Amend Environmental Laws
See summary under Environment, Energy & Natural Resources Law.

House Bill 211 (SL 2022-49) – Social District/Common Area Clarifications See summary under Government & Public Sector.

<u>Senate Bill 762 (SL 2022-55)</u> – North Carolina Farm Act of 2022 See summary under Real Property.

Senate Bill 768 (SL 2022-62) – GSC Technical Corrections 2022/Additional TC Senate Bill 768 updates cross-references throughout the General Statutes, as recommended by the General Statutes Commission. Part I updates cross-references to conform to the consolidated chapter on land-use laws, G.S. 160D, and makes other technical changes. Part II makes various technical, conforming, and clarifying changes. Part III corrects typographical errors in S.L. 2022-11. Except as otherwise provided, the bill became effective July 8, 2022, when it became law.

House Bill 1018 (SL 2022-64) – GSC Bar Ass'n Proposals/Landmark Designation See summary under General Interest.

House Bill 911 (SL 2022-75) – Regulatory Reform Act of 2022. See summary under General Interest.