



## INTRODUCTION

Last week kicked off with Governor Cooper's State of the State address to the General Assembly, where he reinforced familiar themes, including Medicaid expansion, increased spending on education and rural broadband. Cooper also called for more cooperation between Republicans and Democrats.

Despite the calls for harmony, some of the most contentious policy battles continued to heat up. A group of legislators, including Rep. Gale Adcock, a nurse practitioner, introduced the SAVE Act, which would remove the requirement for physician supervision from advanced practice nurses (APRNs) like nurse practitioners, certified nurse midwives and certified nurse anesthetists.

As expected, another group of legislators – Rep. Josh Dobson (R-McDowell), Rep. Julia Howard, (R-Davie), Rep. Bill Brisson (R-Bladen) and Rep. Gale Adcock (D-Wake) – introduced legislation to halt State Treasurer Dale Folwell's changes to the State Health Plan. The changes, which Folwell says would save the Plan millions, include tying providers rates to Medicare rates. Providers and hospitals claim that the changes would close hospitals and impact access for state employees. The new bill would create a commission to study potential changes to the State Health Plan, while prohibiting any changes to the current status quo while the study is being conducted.

The fight over ABC privatization also switched into high gear as a group of legislators, police chiefs and advocacy groups held a press conference to oppose as-yet introduced changes. The opponents cited concerns about increased alcohol access and consumption that they say would result from privatization, as well as lost local government revenues. Dan House, president of the N.C. Association of Chiefs of Police and Wrightsville Beach police chief, said his town currently gets about \$500,000 annually from ABC store revenues. As mentioned in previous issues, Rep. Chuck McGrady (R-Henderson) has vowed to introduce a bill this session to privatize North Carolina's ABC system.



## APARTMENT ASSOCIATION OF NORTH CAROLINA



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On the Medicaid front, the Department of Health and Human Services (DHHS) gave an update on major legislative initiatives to the Joint Appropriations Committee on Health and Human Services. The [presentation](#) focused on major policy goals, including Medicaid transformation, ways to attack the opioid crisis and the new Early Childhood Action Plan. The plan got a high-profile kick-off on Wednesday when researchers, policymakers, philanthropists, and early childhood leaders joined Governor Cooper, Governor Hunt and Secretary Cohen in Raleigh. It was developed in response to an executive order from Cooper and provides ten goals around early childhood health, development, and learning, along with measures for tracking progress for each goal.

For those who want to see a bit more of the legislative process, a new bill was introduced last week to televise N.C. House sessions. House Bill 218 would install video equipment in the House chamber to stream legislative sessions and to make archived footage available to the public. According to the bill's sponsors, North Carolina is one of only seven states without online video streams of legislative sessions.

## **BILLS OF INTEREST**

HOUSE BILL 154, Conduct Code and Discipline for Magistrates, would:

- direct the Administrative Office of the Courts (AOC) to develop a Code of Conduct for all magistrates by July 1, 2020. The purpose of the Code of Conduct would be to create uniformity among all districts and provide guidance to magistrates regarding standards of professional conduct and timeliness, required duties and responsibilities, methods for ethical decision making, and any other information that is deemed relevant by the AOC;
- change the current statute, where chief district court judges are permitted to appoint a chief magistrate of a county, to require district court judges to designate a chief magistrate in *each* county to serve an indefinite term at the judge's pleasure with the derivative authority assigned by the chief district court judge;
- amend the current statute to allow chief district court judges to assign magistrates to temporary duty within the district outside of the county of their residence without the limitation to only in emergency situations;
- add additional administrative authority and duties to chief district court judges, including: investigating complaints against magistrates, authorizing the chief district court judge, upon investigation and written findings of misconduct, to issue a letter of caution, written reprimand, or suspension without pay for no longer than 10 days within one period;
- change the term of office for magistrates from the first day of January of the odd-numbered year to terms beginning on the first day of February of the even-numbered year after appointment; and
- add a clarifying provision with regard to magistrate suspensions, removals, and reinstatements, limiting the statute's scope to suspensions pending removal from office and excluding from its scope disciplinary suspension.

**Introduced by Representatives John, Rogers, and Morey and referred to the House Judiciary Committee.**

HOUSE BILL 155, Unclaimed Property Changes, would:

- add a new subsection stating the state's policy to recover and transfer property to rightful owners in a manner that is consistent with the interest of rightful owners. When the rightful owner cannot be determined, states that it is the policy that all benefits realized from any unclaimed or abandoned property accrue to the benefit of higher education;

- amend current statute to require that when property is delivered or paid to the Treasurer, the Treasurer must hold it without liability for loss, as well as income or gain;
- amend current statute and expand upon things the Treasurer can call upon a person, or related specified individuals, to be required to report, pay, or deliver property and also include, in addition to records: producing reports, make the required payments, and make the required delivery of property;
- amend current statute to require all abandoned property holders to file reports electronically instead of only those holders reporting 50 or more property owners' records being required to file electronically, effective January 1, 2020;
- change current law to make exceptions to the requirement that amounts due to an owner may be reported in an aggregate amount without providing any of the specified information. These exceptions are for property subject to security or other equity interest in a business association, including a security entitlement unclaimed three years after the earlier of specified events, debt of a business association, including debt evidenced by a matured or called bearer bond or an original issue discount bond, unclaimed three years after the date of an interest or principal payment unclaimed by the apparent owner, and any dividend, profit, distribution, interest, redemption, payment on principal, cash compensation held or owing by a business association for or to its shareholder, certificate holder, policyholder, member, bondholder, or other security holder, who has not claimed it, or corresponded in writing with the business association concerning it, within three years after the date prescribed for payment or delivery; and
- add that a holder who has paid or delivered property in good faith to the Treasurer in error may request a refund, and would allow the Treasurer to issue a refund after the holder files a form on proof of the error.

**Introduced by Representative Hurley and re-referred to the House Finance Committee.**

HOUSE BILL 157, DMV/Registration of Bicycles, would require each bicycle used by a person 16 years or older on a public street or highway to be registered with the Division of Motor Vehicles. The annual bicycle registration fee would be \$10 and would be used by the Department of Transportation for bicycle safety related projects, including bicycle lanes, signage, safety education, and bicycle helmet grants for minors. The Division would issue a registration card and registration plate suitably sized for a bicycle to be attached to the rear of the bicycle. A violation would be an infraction punishable by a fine of not more than \$25. **Introduced by Representative Elmore and referred to the House Transportation Committee. This is not a joke – the bill was really introduced.... by a Republican.**

HOUSE BILL 162, Continuing Education for General Contractors, is identical to Senate Bill 55, summarized in the February 20, 2019, Legislative Report. **Introduced by Representatives Potts, Brody, Howard, and Clemmons and referred to the House Regulatory Reform Committee.**

HOUSE BILL 165, Electrician Requirements for Certain Orgs, is identical to Senate Bill 88, summarized in the February 27, 2019, Legislative Report. **Introduced by Representative Saine and referred to the House Regulatory Reform Committee.**

HOUSE BILL 166, Additional Judge and Magistrate in District 22A, would:

- increase the number of district court judges from five to six in District 22A, which consists of Alexander and Iredell counties, and would increase Iredell County residency from three to four of the six judgeships. Effective January 1, 2021, and would require the 2020 elections to follow the requirements of this bill should it pass;

- increase the minimum number of magistrates from nine to ten in Iredell County; and
- appropriate \$67,603 to the Administrative Office of the Courts for 2019-2020 and \$173,808 for 2020-2021 from the General Fund. Effective July 1, 2019.

**Introduced by Representative R. Turner and referred to the House Committee on Appropriations, Justice and Public Safety.**

HOUSE BILL 167, Extend Deadline/Certain ID Approval/Voting, would extend the deadline by which the State Board of Elections is required to approve the use of certain forms of identification for voting from March 15, 2019, to September 15, 2019. These forms of ID include: tribal enrollment cards issued by a tribe recognized by this State; student identification cards issued by a constituent institution of The University of North Carolina, a community college, or eligible private postsecondary institution; and employee identification cards issued by a state or local government entity, including a charter school. **Introduced by Representatives Hawkins and Russell and referred to the House Elections and Ethics Law Committee.**

HOUSE BILL 186, Hurricane Housing Recovery Grant, would appropriate \$1.5 million in nonrecurring funds for 2019-20 from the General Fund to the North Carolina Housing Finance Agency to be used as a grant to Kingdom Community Development Corporation for the completion of construction on 28 subdivision units, six single-family homes, and eight townhomes in Balsawood Village for families affected by Hurricanes Matthew, Florence, and Michael. **Introduced by Representatives Floyd and Lucas and referred to the State and Local Government Committee.**

HOUSE BILL 189, WC/Sole Proprietors Must Have Coverage, would amend the Workers' Compensation Act to:

- define a sole proprietor as an individual who: (1) does not employ any other individuals in the business, whether the business is incorporated or unincorporated; (2) solely owns the business by himself or herself; and (3) operates as an independent contractor;
- require a sole proprietor performing any work to maintain a workers' compensation insurance policy in effect at all times even if the sole proprietor employs no other employees;
- provide that the sole proprietor is entitled to employee benefits and is subject to employee responsibilities;
- provide that, if a sole proprietor performs work pursuant to a contract that provides workers' compensation insurance for the sole proprietor, the terms of that contract do not satisfy or supersede these requirements; and
- provide that failure to comply with these requirements prevents the sole proprietor from making a claim on the workers' compensation insurance policy of another person.

**Introduced by Representative Alexander and referred to the House Commerce Committee.**

HOUSE BILL 191, Housing Recovery/Restore Greensboro Funds, is identical to Senate Bill 110, summarized below in this Legislative Report. **Introduced by Representatives Clemmons, Quick, Hardister, and Faircloth and referred to the House State and Local Government Committee.**

HOUSE BILL 201, Register of Deeds Tax Cert. Expansion, would allow all counties to have the authority to prohibit their respective register of deeds from accepting for the registration a deed transferring real property when taxes are delinquent. **Introduced by Representatives Hurley and McNeill and referred to the House State and Local Government Committee.**

HOUSE BILL 202, Amend Expunction, would allow a person to file a petition in the court where the person was most recently convicted for the expunction of nonviolent misdemeanor and nonviolent felony convictions (currently, a person may petition for expunction of either nonviolent misdemeanor or nonviolent felony conviction) from the person's criminal record if the person has no other misdemeanor or felony convictions that are excluded from expunction other than a traffic violation. The petition for expunction could not be filed earlier than 10 years after the date of the most recent conviction or when all active sentences, periods of probation, and post-release supervision have been served, whichever occurs later. The bill also includes provisions setting out the requirements and service of the petition, verification of the petitioner's conduct since the most recent conviction, and for expungement of convictions from agency records. **Introduced by Representatives Floyd, Beasley, Hardister, and Lucas and referred to the House Judiciary Committee.**

HOUSE BILL 215, Justice for Rural Citizens Act, would remove extraterritorial planning jurisdiction by declaring that no city in the state may have or exercise planning jurisdiction outside its corporate limits. **Introduced by Representatives Pittman, Kidwell, and Speciale and referred to the House Rules Committee.**

HOUSE BILL 216, School Self-Defense Act, would enact the School Self-Defense Act to:

- add an exception to the prohibition on weapons on campus or other educational property for a volunteer school faculty guardian, which would mean a person who (i) is a member of the faculty or staff of a school, (ii) is a full-time or part-time employee, and (iii) possesses a valid concealed handgun permit;
- provide that the exception for a volunteer school faculty guardian would apply only when the person is on the grounds of the school the person is employed by or assigned to and meets all of the following requirements:
  - successfully completes 16 hours of active shooter training in the School Faculty Guardian program;
  - submits to the chief administrator of the school on an annual basis written notice that the person continues to possess a valid concealed handgun permit;
  - provides evidence satisfactory to the chief administrator of the school on an annual basis that the person has demonstrated proficiency with the type of handgun and handgun retention system used;
  - when on school grounds, only possesses the handgun during the conduct of his or her duties;
  - except when responding to an act of violence or an imminent threat of violence at the school, keeps the handgun concealed at all times while on the school grounds. For these purposes, the term "violence" means physical injury that a reasonable person would conclude could lead to permanent injury or death; and
  - submits to annual drug testing;
- allow the governing body or entity of a school to opt out and prohibit a person from possessing a handgun on the grounds of the school(s) under its control;
- authorize the North Carolina Criminal Justice Education and Training Standards Commission (Commission) to establish and administer the School Faculty Guardian program to provide active shooter training to volunteer school faculty guardians; and
- provide \$500,000 to the Commission for costs incurred in establishing the School Faculty Guardian program.

**Introduced by Representatives Pittman and Speciale and referred to the House Rules Committee.**

HOUSE BILL 218, Broadcast NC House of Reps Sessions, would require the North Carolina House of Representatives to provide the general public with video access of its daily legislative sessions and the University of North Carolina Center for Public Television to broadcast daily sessions of the House of Representatives that are of particular public importance. The bill also would establish the House Select Committee on Televising Legislative Sessions to study the feasibility of creating a new channel for use by The University of North Carolina Center for Public Television to broadcast all legislative sessions of the House of Representatives and report its findings and recommendations to the 2019 General Assembly no later than April 15, 2020. **Introduced by Representatives D. Hall, Saine, and Jones and referred to the House Rules Committee.**

HOUSE BILL 223, Loan Origination/Late Payment Charge Changes, would:

- set the maximum origination fee for a loan or credit extension with a principal amount of \$100,000 or greater at 1/4 of 1% of the principal;
- set out maximum origination fees of \$100-250 depending on the principal amount for loan or credit extensions with a principal amount less than \$100,000;
- prohibit a loan or extension of credit with a principal amount of less than \$5,000 from having an annual percentage rate that exceeds 36%, inclusive of the charge permitted and the interest rate provisions as provided;
- specify that annual percentage rate as used here is calculated using the standards established by the federal Truth in Lending Act and all regulations and rulings issued pursuant to that Act;
- limit the application of these provisions to situations where the borrower is a natural person and the debt is incurred primarily for personal, family, or household purposes;
- set the following limitations on late payment charges, which under current law are capped at 4% of the amount of the payment past due:
  - a late payment charge could not exceed: (1) the amount disclosed to the borrower under the Federal Consumer Credit Protection Act, if applicable to the transaction; (2) for a loan or extension of credit that meets all of the following conditions, the greater of \$35 or 4% of the amount of the payment past due: the loan or extension of credit is made by a bank or savings institution organized under the law of this state or the United States, the loan or extension of credit is not secured by real property, the loan or extension of credit is governed by GS 24-1.1, and loan or extension of credit has an original balance greater or equal to \$1,500;
  - limit the charge to 4% of the amount of the payment past due for any other type of loan or extension of credit governed by GS 24-1.1 (concerning a loan, purchase money loan, advance, commitment for a loan or forbearance) or GS 24-1.1A (concerning home loans).

**Introduced by Representatives Conrad, Jones, Grange, and B. Turner and referred to the House Banking Committee.**

HOUSE BILL 225, Protect Governmental Accountability, is identical to Senate Bill 127, summarized below in this Legislative Report. **Introduced by Representatives D. Hall, Davis, and Stevens and referred to the House State and Local Government Committee.**

HOUSE BILL 226, 2019 AOC Legislative Changes, would clarify time periods in summary ejectment actions as follows:

- in an ejectment action based upon alleged nonpayment of rent where the judgment is entered more than five business (currently, working) days before the day when the next

rent will be due under the lease, the appellant will make an additional undertaking to stay execution pending appeal;

- if defendant fails to make any rental payment to the clerk's office within five *business* days of the due date, upon application of the plaintiff, the stay of execution will dissolve and the sheriff may dispossess the defendant; and
- if the defendant fails to make a payment within five *business* days of the due date according to the undertaking and order staying execution, the clerk, upon application of the plaintiff, will issue execution on the judgment for possession.

**Introduced by Representative R. Turner and referred to the House Judiciary Committee.**

HOUSE BILL 238, Reinstate Earned Income Tax Credit, would reenact the earned income tax credit until January 1, 2023. The bill would allow for a 5% earned income tax credit per taxable year (previously, allowed for a 4.5% credit for the 2013 taxable year and 5% for all other taxable years), and make the credit subject to Section 3507 of the Internal Revenue Code, Advance Payment of Earned Income Credit. **Introduced by Representatives Harris, Alexander, Jackson, and K. Smith and referred to the House Rules Committee.**

HOUSE BILL 241, Education Bond Act of 2019, would provide, subject to a vote of the qualified voters of the State provide at an election held in November 2020, for the issuance of \$1.9 billion general obligation bonds of the State for the purpose of providing funds, with any other available funds, (i) for public school facilities through grants to counties for public school capital outlay projects and repairs and renovations, in the amount of \$1.5 billion, (ii) for community college facilities for community college capital outlay projects and repairs and renovations, in the amount of \$200 million, and (iii) for The University of North Carolina facilities for capital outlay projects for constituent institutions and repairs and renovations at such institutions, in the amount of \$200 million. **Introduced by Representatives Moore, Johnson, Elmore, and Horn and referred to House Education K-12 Committee.**

HOUSE BILL 244, Contractor/Subcontractor Compliance, would require all contractors and subcontractors doing business with the State or any political subdivision of the State to verify the work authorization of each employee through E-Verify. **Introduced by Representatives Cleveland, Conrad, D. Hall, and Henson and referred to the House State and Local Government Committee.**

SENATE BILL 110, Housing Recovery/Restore Greensboro Funds, would appropriate from the General Fund to the City of Greensboro \$1 million for the 2019-2020 fiscal year in nonrecurring funds to aid the City in its recovery from the damage caused by an EF-2 tornado on April 15, 2018. The funds are to be used to manage the repair or demolition of damaged homes in a timely manner, effective July 1, 2019. **Introduced by Senators Robinson and Tillman and referred to the Senate Judiciary Committee.**

SENATE BILL 127, Protect Governmental Accountability, would clarify the obligation of State agencies to refrain from interference with State employees' duty to report violations of state or federal law, fraud, misappropriation of State resources, and other governmental improprieties. **Introduced by Senators Brown, Daniel, and Hise and referred to the Senate Rules Committee.**

SENATE BILL 130, State Employees/Paid Parental Leave, would direct the State Human Resources Commission, in cooperation with the State Board of Community Colleges and the State

Board of Education, to adopt rules and policies to allow any employee at a State agency to share leave voluntarily with another employee of a State agency, community college, or public school for the purpose of providing paid parental leave. No more than six weeks of parental leave could be accrued through the donations. "Parental leave" would mean leave for the birth of a biological child or the placement of an adoptive child in the requesting employee's home. An employee would have to be in a full-time, permanent position in order to receive paid parental leave under this section, have been continuously employed with the State for at least 12 months immediately preceding the request for paid parental leave, and certify, in good faith, an intent to return to State employment for at least one year following the paid leave period. **Introduced by Senators Britt, Krawiec, and Chaudhuri and referred to the Senate Rules Committee.**

SENATE BILL 137, Economic Security Act, would advance economic security in North Carolina by: (1) increasing the State minimum wage in phases to \$15 per hour over five years; (2) mandating equal pay for equal work; (3) requiring paid sick leave and family medical leave; (4) increasing the tipped minimum wage; (5) ending wage theft; (6) requiring the fair assessment of persons with criminal histories by "banning the box"; (7) repealing public employee collective bargaining restrictions; and (8) reenacting the earned income tax credit and tax credits for child care and certain employment-related expenses. **Introduced by Senators Smith, Foushee, and Van Duyn and referred to the Senate Rules Committee.**

SENATE BILL 148, Public Records/Release of LEO Recordings, would change current law, concerning allowing a custodial law enforcement agency to disclose or release a law enforcement recording in its sole discretion to a district attorney for any of the three existing purposes identified, by adding to the existing purposes: suspect identification or apprehension and noncriminal investigative purposes such as community-oriented publicity or goodwill. **Introduced by Senator D. Davis and re-referred to Senate Judiciary Committee.**

SENATE BILL 154, Authorize Sports Wagering on Tribal Lands, would allow the placing of wagers on the outcome of professional and collegiate sports contests on tribal lands in accordance with the Federal Indian Gaming Regulatory Act. **Introduced by Senator J. Davis and referred to the Senate Rules Committee.**

SENATE BILL 162, Loan Origination/Late Payment Charge Changes, is identical to House Bill 223, summarized above in this Legislative Report. **Introduced by Senators Krawiec, Rabon, and Lowe and referred to the Senate Rules Committee.**

SENATE BILL 168, Expand Allowable Medical Uses of CBD Oil, would:

- allow the use of hemp extract as an alternative treatment for autism, multiple sclerosis, Crohn's disease, and Mitochondrial disease in addition to intractable epilepsy;
- expand the definition of caregiver to include a nurse employed by a licensed home health agency and any other caregiver of a patient who meets specified criteria;
- expand the items that must be included in the neurologist's statement that the caregiver must possess to include a statement that the patient's condition has not responded to three or more treatment options overseen by the neurologist or by a physician with whom the neurologist has consulted about the patient's condition;
- allow the patient to be examined and under the care of the neurologist or a physician who has consulted with the neurologist; and

- amend the information that must be contained in the database registry to require the name, address, and hospital affiliation of any physician with whom the neurologist consults about the patient's condition in making the recommendation for hemp extract treatment.

**Introduced by Senators McKissick and Hise and referred to the Senate Rules Committee.**

SENATE BILL 169, Limit Session Length, would limit the number of days the General Assembly may meet in regular session as follows: (1) in odd-numbered years, no more than 135 calendar days, except that this period could be extended by joint resolution once per regular session for not more than 10 calendar days; and (2) in even-numbered years, no more than 60 calendar days, except that this period could be extended by joint resolution once per regular session for not more than 10 calendar days. Any reconvened session called under Section 5 of Article III of the North Carolina Constitution would be excluded from the calculations of this section. No valid action, other than ratification of bills and adoption of a joint resolution of adjournment, could be taken by the General Assembly after the time limits above have expired. **Introduced by Senators Chaudhuri, Tillman, and Marcus and referred to the Senate Rules Committee.**

### LEGISLATION ENACTED

SENATE BILL 75, Restore Ct. of Appeals Membership, repeals a law passed in 2017, restoring the number of judges on the NC Court of Appeals to fifteen and eliminating language that would require the abolition of vacant seats on the Court of Appeals until the Court is decreased to twelve. **Effective: February 27, 2019.**

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