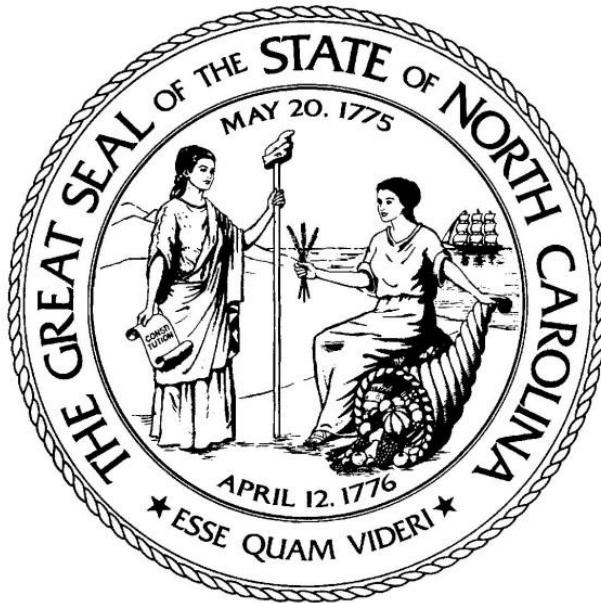


# **SUMMARIES OF SUBSTANTIVE RATIFIED LEGISLATION**

**2023 SESSION**



**LEGISLATIVE ANALYSIS DIVISION  
N.C. GENERAL ASSEMBLY**



# **2023 Summaries of Substantive Ratified Legislation**

## **Agriculture and Wildlife**

**See full summary documents for additional detail**

### **Limited Shark Fishing Tournament Moratorium.**

SL 2023-26 (H544)

S.L. 2023-26 makes it unlawful for a person, between May 1 and October 31 of each year, to take sharks as part of a recreational fishing tournament where the person landing the shark is on the shore or on a structure attached to the shore of Carolina Beach, Caswell Beach, Holden Beach, Kure Beach, Oak Island, Ocean Isle Beach, Sunset Beach, or Bald Head Island.

This act became effective July 1, 2023, and applies to offenses committed on or after that date.

### **Rename Outdoor Heritage Advisory Council.**

SL 2023-51 (S22)

S.L. 2023-51 does all of the following:

- Renames the Outdoor Heritage Advisory Council as the North Carolina Youth Outdoor Engagement Commission.
- Renames the North Carolina Outdoor Heritage Trust Fund for Youth Outdoor Heritage Promotion as the North Carolina Youth Outdoor Engagement Fund.
- Authorizes the North Carolina Youth Outdoor Engagement Commission to use grants and programming to promote youth outdoor recreational activities.

This act became effective June 23, 2023.

### **Include Income From the Sale of Honey in Gross Income for Purposes of Present Use Value Taxation – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1

Section 1 of S.L. 2023-63 allows income from the sale of honey to be considered gross income for the purposes of present use value taxation.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective for taxes imposed for taxable years beginning on or after July 1, 2023.

### **Clarify that Turkey Brooder Litter Recycling is a Bona Fide Farm Purpose with Respect to County Zoning – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.1

Section 1.1 of S.L. 2023-63 clarifies that a facility that receives used turkey brooder litter from brooder farms and recycles the used litter by means of a drying process to reduce the moisture content of the litter sufficient to send the recycled litter to a turkey grow-out farm for reuse is a bona fide farm purpose that is exempt from county zoning.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

### **Correct References to North Carolina Tobacco Foundation, Inc. – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.2

Section 1.2 of S.L. 2023-63 changes statutory references to the North Carolina Tobacco Foundation, Inc. to refer to the North Carolina Agricultural Foundation, Inc. to reflect a merger between the North Carolina Agricultural Foundation, Inc. and the North Carolina Tobacco Foundation, Inc.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

### **Add Equine Industry Member to the Board of Agriculture – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.3

Section 1.3 of S.L. 2023-63 adds a twelfth member to the Board of Agriculture, who must be actively involved in the equine industry to represent the equine industry of the State.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Exempt Compost from Sales Tax for Qualifying Farmers – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.4

Section 1.4 of S.L. 2023-63 exempts compost from sales and use tax when purchased by a qualifying farmer for use primarily in farming operations.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective October 1, 2023.

## **Amend the Definition of Agriculture – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.5

Section 1.5 of S.L. 2023-63 includes the following activities under the statutory definition of agriculture:

- Pine orchards planted for the purpose of harvesting pine needles for sale, or the harvesting of pine needles for sale from land with a forest management plan.
- When performed on the farm, biofuel production for commercial sale.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Agritourism Advertising – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 2

Section 2 of S.L. 2023-63 allows placement of farm signs in the right-of-way of the State highway system during a farm's seasonal operation. The same placement rules that apply to political signs during the period when they are allowed to be placed in the right-of-way apply to farm signs.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Amend Requirements on Agritourism Warning Signs – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 2.1

Section 2.1 of S.L. 2023-63 reduces the size requirement of the letters on the warning signage required to be posted in order for an agritourism operator to have immunity from liability for injury or death resulting exclusively from the inherent risks of such activities, such that the letters on those signs have to be a minimum of three quarters of one inch high rather than one inch high.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Clarify Definition of Property-Hauling Vehicles – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 3

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

## **Farm Equipment Defense for Stop Light Inductive Loops – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 3.1

Section 3.1 of S.L. 2023-63 creates a statutory defense for the operator of farm equipment or machinery who runs a red light using an inductive loop to activate the traffic signal if all the following conditions are met:

- The operator brought the farm equipment or machinery to a complete stop at the light.
- No other vehicle that was entitled to have the right-of-way was sitting at, traveling through, or approaching the intersection.
- No pedestrians were attempting to cross at or near the intersection.
- The farm equipment or machinery operator waited at least three minutes at the intersection before entering.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Amend Veterinary Medical Board Inspection Process and Give Veterinary Medical Board Responsibility for Performing Inspections of Boarding Kennels Operated by Veterinarians – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 4

Section 4 of S.L. 2023-63:

- Effective October 1, 2023, requires that the Veterinary Medical Board (Board) provide written notice of an upcoming inspection of a veterinary practice facility at least one week prior to the inspection. The written notice has to be accompanied by a checklist of all standards adopted by rule for which the inspector can issue a violation and, with as much specificity as possible, conditions that violate the standards. The veterinarian is authorized to contact the Board to reschedule the inspection, but the inspection must be rescheduled no later than one week after the originally scheduled date of the inspection.
- Effective 60 days after the Board adopts implementing rules, provides that the Board is responsible for the licensing and inspection of boarding kennels owned and operated by licensed veterinarians. This section also establishes a \$75 boarding kennel permit to be added to the veterinary facility permit fee. The Board must adopt rules to establish minimum standards for boarding kennels no later than July 1, 2024. These standards may be at least as stringent as those adopted by the Board of Agriculture for the regulation of boarding kennels.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

## **Create a Class 3 Misdemeanor for Leaving the Scene of an Animal Waste Spill – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 4.1

Section 4.1 of S.L. 2023-63 makes it a Class 3 misdemeanor for the driver of any vehicle who knows or reasonably should know that animal waste, except for excreta from live animals; dead animals or animal parts, except for feathers from live birds; or animal byproducts have been blown, scattered, spilled, thrown, or placed from the vehicle to leave the scene of the incident. There are exceptions allowing the driver to leave the scene to call for a law enforcement officer, call for assistance in removing the materials that were blown, scattered, thrown, spilled, or placed from the vehicle, or to remove oneself or others from significant risk of injury. The court can also order restitution for the cost of removing the materials that were blown, scattered, thrown, spilled, or placed from the vehicle.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective December 1, 2023, and applies to offenses committed on or after that date.

## **Encourage Public Schools to Make One Hundred Percent Muscadine Grape Juice Available to Students – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5

Section 5 of S.L. 2023-63 sets an aspirational goal that muscadine grape juice be available in public schools, community colleges, and universities throughout the State.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Conform Penalties for Assault With a Deadly Weapon on Department of Agriculture and Consumer Services Inspectors – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5.1

Section 5.1 of S.L. 2023-63 makes the penalty for assault with a deadly weapon on an inspector from the Sleep Products Division of the Department of Agriculture and Consumer Services (Department) or a poultry inspector from the Meat and Poultry Inspection Division a Class A1 misdemeanor.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective December 1, 2023, and applies to offenses committed on or after that date.

## **Department of Agriculture and Consumer Services Authority to Adopt Rules for Department-Operated Markets and Set Metrology Laboratory Fees – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5.2

Section 5.2 of S.L. 2023-63 allows the Commissioner of Agriculture (Commissioner), with the advice and consent of the Board of Agriculture, to adopt rules related to markets operated by the Department of Agriculture and Consumer Services and retain current rules relating to markets for which the statutory authority was repealed in 2021. This section also allows the Commissioner to adopt rules to set reasonable fees for calibration services and adjustments performed by the Metrology Laboratory Section of the Standards Division.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.



This section became effective June 27, 2023.

### **Establish a Voluntary Assessment for Grade "A" Dairy Producers – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5.4

Section 5.4 of S.L. 2023-63 authorizes the North Carolina Dairy Producers Association to conduct a referendum among dairy producers on the question of levying an assessment not to exceed five cents per hundredweight of milk. If more than half the votes cast in the assessment are in favor, the assessment would be collected by milk handlers or dairy cooperatives, or would be paid directly by dairy producers who do not use the services of a milk handler or dairy cooperative. The funds collected would be used to promote the interests of the dairy industry via research and marketing related to dairy products and the dairy industry. A dairy producer would be able to request a refund of the assessment.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

### **Establish Equine State Trail – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 6

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Rename the Official State Fruit to the Muscadine Grape – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 7

Section 7 of S.L. 2023-63 renames the official State fruit to the Muscadine grape, which includes all varieties of Muscadine grape.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Designate the Longleaf Pine as the Emblem Representing the Trees of North Carolina – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 8

Section 8 of S.L. 2023-63 designates the longleaf pine as the emblem representing the trees of North Carolina.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Designate the Second Wednesday in November of Each Year as North Carolina Farmers Appreciation Day – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 8.1

Section 8.1 of S.L. 2023-63 designates the second Wednesday in November of each year as North Carolina Farmers Appreciation Day, beginning in 2024.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Prescribed Burning Act Amendments – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 9

Section 9 of S.L. 2023-63 makes several changes to the Prescribed Burning Act by amending (i) definitions of "prescribed burning" and "prescription," (ii) landowner liability during a prescribed burn, and (iii) the process for conducting a prescribed burn, as described in the full summary.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Prohibit Use of an Unmanned Aircraft Near a Forest Fire – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 10

Section 10 of S.L. 2023-63 prohibits the use of an unmanned aircraft system within either a horizontal distance of 3,000 feet or a vertical distance of 3,000 feet from any forest fire within

the jurisdiction of the North Carolina Forest Service, with exceptions for law enforcement and employees of the North Carolina Forest Service.

There is a range of penalties for violation of this section. A person who operates an unmanned aerial system in violation of this section would be fined at least \$1,000 and otherwise punished as follows:

- If the person is the proximate cause of death of another person, the person is guilty of a Class D felony.
- If the person is the proximate cause of serious bodily injury to another person, the person is guilty of a Class E felony.
- If the person is the proximate cause of serious mental or physical injury to another person, the person is guilty of a Class F felony.
- If the person interferes with emergency operations and such interference proximately causes damage to any real or personal property or any tree, wood, underwood, timber, garden, crops, vegetables, plants, lands, springs, or any other matter or thing growing or being on the land, the person is guilty of a Class G felony.
- If the person interferes with emergency operations, the person is guilty of a Class H felony.
- If the person is the proximate cause of mental or physical injury to another person, the person is guilty of a Class I felony.
- If the person does not cause any of the injuries specified in this list, the person is guilty of a Class A1 misdemeanor.

A law enforcement agency is authorized to seize an unmanned aircraft system operating in violation of this section.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective December 1, 2023, and applies to offenses committed on or after that date.

### **Amend Timber Larceny Statute – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 11

Section 11 of S.L. 2023-63 adds two acts to the offense of larceny of timber, which is a class G felony:

- Knowingly and willfully aiding, hiring, or counseling an individual to cut down, injure, or remove any timber owned by another person without the consent of the owner of the land or the owner of the timber, or without a lawful easement running with the land. There is an exception for electric power suppliers who believe in good faith that either (i) consent of the owner had been obtained prior to aiding, hiring, or counseling the individual to cut down, injure, or remove the timber, or (ii) the cutting down, injuring, or

removing of the timber was permitted by a utility easement or was necessary to remove a tree hazard.

- Knowingly and willfully transporting forest products that have been cut down, removed, obtained, or acquired from the property of a landowner without the consent of the owner of the land or the owner of the timber, or without a lawful easement running with the land.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective December 1, 2023, and applies to offenses committed on or after that date.

### **Limit Civil Penalties for Removal of Timber in a Riparian Buffer to the Value of the Timber – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 11.1

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Establish Forestry Services and Advice Fund – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 12

Section 12 of S.L. 2023-63 establishes the Forestry Services and Advice Fund (Fund) as a special fund within the North Carolina Forest Service. Moneys paid to the Commissioner of Agriculture (Commissioner) for the provision of forestry services and advice for landowners are deposited into the Fund. The Fund will be used to develop, improve, repair, maintain, operate, and otherwise invest in providing forestry services and advice to owners and operators of forestland.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

### **Clarify Powers of Forest Rangers – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 12.1

Section 12.1 of S.L. 2023-63 clarifies that a forest ranger or deputy ranger can use all necessary means to confine and extinguish a forest fire whether or not the fire occurs during a season of drought.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

### **Align Animal Waste Management System Operator Fees with Water Pollution Control System Operator Fees – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 13.1

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Digester General Permit Clarification – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 14

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Direct the Environmental Management Commission to Withdraw the 2021 NPDES General Permit for Aquaculture and Revise it to be Substantively Identical to the Previous General Permit – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 14.1

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **2023 Wildlife Resources Changes.**

SL 2023-69 (H192)

S.L. 2023-69 makes the following changes to the statutes governing the Wildlife Resources Commission (WRC), as described in further detail below:

- Effective July 1, 2023, allows WRC to expend funds to construct or renovate equipment storage or maintenance buildings with a total project cost of less than \$150,000. Also allows the Department of Agriculture and Consumer Services (DACS) to expend funds for these purposes to build equipment structures with a total project cost of less than \$150,000.
- Allows WRC to use funds appropriated for removal of high-hazard dams in the mountain region of the State to remove dams that are not categorized as "high-hazard" but are otherwise prioritized for removal by WRC, until June 30, 2025.
- Effective July 1, 2023, exempts WRC from the Department of Administration's architecture and engineering authority for projects within boating access areas, public

fishing areas, and WRC game lands with an estimated cost of \$750,000 or less and establishes a procedure by which WRC must conduct certain fee negotiations and contract oversight.

- Creates a new license available to a person that either holds a valid big game license or is otherwise exempt from hunting license requirements, to take two deer of either sex in an area identified by WRC as a special management area due to the presence or potential presence of chronic wasting disease (CWD).
- Allows the Executive Director of WRC to issue proclamations creating or modifying CWD surveillance areas, as well as mandatory sampling requirements, for cervids taken in areas where the Executive Director receives notice of a new confirmed case of CWD in that area.
- Eliminates floatation device type designations in statute, consistent with federal law.
- Allows for relocation of an object of remembrance commemorating WRC law enforcement officers killed in the line of duty.
- Makes a conforming change to how titles are delivered to WRC for the purposes of titling a vessel that is otherwise titled in another state so that the third-party vendor is allowed to submit these documents to WRC.
- Allows fishing with the aid of an unmanned aircraft or unmanned aircraft system when the unmanned aircraft or unmanned aircraft system is used for purposes of spotting fish; locating fish; recording, broadcasting, or streaming video of fish; or deploying bait. This section became effective July 1, 2023, and applies to activities occurring on or after that date.

Except as otherwise provided, this act became effective June 30, 2023.

### **Agriculture Analytics Platform Initiative – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.13

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **North Carolina Agriculture Manufacturing and Processing Initiative – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 10.2

Section 10.2 of S.L. 2023-134 establishes the North Carolina Agricultural Manufacturing and Processing Initiative (NCAMPI) within the Department of Agriculture and Consumer Services (DACS) and allocates, from the funds appropriated to DACS from the interest earned in the State Fiscal Recovery Reserve, \$10 million of nonrecurring, nonreverting funds in each of the 2023-2024 and 2024-2025 fiscal years to be used for NCAMPI. DACS can use these funds for the following purposes:

- Up to \$500,000 in the first year of the program for DACS to engage independent experts to identify opportunities to increase value-added processing of commodities produced in the State and address categorical or geographical gaps in agricultural manufacturing and processing, with \$100,000 dedicated to the dairy industry.

- Up to \$250,000 each year for DACS to market and recruit agricultural manufacturing and processing facilities to fill identified gaps in access to such facilities by North Carolina farmers based on the assessment.
- For the remaining funds, to provide grants to local governments and nonprofit economic development entities to support the creation or expansion of agricultural manufacturing facilities. A grant award cannot exceed \$5 million per facility.

DACS must find that a grant under this section is necessary for the construction or expansion of a facility to be used by a business entity that will engage in agricultural manufacturing or processing activities in this State.

DACS must report on NCAMPI activities to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division by October 1 of each year.

This section became effective July 1, 2023.

### **Tobacco Farm Life Museum Special Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.3

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Phased in Mandatory Commercial and Recreational Reporting of Certain Fish Harvests – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 6

Section 6 of S.L. 2023-137 creates a phased in reporting requirement for certain commercial and recreational fish harvests, to be managed by the Division of Marine Fisheries of the Department of Environmental Quality and the Wildlife Resources Commission.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section has a staggered effective date, with the first date being December 1, 2024. See the full summary for the detailed effective dates.

### **Clarify Certain Environmental Permitting Laws Applicable to Agricultural Activities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 15

Section 15 of S.L. 2023-137 clarifies which State permit a person constructing an animal waste management system needs to apply for, in addition to the required federal NPDES permit, and makes additional changes to the animal waste management system permitting regarding conditions and compliance boundaries.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

### **Commissioner of Agriculture/Supply Chain Powers – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 25

Section 25 of S.L. 2023-137, notwithstanding any other provision of law, authorizes the Commissioner of Agriculture (Commissioner) to develop and implement any emergency measures and procedures needed to mitigate an imminent threat to or a disruption of the agricultural supply chain or food supply chain with respect to poultry due to a lack of capacity at rendering facilities or landfills when the Commissioner determines that such a threat exists and convenes a meeting of the Board of Agriculture and the Board votes to concur with the Commissioner's determination. Any emergency measures implemented pursuant to this power are deemed permitted pursuant to G.S. 143-215.1(b) and G.S. 130A-294 and do not require the Department of Environmental Quality to issue individual permits. No further permitting will be required for composting, and composting conducted pursuant to this emergency authorization will be supervised by Commissioner-determined subject matter experts. The Commissioner is required to record the responses from the Board and release the response along with any emergency orders issued by the Commissioner. Emergency measures and procedures developed and implemented pursuant to this authority are exempt from the Administrative Procedure Act, and no emergency measure or procedures can last for more than 90 days, except that the Commissioner can renew any measure or procedure once for an additional 90 days.

This section also grants the Commissioner the same authority for supply chain disruptions with respect to livestock, except that the Commissioner also needs to submit any emergency measures or procedures relating to the composting of livestock to the Governor for approval before it could be implemented.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.



# Children and Families

See full summary documents for additional detail

## **Limited Provisional License Modification.**

SL 2023-13 (S157)

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

## **Care for Women, Children, and Families Act - Part I.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Care for Women, Children, and Families Act - Part IV.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Care for Women, Children, and Families Act - Part VI.**

SL 2023-14 (S20)

Part VI of S.L. 2023-14 amends the current law for the safe surrender of an infant by identifying specific individuals to whom an infant can be surrendered and outlining the duties, immunity, confidentiality, and notice related to a safely surrendered infant. It also appropriates funds to the State Maternity Home Fund, prevents racial discrimination in adopting or placing a child for foster care, increases the kinship care and foster care rates, appropriates funds to cover a loss in federal receipts from the Family First Prevention Services Act, and appropriates funds to the NC Finish Line Grants Program.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. The safe surrender provisions of this Part of the act became effective October 1, 2023, and apply to infants surrendered on or after that date. The remaining provisions of this Part became effective July 1, 2023.

## **Care for Women, Children, and Families Act - Part VII.**

SL 2023-14 (S20)

Part VII of S.L. 2023-14 requires reimbursement rates for three-, four-, and five-star rated childcare facilities to be funded at the 75th percentile of the 2021 Child Care Market Rate Study

as of October 1, 2023. Funds are appropriated for this purpose. Tuition reimbursement for low-income children at private childcare facilities is decoupled from subsidized childcare market rates.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. This Part of the act became effective July 1, 2023.

### **The Loving Homes Act.**

SL 2023-82 (H815)

S.L. 2023-82 allows a foster home which otherwise qualifies for family foster home licensure but for having five biological children residing in the home to provide care for one foster child or sibling group and codifies certain provisions of the Administrative Code related to family foster homes.

If the amended State plan does not require approval by the U.S. Secretary of Health and Human Services, Section 1 of the act becomes effective on October 1, 2023. If the amended State plan requires approval, then Section 1 becomes effective on the date that the amended family foster care home rule is approved by the Secretary. The Secretary of North Carolina Health and Human Services must report to the Revisor of Statutes the effective date of the statute once known. The remainder of the act became effective July 7, 2023.

### **Child Advocacy Centers/Share Information.**

SL 2023-96 (H674)

S.L. 2023-96 establishes criteria for Children's Advocacy Centers to receive State funds, establishes confidentiality requirements for the sharing of information and access to records held by Children's Advocacy Centers and multidisciplinary teams, and establishes immunity from liability for certain circumstances for the multidisciplinary team, individuals and volunteers working for a Children's Advocacy Center.

This act becomes effective July 1, 2024.

### **Parents' Bill of Rights.**

SL 2023-106 (S49)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Estates and Trusts Changes.**

SL 2023-120 (S218)

[For a detailed summary of the provisions of this act, please see the PROPERTY, TRUSTS, AND ESTATES subject area.]

## **Adoption Law/Notary Changes/Guardianship Rights.**

SL 2023-124 (S615)

S.L. 2023-134 made the following changes:

- Section 1 of S.L. 2023-124 allows a former stepparent to adopt an adult adoptee.
- Section 2 of S.L. 2023-124 modifies the law related to the redaction of certain information from a preplacement assessment.
- Section 3 of S.L. 2023-124 expands the acknowledgment options related to agency relinquishments for adoption.

## **Management Flexibility for the Department of Health and Human Services to Expend Certain ARPA Temporary Savings Fund Appropriations for Purposes Related to Child and Family Well-Being – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.9

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **NC Pre-K Programs/Standards for Four- and Five-Star Rated Facilities – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.1

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Child Care Subsidy Rates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.3

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Child Care Allocation Formula – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.4

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Smart Start Initiatives – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.5

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Smart Start Literacy Initiative/Dolly Parton's Imagination Library – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.6

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Increase Provision of In-Home Child Care/Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.8

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Tri-Share Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.9

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Increase Capacity/Family Child Care Homes – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.10

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Extend Compensation Grants for Child Care Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.11

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Additional Medicaid Services for Foster Youth – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.21

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Children and Families Specialty Plan – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.22

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Establishment and Funding of the State Office of Child Fatality Prevention within the Department of Health and Human Services, Division of Public Health – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.15(a)-(d)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Modifications and Additions to Child Fatality System Statutes to Restructure Child Death Review Teams, Implement Participation in the National Fatality Review Case Reporting System, and Clarify the Functions of the North Carolina Child Fatality Task Force – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.15(f)-(i)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Establishment of North Carolina Citizen Review Panels – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.15(j)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Child Welfare Postsecondary Support Program (NC Reach) – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.5

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Federal Child Support Incentive Payments – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.6

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Successful Transition/Foster Care Youth – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.7

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Permanency Innovation Initiative/Codify Supplementation of Federal Funds Requirements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.8

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Child Advocacy Center Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.11

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Foster Care Trauma-Informed Assessment – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.12

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Transportation of High-Risk Juveniles – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.13

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Expansion of the Homeschool Cooperative Exemption to the Definition of Child Care – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 33

Section 33 of S.L. 2023-137 revises the homeschool cooperative exemption to the definition of "child care" to allow cooperative arrangements to provide for the academic instruction of school age children to occur in a location outside the home of one of the cooperative participants.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

# Civil Law and Procedure

**See full summary documents for additional detail**

## **Modifications to Notary Public Act.**

SL 2023-57 (S552)

S.L. 2023-57 does the following:

- Extends the authority for emergency video notarizations and emergency video witnessing to June 30, 2024.
- Delays the effective date for authority for remote electronic notarizations until July 1, 2024.
- Authorizes a registered electronic notary public to also perform remote electronic notarial acts.
- Makes additional conforming changes to the Electronic Notary Public Act, Article 2 of Chapter 10B of the General Statutes.

This act has various effective dates. Please see the full summary for more details.

## **Amend Rule 4/Acceptance of Service - Part I.**

SL 2023-97 (S91)

Part I of S.L. 2023-97 authorizes an optional means by which service of civil summons may be completed.

This part became effective December 1, 2023, and applies to actions commenced on or after that date.

## **Fairness in Women's Sports Act.**

SL 2023-109 (H574)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **Gender Transition/Minors.**

SL 2023-111 (H808)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]



## **Adoption Law/Notary Changes/Guardianship Rights.**

SL 2023-124 (S615)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

## **Amend Rulemaking Procedures in the Administrative Procedure Act – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 21.2

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Limit Tort Liability for State Employees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 31.1

Section 31.1 of S.L. 2023-134 limits tort claims against state employees by stating that all claims must be brought under Article 31 (Tort Claims against State Departments and Agencies) of Chapter 143 (State Departments, Institutions, and Commissions) of the North Carolina General Statutes and that all claims must be filed and heard at the North Carolina Industrial Commission (IC).

This section became effective October 3, 2023, and applies to all claims filed on or after that date.

## **Surveyors Right of Entry/Expedite Commercial and Multifamily Building Projects.**

SL 2023-142 (S677)

S.L. 2023-142:

- Gives licensed professional land surveyors and their agents, employees, or personnel under their supervision, a limited right to enter into the lands of others if necessary to perform surveys and after making a reasonable effort to notify adjoining landowners upon whose land entry is necessary.
- Expedites plan review processes and authorizes the use of limited at-risk construction permitting options for certain commercial and multifamily building projects.

The section of the act pertaining to professional land surveyor right-of-entry becomes effective July 1, 2024, and applies to acts on or after that date. The section of the act pertaining to commercial and multifamily building permits becomes effective July 1, 2024, and applies to permit applications submitted on or after that date.

**Breaking or Entering Into or Breaking Out of Railroad Cars, Motor Vehicles, Trailers, Aircraft, Boats, or Other Watercraft; Aggregation of Financial Crimes; Hearsay Exceptions; Availability of Declarant Immaterial – Various Changes to Criminal and Civil Laws.**

SL 2023-151 (S409), Sec. 1-3

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

# Commercial Law and Consumer Protection

See full summary documents for additional detail

## **Hotel Safety Issues.**

SL 2023-5 (S53)

[For a detailed summary of the provisions of this act, please see the PROPERTY, TRUSTS, AND ESTATES subject area.]

## **Reorganization and Economic Development Act.**

SL 2023-33 (H346)

S.L. 2023-33 allows hospital service corporations to reorganize so that they can be controlled by a non-profit holding corporation. The act provides that a non-profit holding company is not subject to the provisions of Article 65 (Hospital Service Corporations) and Article 66 (Hospital Service Corporation Readable Insurance Certificates Act) of Chapter 58 (Insurance), but that most of those provisions continue to apply to the underlying hospital service corporation.

This act became effective June 9, 2023.

## **Sports Wagering/Horse Racing Wagering.**

SL 2023-42 (H347)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Retail Installment Sales Act Amendments.**

SL 2023-60 (S329)

S.L. 2023-60 modifies the maximum finance charge rates that can be applied to consumer credit installment sale contracts and increases from \$15 to \$18 the default charge for past due installment payments.

This bill was vetoed by the Governor on June 19, 2023, and that veto was overridden by the General Assembly on June 27, 2023. This act became effective October 1, 2023, and applies to contracts entered into, modified, or renewed on or after that date.

## **Consumer Finance Act Amendments.**

SL 2023-61 (S331)

S.L. 2023-61 makes various changes to the Consumer Finance Act.

This bill was vetoed by the Governor on June 19, 2023, and that veto was overridden by the General Assembly on June 27, 2023. This act became effective October 1, 2023, and applies to contracts entered into, modified, or renewed on or after that date.

### **Umstead Act Exemption for Lodging Facilities at State Parks – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 6

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Amend Business Corporation Act/Business Opportunity Act Disclosures.**

SL 2023-130 (S477)

S.L. 2023-130 does the following:

- Amends the Business Corporation Act to:
  - Update requirements for sending notices and other communications to shareholders electronically.
  - Provide that for newly incorporated non-public corporations, unless otherwise provided in the articles of incorporation, action can be taken without meeting by written consent of shareholders having the number of votes necessary to take the action at a meeting at which all shareholders entitled to vote were present and voted.
  - Dispense with the requirement that written consents to action to be taken without meeting bear the date of signature of the shareholder.
  - Provide that a written consent to action to be taken without meeting expires if the corporation has not, within 60 days after the first date on which a written consent to the action is received by the corporation, received unrevoked written consents sufficient to take the action without meeting.
  - Permit articles of incorporation to be amended without a shareholder vote to delete a class or series of shares created by the board and having no outstanding shares.
  - Permit a corporation to restrict, in whole or in part, the right of the holders of outstanding shares of an existing class or series of a class to vote as a separate voting group on a proposed amendment to the articles of incorporation that would create a new class of shares that have rights with respect to distributions or to dissolution substantially equal or superior to the existing class.
  - Modify statutory provisions governing the right of shareholders in a corporation to inspect the records of a subsidiary of that corporation.
- Amends the Business Opportunity Act to permit franchisors to meet their disclosure and filing obligations using a document that complies with Federal Trade Commission disclosure requirements.

- Standardizes the evidence required to prove a debt in actions brought by collection agencies.

This act has various effective dates. Please see the full summary for more detail.

### **NCInnovation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.9

Section 11.9 of S.L. 2023-134 enacts G.S. 143-728, permitting the receipt and retention of funds by NCInnovation, a nonprofit corporation to be used for certain authorized purposes.

This section became effective July 1, 2023.

### **North Carolina Innovation Council – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.14

Section 11.14 of S.L. 2023-134 administratively houses the North Carolina Innovation Council (Council) in the Department of Commerce, authorizes the Council to adopt rules to implement Chapter 169 of the General Statutes, authorizes the Council to appoint a paid Executive Director, and makes technical changes to Chapter 169.

This section of the act became effective July 1, 2023.

### **Sports Wagering Technical Corrections – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.18

Section 11.18 of S.L. 2023-134 makes changes to S.L. 2023-42 (Sports Wagering/Horse Racing Wagering), most notably, the following:

- Requires a prospective interactive sports wagering operator applicant to have a written designation agreement with a professional sports team, a motorsports facility, a facility that hosts a professional golf tournament annually, or certain sports governing bodies to be eligible for licensure.
- Authorizes an indoor venue that does not meet the definition of "sports facility" but hosts sporting events and is designed to host 22,000 or more live spectators to be an eligible location for grant funding from the North Carolina Major Events, Games, and Attractions Fund.

This act has various effective dates. Please see the full summary for more details.

## **Require Report/Protection and Advocacy Agency.**

SL 2023-135 (H361)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Prohibit Counties and Cities from Regulating Certain Online Marketplaces – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 27

Section 27 of S.L. 2023-137 prohibits counties or cities from regulating the operation of an online marketplace; or requiring an online marketplace to provide personally identifiable information of users, unless pursuant to a subpoena or court order.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Exempt from Public Contract Bidding Requirement Heating and Cooling System Repair Work Made Through a Competitive Bidding Group Purchasing Program – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 43

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Stop Addiction Fraud Ethics Act of 2023.**

SL 2023-141 (H415)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

# Constitution and Elections

**See full summary documents for additional detail**

## **Amend Rule 4/Acceptance of Service - Part IV.**

SL 2023-97 (S91)

Part IV of S.L. 2023-97 establishes a process by which an elected sanitary board can opt to conduct elections in the even-numbered years, rather than odd-numbered years.

This part became effective July 10, 2023, and applies to elections held on or after that date.

## **Protect Our Students Act.**

SL 2023-128 (H142)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **State Board of Elections Post-Election Audit Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 26.2

Section 26.2 of S.L. 2023-134 specifies the information that must be included in the post-election audit report following a general election, effective July 1, 2023.

## **State Board of Elections - Prohibit Electronic Registration Information Center Membership – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 26.3

Section 26.3 of S.L. 2023-134 prohibits North Carolina from becoming a member of the Electronic Registration Information Center, Inc. (ERIC).

This section of the act became effective July 1, 2023.

## **Statewide Elections Information Management System – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 26.7

Section 26.7 of S.L. 2023-134 requires the State Board of Elections to use funds appropriated in this act to replace the Statewide Elections Information Management System, and requires the State Board of Elections, in consultation with the Department of Information Technology, to create and develop an initial plan to replace the Statewide Elections Information Management System and provide ongoing reports on the progress of the project.

This section became effective July 1, 2023.

### **Modify Constitutional Amendment Publication Process – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 27.5

Section 27.5 of S.L. 2023-134 places responsibility for preparation and distribution of summaries of proposed amendments to the North Carolina Constitution upon the Legislative Services Officer, effective July 1, 2023.

### **Bond Referendum Transparency – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 36.3

Section 36.3 of S.L. 2023-134 amends the ballot language required for a general obligation bond referendum to add the following:

- The estimated cumulative cost over the life of the bond, using the highest interest rate charged for similar debt.
- The amount of property tax liability increase to service the cumulative cost over the life of the bond, stated for each \$100,000 of property tax value.

Section 36.3 also requires that the ballot language explicitly state that additional property taxes can be levied on property located in the unit of local government to repay the debt.

This section became effective December 31, 2023, and applies to bond referendums conducted on or after that date.

### **No Partisan Advantage in Elections.**

SL 2023-139 (S749)

S.L. 2023-139 does all of the following:

- Effective January 1, 2024:
  - Increases the number of members of the State Board of Elections (State Board) from five to eight, with all eight members being appointed by the General Assembly.
  - Decreases the number of members of each of the 100 county boards of elections from five to four, with all four members being appointed by the General Assembly.
  - Administratively transfers the State Board to the Secretary of State's Office; however, the Secretary of State will not direct or supervise management functions of the State Board.
- Effective October 10, 2023:



- Requires that, with respect to the conduct of elections, the emergency powers be exercised by the State Board rather than the Executive Director of the State Board of Elections (Executive Director).
- Clarifies that the Executive Director can designate an acting county director of elections if the county board of elections does not nominate an individual to serve as county director of elections.
- Makes technical and clarifying changes to photo ID for voting,.
- Changes the filing date for filings of the statement of economic interest associated with a notice of candidacy.
- Clarifies the 2024 appointments to certain boards and commissions modified by S.L. 2023-136 of the 2023 Regular Session.

This bill was vetoed by the Governor on September 28, 2023, and that veto was overridden by the General Assembly on October 10, 2023. Except as otherwise provided, this act became effective October 10, 2023.

## **Elections Law Changes.**

SL 2023-140 (S747)

S.L. 2023-140 makes various changes to the elections laws of the State.

This bill was vetoed by the Governor on August 24, 2023, and that veto was overridden by the General Assembly on October 10, 2023. The section of the act adding two additional election-related Class 1 misdemeanors became effective December 1, 2023. The section of the act pertaining to removing foreign citizens from voter rolls becomes effective July 1, 2024. The remainder of the act became effective January 1, 2024, and applies to elections held on or after that date.

# **Courts, Justice, and Corrections**

**See full summary documents for additional detail**

## **Prevent Rioting and Civil Disorder.**

SL 2023-6 (H40)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Guarantee 2nd Amendment Freedom and Protections.**

SL 2023-8 (S41)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Modify Property Transfer to Pender County.**

SL 2023-35 (H412)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Probation Modifications/Sheriff Authority.**

SL 2023-45 (H87)

S.L. 2023-45 makes the following changes:

- Allows a district attorney to file a probation modification petition.
- Allows the court to delegate the ability to shorten a period of probation to a probation officer.
- Allows all sheriff's offices in the state to contract for food and food services supplies without being subject to certain public contract laws.

This act has various effective dates. Please see full summary for more details.

## **General Statutes Commission Assignments of Error.**

SL 2023-54 (S327)

S.L. 2023-54 conforms the North Carolina General Statutes to the North Carolina Rules of Appellate Procedure by updating obsolete references to "assignments of error" and "exceptions" and makes other technical corrections, as recommended by the General Statutes Commission and the Appellate Rules Committee of the North Carolina Bar Association.

This act became effective June 23, 2023.

### **Modifications to Notary Public Act.**

SL 2023-57 (S552)

[For a detailed summary of the provisions of this act, please see the CIVIL LAW AND PROCEDURE subject area.]

### **Innocence Inquiry Commission Provisions.**

SL 2023-74 (H790)

S.L. 2023-74 makes the following modifications related to the North Carolina Innocence Inquiry Commission (Commission):

- Allows the Commission to continue receiving private gifts and donations, and create a related reporting requirement to the General Assembly about these gifts and donations.
- Allows the Commission to continue reviews of any request for review of a case for factual innocence unless the person convicted is deceased with priority given to those where the convicted person is incarcerated solely for the crime for which the request is made.
- Requires a prehearing conference to be held at least 30 days prior to an evidentiary hearing or at any time if the Commission develops evidence of factual innocence.
- Establishes the procedure for the prehearing conference including the Commission providing its evidence and testimony to the claimant and the claimant's attorney, if any.
- Allows the district attorney to provide the Commission a written statement at least 10 days prior to a hearing.
- Requires the Administrative Office of the Courts to appoint a special prosecutor for the Commission hearing when there is evidence of prosecutorial misconduct.

S.L. 2023-74 also expands provisions surrounding the electronic recording of custodial interrogations in places of detention, requires the office of the district attorney be notified of any Combined DNA Index System (CODIS) matches, and requires the recording of law enforcement interviews with certain informants who are in custody.

Except as otherwise provided, this act became effective July 7, 2023.

### **Department of Public Safety Agency Bill.**

SL 2023-86 (S171)

S.L. 2023-86 does all of the following:

- Modifies the State Capitol Police's authority and territorial jurisdiction to arrest.
- Adds the definition of wood residual to Chapter 20 of the General Statutes (Motor Vehicles).

- Modifies the timeframe under which law enforcement is required to enter missing or unidentified person information into NamUs from 30 days to 90 days.
- Modifies the North Carolina Silver Alert System by renaming it; clarifying which missing persons fall under it; limiting required alerts to situations where no more than 72 hours have passed since the person or child went missing; and adding requirements for law enforcement action related to alerts.
- Grants the Adjutant General and National Guard Staff Judge Advocate access to certain criminal investigation records.
- Provides that no provision concerning special trial counsel in the Uniform Code of Military Justice and Manual for Courts-Martial, United States, must apply to courts-martial convened under Article 3 (National Guard) of Chapter 127A of the General Statutes.
- Expands the definition of reportable conviction under Article 27A (Sex Offender and Public Protection Regulation Programs) of Chapter 14 of the General Statutes to include convictions in State court-martial proceedings for offenses substantially similar to an offense against a minor or a sexually violent offense.
- Establishes the Samarcand Training Academy under the Department of Public Safety (DPS).
- Allows DPS to retain the net proceeds from the sale or lease of certain land or facilities.

The modifications to the North Carolina Silver Alert System and the expansion of the reportable convictions for sex-offender registration became effective October 1, 2023. The remainder of the act became effective July 10, 2023.

### **Amend Rule 4/Acceptance of Service - Part III.**

SL 2023-97 (S91)

Part III of S.L. 2023-97 makes the following changes to courtroom procedure:

- Removes the requirement of presiding judge approval for a district court to have jurisdiction to accept a plea for a Class H or I felony.
- Authorizes the chief district court judge to schedule and assign sessions of court for the acceptance of felony pleas and requires the district attorney to calendar those pleas for these sessions.
- Clarifies that when the superior court holds a probation revocation hearing for an offense where the plea was taken in district court, the superior court shall proceed without remanding the matter back to district court except by agreement of the chief district court judge and the resident superior court judge that it is in the best interest of justice.

This Part became effective December 1, 2023. The changes to the acceptance of pleas in district court apply to pleas accepted on or after that date. The changes to probation revocation hearing procedure apply to revocation hearings held on or after that date.

## **Administrative Office of the Courts Court Changes/Amend Expunction.**

SL 2023-103 (H193)

S.L. 2023-103 amends various provisions of the North Carolina General Statutes, as recommended by the Administrative Office of the Courts (AOC), and makes certain changes to the laws related to the expunction of criminal offenses.

This act has various effective dates. Please see the full summary for more detail.

## **Adult Correction/Law Enforcement Changes.**

SL 2023-121 (S492)

S.L. 2023-121 makes the following changes to the General Statutes concerning the Department of Adult Correction (DAC) and law enforcement agencies:

- Allows drug or alcohol screening tests, other than breath, urine, or blood tests, to be used to test for the presence of alcohol or drugs in a person on probation.
- Prohibits the possession of firearm ammunition for people on probation, post-release supervision, or parole.
- Allows DAC to transfer an offender from a State prison to a local confinement facility or federal agency five days earlier than the expiration of the sentence when the offender is subject to an outstanding sentence, detainer, or other lawful process authorizing detention.
- Allows DAC to sell products made by Correction Enterprises to any individual currently incarcerated within a DAC facility.
- Authorizes carrying forward to the next fiscal year the end-of-year current operations appropriations credit balance for DAC utilities resulting from energy conservation measure savings, and makes a technical correction to the UNC system's energy conservation savings statute.
- Requires net proceeds derived from the sale or lease of property owned or used by DAC be deposited in a fund for DAC to make capital improvements.
- Adds certain DAC employees to the list of individuals who are exempt from the law prohibiting the carrying of concealed firearms.
- Exempts DAC entirely from the contested case provisions of the Administrative Procedure Act.
- Extends the date that security guards licensed under the Private Protective Services statutes are authorized to work at State prisons to June 30, 2025.
- Allows prisoners working for a certain program to earn a higher wage for their work within DAC.
- Provides that qualified probation or parole certified officers and qualified correctional officers are deemed to have satisfied the approved firearms safety and training course requirement for a concealed handgun permit.
- Expands the scope of various peer support group counselor provisions to include corrections employees, and makes clarifying changes.

- Authorizes probation officers' exercise of delegated authority in DWI cases unless the presiding judge finds delegation inappropriate.
- Allows DAC to conduct a two-year pilot program to contract for nurses from third-party non-governmental staffing agencies without a 31-day break in service after 11 months of employment.
- Requires arresting law enforcement agencies to fingerprint individuals charged with a misdemeanor crime of domestic violence and forward those fingerprints to the State Bureau of Investigation.
- Corrects references to DAC and the Department of Public Safety in various statutes.

This act has various effective dates. Please see the full summary for more details.

### **Adoption Law/Notary Changes/Guardianship Rights.**

SL 2023-124 (S615)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

### **Collaboratory Report on Recovery Court Study Results – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.11

Section 8.11 of S.L. 2023-134 directs the North Carolina Collaboratory to study existing judicially managed accountability and recovery courts and to report the results of its study to various legislative committees no later than October 1, 2024.

This section became effective October 3, 2023.

### **Magistrate-Clerk Staffing Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.2

Section 16.2 of S.L. 2023-134 allows the clerk of superior court in a county, with written or emailed consent of the chief district court judge, to hire one deputy or assistant clerk in lieu of one of the magistrate positions allocated to that county. The clerk of superior court's office must provide some of the services traditionally provided by the magistrates' office during some or all of the regular courthouse hours. The Administrative Office of the Courts (AOC) must report by March 1 of each year to the chairs of the House of Representatives Appropriations Committee on Justice and Public Safety and the Senate Appropriations Committee on Justice and Public Safety on the following topics: 1) all deputy or assistant clerk positions previously filled pursuant to this subsection if the position remains filled pursuant to this subsection; and 2) new deputy or assistant clerk positions filled pursuant to this subsection.

This section became effective July 1, 2023.

## **Require Reporting on Remote Work Policies and Participation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.12

Section 16.12 of S.L. 2023-134 requires the Administrative Office of the Courts (AOC) to maintain and furnish a remote work policy upon request.

This section became effective October 1, 2023.

## **Raise Mandatory Retirement Age for Appellate Judges – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.14

Section 16.14 of S.L. 2023-134 creates age limits for judges. This section prohibits any justice or judge of the appellate division of the General Court of Justice from continuing in office beyond the last day of the month in which the justice or judge attains 76 years of age. Justices and judges so retired may be recalled for periods of temporary service. Superior court and district court judges are prohibited from continuing in office beyond the last day of the month in which the judge attains 72 years of age, but retired judges may be recalled for periods of temporary service.

This section became effective October 3, 2023, and applies to justices, judges, and magistrates serving on or after that date, provided that nothing in this section may be construed to automatically halt the retirement process of a justice, judge, or magistrate that has already initiated that process.

## **Modify Members and Reporting Requirements of the Sentencing and Policy Advisory Commission – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.16

Section 16.16 of S.L. 2023-134 adds the Secretary of the Department of Public Safety or the Secretary's designee as a member of the Sentencing and Policy Advisory Commission ("Commission") and modifies the appointment criteria for two members of the Commission.

This section also assigns to the Department of Adult Correction responsibility formerly assigned to its Division of Prisons and its Division of Community Supervision and Reentry, for conducting certain studies and making biennial reports to the General Assembly, jointly with the Commission.

This section became effective July 1, 2023.

## **Create New Special Superior Court Judges – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.19

Section 16.19 of S.L. 2023-134 provides that upon retirement, resignation, removal from office, death, or expiration of the term of any special superior court judge on or after September 1, 2014, each judgeship shall be filled for a full eight-year term (previously a five-year term). Further, effective January 1, 2024, the General Assembly may appoint, by enactment of a bill, 10 special superior court judges to serve terms expiring at the earlier of 1) eight years from the date that each judge takes office, or 2) the date of the judge's death, retirement, resignation, or removal from office. Five of these judges shall be nominated by the Speaker of the House of Representatives, one residing in each of the five judicial districts, and five shall be nominated by the President Pro Tempore of the Senate, one residing in each of the five judicial districts.

Special superior court judgeships in place as of April 1, 2023, whether filled or vacant, shall be extended to an eight-year term. This section applies to all special superior court judges currently filling these judgeships, whether serving an appointment for the full term or serving the remainder of an unexpired term, in which case the unexpired term shall be similarly extended to be an eight-year term.

This section became effective July 1, 2023.

## **Modify Judicial Standards Commission Membership – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.20

Section 16.20 of S.L. 2023-134 modifies the membership of the Judicial Standards Commission by:

- Providing that four seats formerly held by members of the State Bar elected by the State Bar Council will now be held by two district court judges and two superior court judges appointed by the General Assembly.
- Permitting members of the State Bar to be appointed to fill any of the four seats designated for public members.

This section became effective October 3, 2023.

## **Competitive Grants for Nonprofit Organizations Providing Services to Victims of Human Trafficking – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.23

Section 16.23 of S.L. 2023-134 requires the Human Trafficking Commission to develop and implement a program to award grants to eligible nonprofit organizations that directly provide services to victims of human trafficking.



This section became effective July 1, 2023.

**Allow Appellate Judges to Carry Concealed Weapons in Certain Instances – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.33

Section 16.33 of S.L. 2023-134 adds any judge of the North Carolina Court of Appeals and any justice of the North Carolina Supreme Court to those judges who can carry or possess a concealed handgun in a building housing a court of the General Court of Justice if the judge or justice is in the building to discharge his or her official duties and the judge or justice has a concealed handgun permit.

This section became effective July 1, 2023.

**Require Reporting on Remote Work Policies and Participation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 17.2

Section 17.2 of S.L. 2023-134 requires the Office of Indigent Defense Services (IDS) to maintain and furnish a remote work policy upon request.

This section became effective October 1, 2023.

**Require Reporting on Remote Work Policies and Participation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 18.2

Section 18.2 of S.L. 2023-134 requires the Department of Justice (DOJ) to maintain and furnish a remote work policy upon request.

This section became effective October 1, 2023.

**Require Reporting on Remote Work Policies and Participation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19A.4

Section 19A.4 of S.L. 2023-134 requires the Department of Adult Correction (DAC) to maintain and furnish a remote work policy upon request.

This section became effective October 1, 2023.

**Make Drug and Alcohol Screening a Regular Condition of Probation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19C.2

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

**Extend Sunset Date for Use of Security Guards at State Prisons and Related Reporting Requirement – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19C.5

Section 19C.5 of S.L. 2023-134 sets the sunset date for use of security guards by the Department of Adult Correction on June 30, 2025.

This section of the act became effective October 3, 2023.

**Require Reporting on Remote Work Policies and Participation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19F.5

Section 19F.5 of S.L. 2023-134 requires the Department of Public Safety (DPS) to maintain and furnish a remote work policy upon request.

This section became effective October 1, 2023.

**Breaking or Entering Into or Breaking Out of Railroad Cars, Motor Vehicles, Trailers, Aircraft, Boats, or Other Watercraft; Aggregation of Financial Crimes; Hearsay Exceptions; Availability of Declarant Immaterial – Various Changes to Criminal and Civil Laws.**

SL 2023-151 (S409), Sec. 1-3

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

# **Criminal Law and Procedure**

**See full summary documents for additional detail**

## **Prevent Rioting and Civil Disorder.**

SL 2023-6 (H40)

S.L. 2023-6 makes the following changes:

- Clarifies that active conduct is required for criminal prosecution of riot offenses.
- Increases some penalties for current offenses and creates new offenses related to rioting.
- Authorizes a specific civil action for injury to person or property stemming from rioting, looting or trespass during an emergency.
- Includes members of the National Guard in a prohibition on certain assaults on emergency personnel.
- Increases the penalty for certain assaults on emergency personnel.
- Creates requirements for bail and pretrial release for defendants charged with rioting, and looting or trespass during an emergency.

This act became effective December 1, 2023, and applies to offenses committed on or after that date.

## **Guarantee 2nd Amendment Freedom and Protections.**

SL 2023-8 (S41)

S.L. 2023-8 does the following:

- Authorizes an individual who has a valid concealed handgun permit, or who is exempt from obtaining that permit, to carry a handgun in a place of religious worship that is also educational property if:
  - The property is not owned by a local board of education or county commission.
  - The property is not a public or private institution of higher education.
  - The property is not posted with a notice prohibiting carrying a concealed handgun on the premises.
  - The handgun is only possessed and carried on the property outside of school operating hours.
- Authorizes concealed carry for certain law enforcement facility employees.
- Repeals the requirement to obtain a pistol purchase permit from the sheriff prior to the purchase or transfer of a pistol.
- Creates a statewide firearm safe storage awareness initiative to educate the public about safe firearm storage, to facilitate the distribution of gun locks, and to provide local communities with a toolkit to launch local firearm safe storage initiatives.

This bill was vetoed by the Governor on March 24, 2023, and that veto was overridden by the General Assembly on March 29, 2023. This act has various effective dates. Please see the full summary for more details.

### **Care for Women, Children, and Families Act - Part I.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **Care for Women, Children, and Families Act - Part III.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **Care for Women, Children, and Families Act - Part VIII.**

SL 2023-14 (S20)

Part VIII of S.L. 2023-14 expands the list of crimes that make an individual subject to satellite-based monitoring and expands amount of time an individual would be subject to that monitoring. It also makes assault on a pregnant woman and domestic violence crimes.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. This Part of the act became effective December 1, 2023, and applies to offenses committed on or after that date.

### **Controlled Substances/Opioid/Vaccine/At Home Omnibus.**

SL 2023-15 (S206)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **Modify Laws Affecting District Attorneys.**

SL 2023-34 (H116)

S.L. 2023-34 allows District Attorneys (DAs) to recuse themselves from a case for "good cause." The Act also provides for each DA to appoint at least one special investigator, and clarifies that written materials related to criminal investigations and prosecutions are not subject to the Public Records Act.

Except as otherwise provided, this act became effective June 9, 2023.

### **Sports Wagering/Horse Racing Wagering.**

SL 2023-42 (H347)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Protect Critical Infrastructure.**

SL 2023-47 (S58)

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

### **Civilian Traffic Investigators.**

SL 2023-52 (H140)

S.L. 2023-52 allows municipalities to hire civilian traffic investigators to investigate car crashes involving only property damage. Civilian traffic investigators have no power to arrest and do not replace current law enforcement officials. Civilian traffic investigators may write reports that are admissible in court, but not carry weapons or perform arrests.

This act became effective June 23, 2023.

### **Modify Training/Standards Commissions Power.**

SL 2023-56 (H611)

[For a detailed summary of the provisions of this act, please see the OCCUPATIONAL BOARDS AND LICENSING subject area.]

### **Create a Class 3 Misdemeanor for Leaving the Scene of an Animal Waste Spill – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 4.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

### **Conform Penalties for Assault With a Deadly Weapon on Department of Agriculture and Consumer Services Inspectors – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Prohibit Use of an Unmanned Aircraft Near a Forest Fire – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 10

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Amend Timber Larceny Statute – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 11

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Modify Human Trafficking and Rioting Laws.**

SL 2023-71 (S626)

S.L. 2023-71 makes the following changes:

- Allows for the issuance of a permanent civil no-contact order under Chapter 50D for victims of human trafficking offenses.
- Allows victims of human trafficking offenses to collect under the Crime Victims Compensation Act if the victim committed certain wrongful conduct under duress.
- Provides that it is a violation of the laws prohibiting human trafficking and sexual servitude if a person patronizes or solicits another person who is a victim under those laws.
- Removes urging provisions from G.S. 14-288.2 so that urging another person to engage in a riot is not a crime under the statute.

This act has various effective dates. Please see the full summary for more detail.

## **The Pretrial Integrity Act.**

SL 2023-75 (H813)

S.L. 2023-75 does the following:

- Authorizes hearings for continued secure custody of 13-, 14-, or 15-year-olds alleged to have committed a Class A felony to be held every 30 days.
- Provides judicial discretion in determining whether defendants charged with certain felonies must be granted pretrial release, and requires a judge to set any conditions of release.
- Requires a judge to determine pretrial release conditions for any defendant charged with a new offense, other than non-DWI motor vehicle offenses contained in Chapter 20, while

under conditions of pretrial release for a prior offense, but authorizes a magistrate to set conditions if no judge has acted within 48 hours of arrest.

Sections 1 and 2 of the act became effective October 1, 2023, and apply to offenses committed on or after that date. The remainder of the act became effective July 7, 2023.

### **Protect Those Who Serve and Protect Act.**

SL 2023-76 (H34)

S.L. 2023-76 does the following:

- Creates an offense for discharging or attempting to discharge a firearm at or into an unoccupied emergency vehicle.
- Increases the punishment for pointing a laser device at a law enforcement officer.
- Creates an offense for pointing a laser device at law enforcement agency animals and other emergency personnel.
- Modifies certain laws to increase the criminal punishments for assaults committed against law enforcement officers and other government personnel.

This act became effective December 1, 2023, and applies to offenses committed on or after that date.

### **Property Owners Protection Act.**

SL 2023-85 (S246)

S.L. 2023-85 modifies the law of second degree trespass to include entering or remaining on the curtilage of a dwelling of another between the hours of midnight and 6:00 A.M.

This act became effective December 1, 2023, and applies to offenses committed on or after that date.

### **Amend Rule 4/Acceptance of Service - Part II.**

SL 2023-97 (S91)

Part II of S.L. 2023-97, as amended by Section 8 of S.L. 2023-114, creates offenses for unauthorized street takeovers such as blocking traffic to perform stunts or contests.

This Part became effective December 1, 2023, and applies to offenses committed on or after that date.

### **Amend Rule 4/Acceptance of Service - Part III.**

SL 2023-97 (S91)

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

### **Administrative Office of the Courts Court Changes/Amend Expunction.**

SL 2023-103 (H193)

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

### **Firefighters Criminal History Record Checks.**

SL 2023-104 (H378)

[For a detailed summary of the provisions of this act, please see the LABOR AND EMPLOYMENT subject area.]

### **Juvenile Justice Modifications/Department of Insurance Expenses/Technical Changes.**

SL 2023-114 (H186)

### **Adult Correction/Law Enforcement Changes.**

SL 2023-121 (S492)

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

### **Fentanyl Drug Offenses and Related Changes.**

SL 2023-123 (S189)

S.L. 2023-123, as amended by Section 9H.8(a) of S.L. 2023-134, does the following:

- Increases the fine amounts related to trafficking heroin, fentanyl, or carfentanil.
- Revises the laws related to Second Degree Murder and Death by Distribution to consolidate the laws and provide for new offenses related to deaths caused by the distribution of certain controlled substances.
- Provides for a limited criminal immunity for a person who possesses less than 1 gram of any controlled substance if the person seeks medical assistance for a victim of a drug-related overdose.



- Establishes the Task Force on Enforcement of Fentanyl and Heroin Drug Violations.

This act became effective December 1, 2023.

### **Prevent Harm to Children.**

SL 2023-127 (S579)

Session Law 2023-127, as amended by Section 7 of S.L. 2023-151, does the following:

- Increases the felony classification of intentionally disseminating obscenity when it is knowingly done in the presence of a person under 18 years of age.
- Requires that any defendant who viewed child pornography and has been convicted of first-degree, second-degree, or third-degree sexual exploitation of a minor must be ordered to make restitution as required by Article 81C of Chapter 15A of the General Statutes and newly created G.S. 14-190.17B. The court is not required to order restitution if the victim has not been identified.
- Increases the felony classification for employing a minor in obscenity offenses and disseminating obscene material to a minor.
- Modifies certain indecent exposure offenses to apply to indecent exposure to any minor, rather than a person under 16 years old.

This act became effective December 1, 2023. The increased penalties and modification of offenses apply to offenses committed on or after that date. The restitution requirements apply to restitution orders entered on or after that date.

### **Protect Our Students Act.**

SL 2023-128 (H142)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **North Carolina Health and Human Services Workforce Act.**

SL 2023-129 (H125)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **Age Verification for Access to Material Harmful to Minors – Various Statutory Changes.**

SL 2023-132 (H8), Sec. 3.20

Section 3.20 of S.L. 2023-132 enacts the "Pornography Age Verification Act" (PAVE Act) which requires commercial entities that publish or distribute material harmful to minors on internet

websites to use a commercial age verification system and creates a civil cause of action against entities that fail to comply with the requirements of the Act.

This section becomes effective January 1, 2024, and applies to websites accessed on or after that date.

### **Sports Wagering Technical Corrections – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.18

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

### **Competitive Grants for Nonprofit Organizations Providing Services to Victims of Human Trafficking – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.23

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

### **Allow Appellate Judges to Carry Concealed Weapons in Certain Instances – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.33

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

### **Transfer a Portion of Anson Correctional Institution to Proverbs 226 – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19A.5

Section 19A.5 of S.L. 2023-134 directs the State of North Carolina to convey to the organization Proverbs 226 a 23-acre parcel of land to use for programs serving the Department of Adult Correction.

This section became effective on July 1, 2023.

### **Nurse Staffing at State Prison Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19B.2

Section 19B.2 of S.L. 2023-134 requires the Department of Adult Correction to submit a report to the Joint Legislative Oversight Committee on Justice and Public Safety by February 1, 2024, and February 1, 2025, with the following information on nurse staffing at the Department:

- The total number of permanent nursing positions allocated to the Department, the number of filled positions, the number of positions that have been vacant for more than six months, and information regarding the location of both filled and vacant positions.
- The extent to which temporary contract services are being used to staff vacant nursing positions, the method for funding the contract services, and any cost differences between the use of permanent employees versus contract employees.
- A progress report on the implementation of its plan to (i) reduce the use of contract services to provide nursing in State prisons and (ii) attract and retain qualified nurses for employment in permanent positions in State prisons.

This section also authorizes the Department to convert funds appropriated for contractual nursing services to permanent nursing positions when it is determined to promote security, generate cost savings, and improve health care quality, if approved by the Office of State Budget and Management, and reported to the Fiscal Research Division of the North Carolina General Assembly.

This section became effective July 1, 2023.

### **Codify Department of Adult Correction Report on Prison Personnel Matters – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19B.3

Section 19B.3 of S.L. 2023-134 requires the Department of Adult Correction (DAC) to report the following information to the Joint Legislative Oversight Committee on Justice and Public Safety each year:

- The number of DAC employees charged with a criminal offense during work hours.
- The number of DAC employees disciplined due to personal misconduct.
- Certain information used in the hiring and screening process of DAC employees.

This section became effective July 1, 2023.

### **Make Drug and Alcohol Screening a Regular Condition of Probation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19C.2

Section 19C.2 of S.L. 2023-134 changes a regular condition of probation to require that defendants on probation submit to drug and alcohol testing without restricting the type of test.

This section of the act became effective December 1, 2023.

## **Revise Law Governing Medical Release of Inmates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19C.6

Section 19C.6 of S.L. 2023-134 revises Article 84B of Chapter 15A of the General Statutes regarding medical release of inmates as follows:

- Modifies the definition of a "geriatric" inmate by lowering the minimum age requirement to 55 years of age (previously 65 years of age) and revises the risk requirement from no risk to "no risk or low risk to public safety."
- Removes the no risk requirement from the definition of "permanently and totally disabled."
- Modifies the definition of "terminally ill" to require that death is likely within nine months (previously six months) and revises the risk requirement from no risk to "no risk or low risk to public safety."
- Modifies the eligibility criteria to change the risk requirement from no risk to "no risk or low risk to public safety."

This section also provides that inmates who received a previous denial of medical release can reapply or be reconsidered for medical release under these new provisions, but any denial after reapplication or reconsideration pursuant to this section is subject to the standard provisions requiring a demonstrated change in medical condition before reconsideration.

This section became effective October 3, 2023.

## **Make State Bureau of Investigation Independent Department – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19F.4

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Use of Seized and Forfeited Property – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19G.2

Section 19G.2 of S.L. 2023-134 provides direction to the Department of Justice, Department of Public Safety, and Department of Adult Correction about the accounting, use, and reporting of seized and forfeited assets.

This section of the act became effective July 1, 2023.

## **Surveyors Right of Entry/Expedite Commercial and Multifamily Building Projects.**

SL 2023-142 (S677)

[For a detailed summary of the provisions of this act, please see the CIVIL LAW AND PROCEDURE subject area.]

## **Breaking or Entering Into or Breaking Out of Railroad Cars, Motor Vehicles, Trailers, Aircraft, Boats, or Other Watercraft; Aggregation of Financial Crimes; Hearsay Exceptions; Availability of Declarant Immaterial – Various Changes to Criminal and Civil Laws.**

SL 2023-151 (S409), Sec. 1-3

Section 1 of S.L. 2023-151 modifies the criminal law for breaking and entering a vehicle of any kind to increase the punishment depending on the value of the property taken from the vehicle and provides concurrent jurisdiction to the court of each county where each incident occurred. This section became effective December 1, 2023, and applies to offenses committed on or after that date.

Section 2 of S.L. 2023-151 permits the aggregation of multiple convictions of financial crimes for sentencing and provides concurrent jurisdiction to the court of each county where one of the financial crimes occurred. This section becomes effective March 1, 2024, and applies to offenses committed on or after that date.

Section 3 of S.L. 2023-151 expands the business records exception to the rule against hearsay by allowing a custodian or witness to certify under penalty of perjury that a document was kept in the regular course of business. This section becomes effective March 1, 2024.

## **Automatic License Plate Readers in State Right-of-Way Pilot – Various Changes to Criminal and Civil Laws.**

SL 2023-151 (S409), Sec. 5

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

## **Correction to G.S. 14-190.1(g) - Obscene Literature and Exhibitions – Various Changes to Criminal and Civil Laws.**

SL 2023-151 (S409), Sec. 7

Section 7 of S.L. 2023-151 makes a technical correction to S.L. 2023-127 caused by duplicative and conflicting language in that act.

Section 7 of the act became effective December 1, 2023, and applies to offenses committed on or after that date.

# Education

**See full summary documents for additional detail**

## **Schools for the Deaf and Blind.**

SL 2023-10 (H11)

S.L. 2023-10, as amended by Section 2 of S.L. 2023-106, does the following:

- Creates a board of trustees for each of the schools for the deaf and blind and provides for governance of those schools by the new boards, effective July 1, 2024.
- Establishes an admissions process for the schools for the deaf and blind.
- Creates a transition process for the schools to governance by the new boards of trustees beginning in 2024-2025.

Except as otherwise provided, the act became effective April 3, 2023.

## **Quality Rating and Improvement System (QRIS) - Star Rating System Reform.**

SL 2023-40 (S291)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **American Indians Graduating with Honors Act.**

SL 2023-43 (H166)

S.L. 2023-43 requires public schools to allow enrolled members of a State or Federally recognized Indian Tribe, and those eligible to be members, to wear objects of cultural significance at school graduation ceremonies.

This act became effective June 14, 2023

## **Encourage Public Schools to Make One Hundred Percent Muscadine Grape Juice Available to Students – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Self-Liquidating Projects/Property Transfers.**

SL 2023-66 (H364)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **School Threat Assessment Teams.**

SL 2023-78 (H605)

S.L. 2023-78 does the following:

- Requires threat assessment teams in public school units.
- Requires all public school units to participate in school safety exercises and programs.
- Encourages private schools to participate in school safety exercises and programs.
- Requires local boards of education to establish peer-to-peer support programs.

Except as otherwise provided, this act became effective July 7, 2023, and applies beginning with the 2024-2025 school year.

## **Child Care Flexibilities.**

SL 2023-87 (S722)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **UNC Omnibus.**

SL 2023-102 (S195)

S.L. 2023-102 makes various changes to the laws concerning The University of North Carolina.

- Distinguished Professors Endowment Trust Fund (Trust Fund) – The North Carolina School of Science and Mathematics is added to the list of "special needs institutions" and thereby eligible for grants from the Trust Fund if it can raise funds through private sources and match the grants as directed by the statutes.
- Staggered Terms for North Carolina Teaching Fellows Commission (Commission) Members – The Board of Governors of The University of North Carolina (UNC BOG) must make appointments to the Teaching Fellows Commission in even-numbered years and the General Assembly must make its appointments in odd-numbered years with terms expiring June 30. These changes apply to terms beginning July 1, 2023.
- Tuition Grants for North Carolina School of Science and Mathematics (NCSSM) and the University of North Carolina School of the Arts (UNCSA) – High school graduates of NCSSM and UNCSA can postpone enrollment in a constituent institution of The University of North Carolina (UNC) for one year and still receive a tuition grant if any of the hardships



already applicable to continuing eligibility have substantially disrupted or interrupted the student's pursuit of a degree, including: (i) a military service obligation; (ii) serious medical debilitation; (iii) a short term or long-term disability; (iv) other extraordinary hardship. This Part is effective May 1, 2022.

- Institutional Neutrality – The constituent institutions of UNC must remain neutral on political controversies of the day.
- Exemption of Certain Fair Labor Standards Act (FLSA) Exempt Employees of UNC from the State Human Resources Act (Act) – Employees of UNC who are pilots, and all other UNC employees who are exempt from the FLSA are exempt from the Act. The UNC BOG can establish positions that would be exempt from the Act without further review or approval by any other State agency.
- Employees of UNC who are exempt from the FLSA and have attained career status before September 1, 2023, have the option of one of the following:
  - Continuing employment with career State employee status as part of the Act if the employee remains in the position the employee occupied on August 31, 2023; or
  - Waiving career State employee status and continuing employment as a State employee exempt from the Act.
- Additionally, probationary State employees of UNC who are exempt from the FLSA and were hired before September 1, 2023, have the option of one of the following:
  - Continuing employment for the required time period and earning career State employee status; or
  - Continuing employment as a State employee exempt from the Act.
- Each affected employee must be provided with a written explanation of the impact of an election to waive or decline career State employee status. The employee's election to waive or decline career State employee status must be acknowledged through the employee's written or electronic signature within 60 days.
- Exemption of Certain Employees of North Carolina Agricultural & Technical State University (NC A&T) Designated as County Operations Support Staff from the Act – Employees of NC A&T Cooperative Extension Service who are employed in county operations are exempt from the Act in the same manner as the North Carolina State University (NCSU) Extension Service employees. The Board of Trustees of NC A&T can adopt policies to govern the employment of these employees.

Except as otherwise provided, this act became effective July 14, 2023

### **Parents' Bill of Rights.**

SL 2023-106 (S49)

S.L. 2023-106, as amended by Section 7.81 of S.L. 2023-134, does the following:

- Establishes a Parents' Bill of Rights enumerating certain rights of parents related to the education, health, privacy, and safety of their child.

- Requires public school units to provide parents with information related to parental involvement in schools, legal rights for their child's education, and guides for student achievement.
- Requires public school units to provide notifications on student physical and mental health, require age-appropriate instruction on certain topics in kindergarten – fourth grade, and create remedies for parents to address concerns over implementation of these requirements.
- Requires health care practitioners to obtain written consent from the parent of a minor child before providing treatment.

This act has various effective dates. Please see full summary for more details.

### **Clarify Requirements of Charter Application and Renewal – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 1

Section 1 of S.L. 2023-107 clarifies certain requirements for charter school applications and renewals. When approving, renewing, amending, or terminating charter schools, this section prohibits the State Board of Education (SBE) from considering any alleged impact of the charter school on the local school administrative units (LEAs). Additionally, when considering charter renewals, if a charter school provides services to certain targeted groups, this section requires the SBE to compare the charter school's results for those subgroups with the same subgroups in the LEA, rather than comparing results with all students in the LEA.

This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

### **Limit Enrollment Caps to Low-Performing Schools – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 2

Section 2 of S.L. 2023-107 revises the requirements related to increasing enrollment at charter schools. This section allows charter schools that are not low-performing to set their enrollment each year, rather than requiring supervision or approval by the State Board of Education (SBE). Charter schools that are low-performing can seek approval from the SBE to grow more than 20%.

This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

## **Allow Charter Schools to Admit Out-of-State Students and Foreign Exchange Students – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 3

Section 3 of S.L. 2023-107 allows a charter school to enroll out-of-state students who are not domiciliaries of North Carolina if the charter school has not filled its enrollment capacity. The charter school must charge the out-of-state students a tuition amount of at least 50% of the total of the per pupil allocation of the local appropriation for the county in which the charter school is located and the per pupil State appropriation for that school year, but no more than 100% of the total of the per pupil allocation of the local appropriation for the county in which the charter school is located and the per pupil State appropriation for that school year. The number of out-of-state students cannot exceed 10% of the total number of students enrolled in the charter school.

Additionally, this section allows charter schools to enroll foreign exchange students in grades 9-12 as follows:

- No more than 2 foreign exchange students per grade in high school (grades 9-12) can be enrolled in any given school year at the charter school.
- The charter school can charge the foreign exchange students a tuition amount of at least 50% of the total of the per pupil allocation of the local appropriation for the county in which the charter school is located and the per pupil State appropriation for that school year, but no more than 100% of the total of the per pupil allocation of the local appropriation for the county in which the charter school is located and the per pupil State appropriation for that school year.
- Foreign exchange students do not count towards the enrollment capacity or cap for any program, class, building or grade levels for grades 9-12 and are not subject to any lottery process used by the charter school for enrollment purposes.

This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2024-2025 school year.

## **Add Admissions Preferences for Graduates of Certain Pre-K Programs and for Children of Military Families – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 4

Section 4 of S.L. 2023-107 allows the following students to receive priority admission to charter schools rather than being subject to an admissions lottery:

- Capped at up to 10% of total student enrollment, a preschool student enrolled at least 75 days of the prior semester in a preschool program with a written enrollment articulation agreement with the charter school.
- A student whose parent is on active military duty.

This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

### **Prohibit Discrimination of Charter School Students – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 5

Section 5 of S.L. 2023-107 prohibits local boards of education from discriminating against charter school students in applying for admission to any school or special program operated in the local school administrative unit.

This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

### **Authorize Counties to Provide Capital Funds to Charter Schools – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 6

Section 6 of S.L. 2023-107 allows counties to use property taxes to provide direct appropriations for capital funds to charter schools that can be used for real property, building construction and renovation, and furnishings and equipment. Counties receive a security interest if charters used the funds to acquire or improve property, which the county can subordinate to other liens, and release if the charter paid back the capital funds provided. Counties can also lease real property to charters. If a charter is dissolved, any assets purchased with county capital funds is deemed the property of the contributing county or counties.

This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

### **Allow the Central Park School for Children in Durham County to Conduct a Weighted Admissions Lottery Pilot Program – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 7

Section 7 of S.L. 2023-107 allows Central Park School for Children (CPSC) charter school to establish a pilot of up to four years to include additional lottery weighting factors related to admissions for economically disadvantaged students, including walk zones. This pilot does not change the school's charter. The CPSC charter is required to report to the Office of Charter Schools annually during the pilot on the weighted lottery procedures and number of students admitted under those procedures.

This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

### **Fairness in Women's Sports Act.**

SL 2023-109 (H574)

S.L. 2023-109, as amended by section 18 of S.L. 2023-133 does the following:

- Prohibits male students from playing on middle school, high school, or collegiate athletics teams designated for females, women, or girls.
- Requires a student's sex to be recognized solely based on reproductive biology and genetics at birth for purposes of athletic participation.
- Creates a civil cause of action for students who are harmed as a result of a violation of the requirements, or who are retaliated against for reporting violations.
- Creates a civil cause of action for public school units and institutions of higher education that suffer harm as a result of following the requirements.

This bill was vetoed by the Governor on July 5, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

### **Charter School Review Board.**

SL 2023-110 (H618)

S.L. 2023-110 as amended by S.L. 2023-107 and Section 7.84 of S.L. 2023-134 converts the North Carolina Charter Schools Advisory Board (Advisory Board) into the North Carolina Charter Schools Review Board (Review Board) which will approve or deny charter applications, renewals, and revocations independent of the State Board of Education (SBE). It requires the SBE to have the following duties with respect to charter schools:

- Establish all rules for the operation and approval of charter schools following the recommendations of the Review Board.
- Allocate funds to charter schools. The SBE cannot, however, withhold or reduce distribution of funds to a charter school except if one of the following applies:
- The change in funding is due to an annual adjustment based on enrollment or is a general adjustment to allocations that is not specific to the charter or the actions of that charter school.
- The Review Board notifies the SBE that the charter has materially violated a term of its charter, has violated a State statute or federal law, or has had its charter terminated or nonrenewed.
- The Superintendent of Public Instruction (Superintendent) notifies the SBE that the charter school has failed to meet generally accepted standards of fiscal management or has violated requirements for receipt of funds.

- Hear appeals from decisions of the Review Board.
- Ensure accountability for the charter school finances and student performance.

The Review Board is prohibited from considering any alleged impact on the local school administrative unit or units in the area served by a charter school when deciding whether to grant, renew, amend, or terminate a charter. Appeals from the Review Board must be heard and decided by the SBE by December 1 of the same year. Applicants, charters schools, or the Superintendent can appeal to the SBE on final decisions made by the Review Board within 10 days of the Review Board's decision. The SBE must review the appealed decision on a de novo basis and the party submitting the appeal can provide any information to the SBE that it considers relevant. The SBE has final decision-making authority on the approval of charter applications, renewals, revocations, and amendments.

The current members of the Advisory Board will serve as initial members of the Review Board. However, upon the expiration of the current term of the Review Board members, two terms expiring in 2025 must be replaced with an appointment to a two-year term of office by the General Assembly upon the recommendation of the Speaker of the House of Representatives and two terms expiring in 2025 must be replaced with an appointment to a two-year term by the President Pro Tempore of the Senate. As those terms expire in 2027 and thereafter, or as vacancies occur prior to the expiration of those terms, the members of the Review Board will be appointed as provided by statute.

Finally, charter schools that received a decision on an application, charter amendment, renewal, or termination from the SBE after July 1, 2022, that differed from the recommendation of the Advisory Board can apply for reconsideration by the Review Board within 60 days of this act becoming effective and the Review Board must issue a decision on the reconsideration request at its first meeting after receiving the request.

This bill was vetoed by the Governor on July 7, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This act became effective August 16, 2023, and the limitations on the SBE to reduce allocation of funds to charter schools became effective July 1, 2023.

## **Principal Licensure Changes.**

SL 2023-125 (H432)

S.L. 2023-125 updates principal licensure requirements and administrator preparation program approval rules that apply beginning July 1, 2024, and requires the Professional Educator Preparation and Standards Commission (PEPSC) to develop a portfolio-based assessment for prospective principals.

The State Board of Education (SBE) must adopt rules for two classes of administrator license, an administrator license and a provisional assistant principal license, that meet certain requirements. The SBE must also develop rules for determining whether individuals who completed an out-of-state administrator preparation program (APP) meet or exceed North Carolina requirements.

PEPSC, in consultation with the Department of Public Instruction and the North Carolina Principal Fellows Commission, must develop a portfolio-based assessment system for use in applications for administrator licensure, and submit recommendations to the SBE by June 15, 2024.

Except as otherwise provided, this act became effective September 28, 2023.

## **Protect Our Students Act.**

SL 2023-128 (H142)

S.L. 2023-128 does the following:

- Effective December 1, 2023, makes the crimes of sexual activity with a student and taking indecent liberties with a student Class G felonies.
- Effective December 1, 2023, modifies the definition of sexual activity with a student and taking indecent liberties with a student to include individuals who were in school within six months of the violation.
- Effective December 1, 2023, requires superintendents, assistant superintendents, associate superintendents, personnel administrators, and principals to report certain misconduct to the State Board of Education (SBE) if they know, have reason to believe, or have actual notice of a complaint that an employee licensed under Article 17E of Chapter 115C of the General Statutes engaged in misconduct that resulted in dismissal, disciplinary action, or resignation. If the employee resigns within 30 days of a complaint or during an investigation, the misconduct is presumed to have resulted in the resignation. Failure to report is a Class I felony.
- Requires the Center for Safer Schools to develop and produce age-appropriate videos on child abuse and neglect, including age-appropriate information on sexual abuse. The SBE must adopt a rule that requires that students in grades 6-12 view the video no more than 5 days after the first day of the school year, beginning with the 2024-2025 school year.
- Effective July 1, 2023, forfeits the retirement benefits for school employees as a result of conduct directly related to the office or employment, which is the following:
  - An offense that would lead to an automatic revocation of a professional educator license without a hearing, and the commission of the offense occurred while the member was employed in a public school or working in a public school subject to a memorandum of understanding.
  - An offense which required the revocation of the member's licensure or certification required for the member's employment or office at the time of the commission of the offense.
  - Conduct that was directly related to the member's employment or office as determined by the Board of Trustees of the Retirement System.
- Requires the Buncombe County Board of Education and Asheville City Board of Education to jointly study the feasibility of merging the two local school administrative units, including the potential economic and educational impact of merging the school units and any other relevant information. The Boards must report their findings and

recommendations to the standing committees of the General Assembly hearing elections matters no later than February 15, 2025.

Except as otherwise provided, this act became effective September 29, 2023.

### **Computer Science Graduation Requirement – Various Statutory Changes.**

SL 2023-132 (H8), Sec. 1-3

Sections 1-3 of S.L. 2023-132 require the State Board of Education (SBE) to establish a computer science graduation requirement and include computer science instruction in the standard course of study.

These sections became effective September 29, 2023.

### **Revise Higher Education Accreditation Process – Various Statutory Changes.**

SL 2023-132 (H8), Sec. 3.1-3.4

Sections 3.1-3.4 of S.L. 2023-132 require the Board of Governors of The University of North Carolina (BOG) and the State Board of Community Colleges (SBCC) to adopt policies requiring that each constituent institution and community college (institutions) be accredited and be prohibited from receiving accreditation from the same accrediting agency for consecutive accreditation cycles. These sections also create a cause of action for institutions to bring against any individual who makes false statements to the institution's accrediting agency.

These sections became effective September 29, 2023. The new requirements for accreditation begin with applications for accreditation submitted on or after that date.

### **Age Verification for Access to Material Harmful to Minors – Various Statutory Changes.**

SL 2023-132 (H8), Sec. 3.20

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

### **Revise Oversight of High School Interscholastic Athletics – Insurance Law Amendments/Revise High School Athletics.**

SL 2023-133 (S452), Sec. 17-20

Sections 17-20 of S.L. 2023-133 make various changes to regulation of interscholastic athletics, including

- Clarifying and modifying requirements for rules related to interscholastic athletics.



- Requiring the Superintendent of Public Instruction (Superintendent) to enter into memoranda of understanding (MOU) with administering organizations and oversee middle and high school athletics.
- Requiring administering organizations to meet certain requirements and restrictions related to oversight of high school interscholastic athletics.
- Making administering organizations a public body under the open meetings law.
- Requiring public school units to annually report on interscholastic expenses and receipts.
- Requiring the Superintendent to study and report on various matters related to interscholastic athletics.

Except as otherwise provided, these sections became effective October 3, 2023.

### **Transformational Investments in North Carolina Health – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 4.10

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **Medical Freedom/COVID-19 Vaccinations – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 5.8

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **High-Cost Healthcare Workforce Programs Start-Up Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.2

Section 6.2 of S.L. 2023-134 requires the Community Colleges System Office (System Office) to create the Fund for High-Cost Healthcare Workforce Programs (Fund), which must be used to assist community colleges in starting new programs in high-demand healthcare career fields that require significant start-up funds.

The System Office must create an application process allowing community colleges to apply for funds by the beginning of each fiscal year of the 2023-2025 fiscal biennium. Applications must include at least the following:

- A description of the proposed new program requiring start-up funds.
- Documentation of industry demand for the program or documentation of future local, regional, or statewide employment needs that will be met by the program.
- Total cash cost to start the program and maintain the program over two fiscal years.
- A plan for the fiscal sustainability of the new program.

Community colleges can only apply for funds to support one new program each fiscal year. Any awarded funds will remain available to the community college for two fiscal years.

Community colleges with total full-time equivalents (FTE) greater than 6,500 must match 15% of the total cash cost of the program with non-State funds. Community colleges with a total FTE between 2,500 and 6,500 must match 10% of the cost. There are no matching requirements for community colleges with FTE less than 2,500.

The System Office can adopt regulations, policies, procedures, or necessary rules related to the administration of the Fund, including the application process, use of funds, and eligibility requirements. The System Office can use up to \$100,000 each fiscal year for administrative costs.

The System Office must submit an initial report to the Joint Legislative Education Oversight Committee by December 1, 2024, and an annual report thereafter for each year the System Office provides funds to community colleges from the Fund. The report must include at least the following information:

- The community colleges that received funds, the amount of funds, and the types of healthcare programs started.
- The use of funds by community colleges receiving awards, including costs associated with student instruction, faculty salaries, instructional supplies, related instructional equipment, and accreditation costs.
- Evaluation of the success of the new community college healthcare programs receiving funds.

This section became effective July 1, 2023.

### **Report on Certain Recurring Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.3

Section 6.3 of S.L. 2023-134 directs the State Board of Community Colleges to report to the Joint Legislative Education Oversight Committee by February 15, 2024, and annually thereafter on the outcomes related to (i) minority male mentoring programs, including the Minority Male Success Initiative and (ii) the Rowan Cabarrus Community College Biotechnology Training Center and Greenhouse at the North Carolina Research Campus in Kannapolis. The reports must contain information from the prior fiscal year on program activities, objectives, and accomplishments; itemized expenditures and fund sources; and the impact of the program on its intended purpose.

This section became effective July 1, 2023.

## **North Carolina Community College Short-Term Workforce Development Grants – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.5

Section 6.5 of S.L. 2023-134 codifies the North Carolina Community College Short-Term Workforce Development Grant Program (Program) administered by the State Board of Community Colleges (SBCC). The Program awards grants of up to \$750 to students pursuing short-term noncredit State and industry workforce credentials from available funds. Students must be eligible for in-state tuition. Criteria for eligibility must be established by the SBCC, who must also, in collaboration with the Department of Commerce, determine eligible programs of study for occupations in the highest demand in the State.

The SBCC must report on the Program annually beginning April 1, 2024, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the amount of funds distributed and number of students receiving funds.

This section became effective July 1, 2023.

## **Extend RISE Up Training and Credentialing Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.8

Section 6.8 of S.L. 2023-134 extends the RISE Up credentialing program implemented by the North Carolina Community Colleges System in partnership with the North Carolina Retail Merchants Association and the Retail Consumer Alliance Foundation through the 2023-2025 fiscal biennium. This section requires the North Carolina Retail Merchants Association and the Retail Consumer Alliance Federation to submit to the Joint Legislative Education Oversight Committee an initial report by December 1, 2024, and a final report by December 1, 2025, on the results of implementing the credentialing program.

This section became effective July 1, 2023.

## **Community College Programs Serving Intellectually and Developmentally Disabled Students – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.9

Section 6.9 of S.L. 2023-134 requires the State Board of Community Colleges (SBCC) to create a community college training program (program) for up to 15 community colleges to provide opportunities for micro-credentials or other credentials that lead to increased employment outcomes for individuals with intellectual and developmental disabilities (IDD). The goal of the program is to inform community colleges and address cross-departmental supports within the individual community colleges on programs for individuals with IDD related to at least the following:

- Establishing best practices for providing vocational training for individuals with IDD.
- Providing financial and benefits counseling.
- Developing strategies on integrating assistive technology.
- Maximizing access, with supports, to credential and degree programs, including micro-credentials that are established by the SBCC.
- Identifying methods to increase orientation and integration of individuals with IDD into the college community to the greatest extent possible.
- Determining a needs assessment, marketing, and evaluation to serve a broad array of individuals with developmental and other similar disabilities or learning challenges to assure adequate demand for new or existing programs.

By May 1 annually, the Community Colleges System Office (System Office) must report on the program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division. The report must at least include the following:

- The impact of the program.
- The use of any additional positions created at community colleges.
- Professional development training for staff.
- Funding sources to build programs at community colleges that support postsecondary trainings and certifications that enable individuals with IDD to engage in competitive, sustainable employment.

From the recurring funds appropriated for the 2023-2025 fiscal biennium, the System Office must create at least two statewide positions for program support, provide professional development training for college advising staff, and explore funding sources to sustain programs for students with IDD.

This section became effective July 1, 2023.

### **Career Academies for At-Risk Students – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.9A

Section 6.9A of S.L. 2023-134 establishes a career academies program (program) between Cape Fear Community College (CFCC), New Hanover County Schools, and Pender County Schools (education partners) for underserved seventh through ninth grade students that will operate during the 2023-2025 fiscal biennium.

The education partners must offer a summer career academy program to up to 300 at-risk students that will introduce students to life on a college campus by visiting two career and technical education programs per day for five consecutive days for two consecutive weeks in different subject areas. The program must include speakers and support for financial aid and scholarship opportunities and an introduction to the Career and College Promise Program. In addition, CFCC must hire career liaisons for placement in education partner middle schools to support at-risk students and provide exposure to career and technical education opportunities.

CFCC, in collaboration with the other education partners, must report annually while funds are expended under the program, beginning October 1, 2024, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the results of the pilot program and the placement of the career liaisons in schools to support at risk students.

This section became effective July 1, 2023.

## **Community College System Governance and Authority Changes – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.10

Section 6.10 of S.L. 2023-134 makes changes to the governance structure of the North Carolina Community College System.

The State Board of Community Colleges (SBCC) must use the following process to elect a President: (i) at least three final candidates must be submitted to the full SBCC from which the full SBCC must make its election; and (ii) the SBCC must conduct a vote on the election of the President with the candidate receiving a majority of votes of the entire SBCC being elected. The SBCC must then submit the name of the person elected as President for confirmation to the presiding officers of the Senate and the House of Representatives of the General Assembly on or before the 15th day following the election. The General Assembly must adopt a joint resolution to either confirm or deny confirmation with the following conditions: (i) the person elected can serve as interim President until the General Assembly adopts a joint resolution and (ii) if the General Assembly fails to adopt a joint resolution confirming the person by the date that either chamber reaches the 30th legislative day following the receipt of the name by the presiding officers, it is deemed that the General Assembly has denied confirmation. A person denied confirmation cannot serve as President or interim President.

The section of the act also makes the following governance and authority changes:

- Clarifies that SBCC actions that affect local boards of trustees or a person elected as the chief administrative officer of a local community college regarding withdrawal of State support; issues of noncompliance; and removal of trustees are not subject to judicial review.
- Changes the SBCC from 22 members to 19 members by removing the Lieutenant Governor, State Treasurer, and the Commissioner of Labor from the SBCC.
- Removes the Governor's appointments to the SBCC and increases the number of appointments by the General Assembly to the SBCC from 8 to 18.
- Allows the SBCC to meet 8 times per year rather than 10.
- Allows current members of the SBCC to serve out the remainder of their terms with new staggered terms beginning with elections in 2023.

**Local Community Colleges** —This section of the act changes the selection of trustees for local community colleges as follows:

- Eight members appointed by the General Assembly with two members annually, one appointed upon recommendation of the Speaker of the House of Representatives and one upon recommendation of the President Pro Tempore.
- Four trustees elected by the board of county commissioners in which the main campus of the institution is located, one of whom can be a county commissioner. Each board of commissioners of any other county in the administrative area that provides plant funds to the institution must elect two additional trustees to the board, one of whom can be a county commissioner. A board of commissioners can delegate the election of one or more of its trustees to a board of education of a local school administrative unit located in the administrative area of the institution with the delegation having certain limitation such as expiring at the end of the term of office of the trustee with the possibility of renewal by the board of county commissioners.
- The president of the student government of the institution can be an ex officio member if the board of trustees agrees.

Each local board of trustees must submit information to the Legislative Library of the General Assembly by August 1 annually that includes: (i) the name, address, and county of residence of each trustee; (ii) the appointing or electing entity of each trustee; (iii) the name of a trustee being replaced in case of vacancy; and (iv) the dates each trustee's term begins and ends. Current members serving on a board of trustees of a local community college on the effective date of this section can serve the remainder of their terms with new members then being appointed or elected as provided in this section. Finally, the section repeals and amends various local modifications to boards of trustees of local community colleges.

All members serving on the SBCC and local boards of trustees will remain in their seats for the remainder of their terms; thereafter, new members will be elected or appointed in accordance with the new requirements. The changes removing the Lieutenant Governor, State Treasurer, and the Commissioner of Labor from the SBCC are effective July 1, 2027, while the remainder of this section became effective July 1, 2023.

### **Vocational Rehabilitation Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.11

Section 6.11 of S.L. 2023-134 directs the State Board of Community Colleges (SBCC) to establish the Vocational Rehabilitation Pilot Program (Program) for the 2023-2024 to 2025-2026 academic years.

The Program will provide support services to community college students with intellectual and developmental disabilities to help those students reach their goals for employment and independence without duplicating the existing vocational support network. Community colleges can apply to the SBCC to participate in the Program, and will be selected by the SBCC in consultation with the Division of Vocational Rehabilitation Services of the Department of Health and Human Services (DVR). The Community Colleges System Office must also contract with DVR to place student counselors at selected community colleges in the State.

By March 15, 2024, and annually thereafter in each year in which funds are expended during the Program, the SBCC, in consultation with DVR, must report on the impact of the Program on participants, including mental health, well-being, and job placement of participants.

This section became effective July 1, 2023.

### **Revise Multicampus Center Requirements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.12

Section 6.12 of S.L. 2023-134 requires that for a community college facility to receive funding from the State Board of Community Colleges as a multicampus center, the facility must meet all of the following criteria:

- Be at least 4 miles away from the main campus of the community college and other multicampus center locations.
- Meet any other criteria established by the State Board.

This section became effective July 1, 2023.

### **Authorize the State Board of Community Colleges to Implement an In-State Tuition Pilot Program for Residents of Certain Georgia Counties – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 6.13

Section 6.13 of S.L. 2023-134 requires the State Board of Community Colleges (SBCC) to create and implement a pilot program to allow Tri-County Community College to offer in-State tuition to up to 100 residents of the following Georgia counties that border North Carolina, so long as the out-of-state students do not displace a North Carolina resident eligible for in-State tuition:

- Fannin County.
- Rabun County.
- Towns County.
- Union County.

The pilot program expires at the end of the 2026-2027 academic year. Beginning September 30, 2024, and annually thereafter for the duration of the pilot program, the SBCC must report the results of the pilot program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division. The report must include at least the following information:

- Information on out-of-state students who enrolled at the in-State tuition rate, including:
  - The number of students enrolled.
  - The programs that these students chose.
  - Any programs unavailable to these students due to potential displacement of North Carolina residents.

- Any indicators of increased economic development as a result of this program.
- The number of out-of-state students enrolled who do not qualify for the in-State tuition rate.

This section became effective October 3, 2023, and applies beginning with the 2023-2024 academic year.

### **Codify Funding for Children with Disabilities – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.1

Section 7.1 of S.L. 2023-134 codifies in statute the funding for children with disabilities. To the extent funds are made available, the State Board of Education must allocate funds for children with disabilities to each local school administrative unit (LEA) on a per child basis. Each LEA must receive funds for the lesser of (i) all children who are identified as children with disabilities or (ii) 13% of its allocated average daily membership in the LEA for the school year.

This section became effective July 1, 2023.

### **Codify Funding for Academically or Intellectually Gifted Students – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.2

Section 7.2 of S.L. 2023-134 codifies the funding formula for funds for academically or intellectually gifted students. The formula requires the State Board of Education to allocate funds for academically or intellectually gifted students on a per child basis and provides that a local school administrative unit must receive funds for a maximum of 4% of its allocated average daily membership for the current school year, regardless of the number of students identified as academically or intellectually gifted in the unit.

Prior to determining the allocation of funds for the 2024-2025 school year, the Department of Public Instruction must develop a uniform definition for "academically or intellectually gifted student" to be used throughout the State.

This section became effective July 1, 2023.

### **Codify Boilerplate – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.3

Section 7.3 of S.L. 2023-134 creates a new Article 32F in Chapter 115C titled "Supplemental School Funding" that codifies language regarding school funding that has previously been budgetary language rather than statutory. This section codifies the following supplemental funding categories:



- Low-wealth counties: used to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, school computer technicians, instructional supplies and equipment, staff development, textbook and digital resources, and for salary supplements for instructional personnel and instructional support personnel for local school administrative units located in whole or in part in counties in which the county wealth as a percentage of the State average wealth is less than 100%.
- Small county school system: for county school administrative units with an average daily membership of 3,300 or fewer students.
- Disadvantaged student: used to provide instructional positions or instructional support positions, professional development, intensive in-school or after-school remediation, diagnostic software and progress monitoring tools, teacher bonuses and supplements for local school administrative units based on the unit's eligible disadvantaged student population and teacher-to-student ratio.

This section became effective July 1, 2023.

### **Required Training to Count Toward Continuing Education Units – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.5

Section 7.5 of S.L. 2023-134 allows teachers to count hours spent on mandatory training programs toward the required continuing education credits for licensure renewal, if both of the following circumstances apply:

- The mandatory training program is required by State law or a local board of education as a condition of employment.
- The teacher has otherwise met the content-specific continuing education requirements set by the State Board of Education (SBE).

Additionally, this section prohibits the SBE from requiring continuing education credits solely related to digital teaching and learning for all professional educators. The SBE can require up to two credits that include digital teaching and learning as a component of the general or content-specific credit.

This section became effective October 3, 2023, and applies to licenses renewed on or after that date.

### **Weighted Funding for EC Students – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.7

Section 7.7 of S.L. 2023-134 directs the Department of Public Instruction (DPI) to develop a model for funding children with disabilities services on the basis of the reported cost of the services provided. DPI must report to the Joint Legislative Education Oversight Committee by January 15,

2024, on the new model of funding developed and a comparison by public school unit of funds provided under the existing model and the new model developed.

This section became effective July 1, 2023.

### **Career Exploration and Development Plans – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.13

Section 7.13 of S.L. 2023-134 requires, beginning with the 2024-2025 school year, all middle and high school students in a local school administrative unit (LEA) to complete a career development plan (CDP) by the end of seventh grade and to revise the plan by the end of tenth grade. Charter schools are encouraged to have students complete CDPs. Local boards of education must ensure that CDPs are easily accessible to students and parents, including written notice to parents on the creation of the CDP and how to access it, and provide assistance to students in creating the CDP.

The State Board of Education (SBE) must adopt rules to establish the minimum requirements for CDPs and designate the electronic application that will be used to access CDPs. At a minimum, the CDPs must include the following:

- A self-assessment of the student's career interests and skills.
- An exploration and identification of career pathways aligned with the student's self-assessment that includes information on education and training, the most cost-efficient path to entry, and school opportunities to explore and prepare for the career.
- An alignment of academic courses and extracurricular activities with the student's identified career interests, including an inventory of aligned courses in middle and high school and a record of the student's completed dual-enrollment, advanced placement, and certain other courses, extracurricular activities, and awards and recognition.
- A career portfolio for the student, which can include items such as the students' résumé, documentation of postsecondary plans, completion of the Free Application for Federal Student Aid (FAFSA), and occupational outlook for identified career interests.

Prior to the start of the 2024-2025 school year, the SBE must develop standards and the Department of Public Instruction (DPI) and the local boards of education, as appropriate, must provide curriculum content for an elective middle school course in which students investigate and learn about career pathways. The standards must align with the requirements for CDPs and include a focus on experiential and hands on learning.

For the 2023-2024 school year, the SBE must establish a pilot of at least 20 LEAs to develop the plan requirements and professional development necessary for successful statewide implementation of CDPs in the 2024-2025 school year. DPI must develop and provide a CDP electronic application no later than the 2024-2025 school year to provide access for all students and parents to the student's CDP and integrate with career information available through other State agencies.

Except as otherwise provided, this section became effective July 1, 2023.

### **CTE Grants for Homebuilding Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.19

Section 7.19 of S.L. 2023-134 requires the Department of Public Instruction (DPI) to provide grants to assist public school units with program costs associated with career and technical education (CTE) programs related to homebuilding. DPI must allow high schools within public school units to use the Pre-Apprenticeship Certificate Training (PACT) program approved by the U.S. Department of Labor. A public school unit or regional partnership of more than one public school unit can apply to receive the grant funds. DPI must prioritize public school units located in a county with at least one local school administrative unit that received low-wealth supplemental funding in the previous fiscal year and have a high population of at-risk students or students with disabilities.

By November 3, 2023, DPI will make the application for grants for both the 2023-2024 and 2024-2025 fiscal years available. Applications must be submitted no later than 60 days after applications are made available and be approved or denied within 30 days of submission.

All recipients of grants must report to DPI by October 15 of each year of the biennium on the outcomes of any programs funded by the grants, including data collection methods for reporting on student outcomes, impacts of the program, and the use of State funds. DPI must submit a report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the overall outcomes of the grant program by no later than December 15 of each year of the 2023-2025 fiscal biennium.

This section became effective July 1, 2023.

### **Department of Public Instruction Funding in Arrears – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.20

Section 7.20 of S.L. 2023-134 requires the Department of Public Instruction (DPI) to develop a model to fund public school units based on actual average daily membership (ADM) from the prior school year rather than projections for the upcoming school year. DPI must propose technical adjustments for public school funding to the State Board of Education for approval before submitting the model to the Director of the Budget. Additionally, DPI must submit the model to the Fiscal Research Division by February 15, 2024. The technical adjustments must include laws that would need to be adjusted or repealed, and a comparison of funding received under the old model and the recommended new model, sorted by public school unit.

DPI must distribute funds to public school units based on the model beginning with the 2024-2025 school year. For public school units whose actual ADM for the current year is higher than

the actual ADM for the prior school year, DPI must provide funds from the ADM Contingency Reserve.

The requirement to develop a new funding model became effective October 3, 2023. The requirement to implement the new model beginning with the 2024-2025 school year becomes effective July 1, 2024.

### **Increasing Engagement in STEM – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.22

Section 7.22 of S.L. 2023-134 directs the Superintendent of Public Instruction (Superintendent) to establish the Increasing Engagement in STEM Program (Program) for the 2023-2024 fiscal year to provide grant funds to public school units to engage in experiential science, technology, engineering, and math (STEM) education programs. Recipients must be selected by February 15, 2024. Grant applicants must submit a plan of how the public school unit will use the funds to increase STEM engagement of sixth, seventh, and eighth grade students and include information on (i) how the plan will use high-quality instruction methods and research-based best practices in STEM education; (ii) how grant funds will be used; and (iii) how the plan will be sustained beyond the end of the grant period. Grant funds can be used to pay stipends to teachers participating in the Program as well as third-party vendors to provide services or host STEM competitions.

Selection — In selecting recipients for the Program, the Superintendent must determine the size of grant awards given to each public school unit while ensuring a distribution of grant funds to various sized public school units. The following criteria must be followed:

- The total number of grant recipients cannot exceed 20 public school units.
- Recipients must reflect geographic diversity in the State as well as population diversity with (i) up to five public school units consisting of no more than one school; (ii) up to five public school units with an average daily membership of 4,000 or fewer students; (iii) up to five public school units with an average daily membership of 4,001 to 20,000 students; and (iv) up to five public school units with an average daily membership of 20,001 students or greater.

Report — The Superintendent must submit a report to the Joint Legislative Education Oversight Committee by December 15, 2024, with the following information: (i) lists of the public school units that applied for grants and which ones received them; (ii) summary of how the grant funds were spent on Program activities; (iii) numbers and percentages of students enrolled in the school who participated in the Program with demographic data; (iv) how the public school units would use grant funds if the Program were to be continued; and (v) any recommendations to modify the Program to be more effective.

Evaluation — As a condition of receiving grant funds, a public school unit must designate both students who complete the grant-funded activities in the Common Education Data Analysis and Reporting System and a matched set of students with similar demographic characteristics who

did not complete the Program, when possible, in a manner that will allow future analysis of outcomes for the students related to the following: (i) enrollment in STEM-related elective clusters in high school; (ii) graduation from high school within four years of entry; (iii) enrollment in a postsecondary STEM-related major, degree program, or certificate program within three years of high school graduation; (iv) completion of a postsecondary STEM-related major, degree program, or certificate program within six years of high school graduation; and (v) employment in a STEM-related field within eight years of high school graduation. The North Carolina Longitudinal Data System, in cooperation with all agencies with relevant data, must report annually to the Joint Legislative Education Oversight Committee on the outcomes for both groups of students on each available data point beginning December 15, 2028, and ending December 15, 2039.

This section became effective July 1, 2023.

### **After-School Robotics Grant Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.23

Section 7.23 of S.L. 2023-134 establishes the Educational and Competitive After-School Robotics Grant Program (Program) to promote after-school programs for robotics education and competition and to motivate students to pursue education and career opportunities in science, technology, engineering, and mathematics (STEM). All public school units (PSUs) are eligible to apply to the Department of Public Instruction (DPI) for a grant to develop an educational and competitive after school robotics program with a robotics partner. A robotics partner is a third party entity that is approved by DPI as meeting certain criteria demonstrating that adequate support will be provided.

DPI must develop and publish criteria, guidelines, and required documentation to be submitted to apply for the Program in the upcoming school year, including evidence of a robotics partner relationship and a proposed budget on the following schedule:

### **Remote Charter Academies – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.26

Section 7.26 of S.L. 2023-134 authorizes, as part of an initial application or modification of an existing charter, a nonprofit to apply to the Charter School Review Board (Review Board) for approval of a remote charter academy that meets certain requirements. A charter with an approved remote charter academy can provide remote instruction to all enrolled students, as a hybrid instruction model, or in separate programs for remote and in-person instruction. Remote charter academies will provide instruction primarily online to students in a remote location both synchronously and asynchronously. Remote academies can include any combination of grade levels.

Eligibility: Remote charter academies can admit students from anywhere in the State (statewide remote charter academy) or students from the county where the charter is located and

contiguous counties (regional remote charter academy). Students must have parental consent to attend a remote charter academy, and parents will receive information on successful characteristics for remote learning. Students cannot be denied admission solely on the basis of being a child with a disability. Students can be reassigned to in-person instruction offered by the charter school if that would be better for the child's academic progress.

Requirements: Remote charter academies must meet the same requirements as other charter schools, as well as the following:

- Remote charter academies must provide enrolled students with access to the necessary hardware, software, learning management platform, internet access, technical support, and any accommodations required by a student's individualized education program. Remote charter academies cannot charge rental fees. Damage fees can be charged under rules adopted by the State Board of Education (SBE).
- Remote charter academies can require students to attend in-person or proctored assessments for State-mandated student assessments or to fulfill graduation requirements identified by the academy. Optional in-person meetings between students and instructors or parents and instructors are also allowed at charter school facilities.
- Each approved remote charter academy will have a school code. Employees must meet the same standards as required for other charter schools. Sufficient digital teaching and learning support staff are required.

Approval: As part of the charter application or charter modification, a nonprofit must submit a plan to the Review Board for approval that includes the following:

- Whether the remote charter academy will be statewide or regional.
- The range of grades for which the remote charter academy will offer courses.
- How the remote charter academy will monitor enrollment, course credit accrual, progress toward graduation, and course completion.
- Hardware, software, and other infrastructure that support online learning.
- The measures that will be used to ensure both synchronous and asynchronous instruction support learning growth through a mastery of student achievement goals for the charter's educational program.
- The professional development that will be provided to those teaching in the remote charter academy related to the pedagogy of providing remote instruction.
- The identified characteristic for successful remote learning and criteria for admission.
- Any school nutrition services or transportation services that will be provided to students.

The Review Board must approve a charter application or charter modification that meets these requirements for a renewable term of five years. A nonprofit can apply for renewal of the remote charter academy for additional terms of five years. The Review Board must approve a minimum of two qualified statewide remote charter academies to operate beginning with the 2026-2027 school year.

Evaluation: The SBE must evaluate the success of remote charter academies based on school performance scores and grades, retention rates, attendance rates, and for grades 9-12, high

school completion and dropout rates. The SBE must report by November 15 of each year to the Joint Legislative Education Oversight Committee on the evaluation of these schools and on any recommended statutory changes.

Additionally, this section extends the current virtual charter school pilot program through the 2025-2026 school year. Participating pilot schools can enroll the authorized number of students from the 2021-2022 school year plus enrollment growth of up to 20% for the 2023-2024 school year. For the remaining two years of the pilot, the pilot schools are eligible for enrollment growth in the same manner as other charter schools. Pilot schools are eligible to apply for charter renewal as a remote charter academy at the conclusion of the pilot.

This section became effective October 3, 2023, and applies beginning with the 2023-2024 school year.

### **School Health Personnel Allotment – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.27

Section 7.27 of S.L. 2023-134 requires local boards of education to provide school health support services. The State Board of Education (SBE) is required to create a funding allotment for school health personnel positions, which include school psychologists, school counselors, school nurses, and school social workers. Local boards cannot transfer positions out of the allocation for school health personnel, but they can convert positions to dollar equivalents for contracted services directly related to school psychology, school counseling, school nursing, and school social work.

The SBE can adopt rules to establish qualifications and training required for certified school nurses except that the SBE cannot require a nurse to obtain a four-year degree as a condition of employment.

This section also prohibits school counselors from assisting with the coordination or administration of standardized testing.

This section became effective July 1, 2023.

### **Support Program Reporting – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.28

Section 7.28 of S.L. 2023-134 directs Communities in Schools of North Carolina, Inc., and Beginnings for Parents of Children Who are Deaf or Hard of Hearing, Inc. to report to the Joint Legislative Education Oversight Committee on the following information from the prior fiscal year by December 31, 2023:

- A detailed accounting of how State funds were spent.
- An accounting of any other funding received from other sources.

- Any planned expenditures or future uses of received funds not reflected in the accounting of State funds.
- The number of students served including generalized data on the age, grade level, and location of students served.
- A description of how effectiveness or student success is measured.
- Outcomes achieved and any other information deemed relevant.

This section became effective July 1, 2023.

### **Codify Use of Special State Reserve Fund for Transportation/Transportation Reserve Fund for Homeless and Foster Students – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.30

Section 7.30 of S.L. 2023-134 codifies the following funds:

- Extraordinary Transportation Costs Grant Program (Program) – The Program uses funds from the Special State Reserve Fund (SSRF) to cover extraordinary costs associated with the transportation of high needs students with disabilities. The Department of Public Instruction (DPI) provides applications for local school administrative units and charter schools to apply for the extraordinary transportation funds that are awarded consistent with certain statutory criteria.
- Transportation Reserve Fund for Homeless and Foster Students (Reserve Fund) – The Reserve Fund provides for a grant program to cover extraordinary school transportation costs for homeless and foster students. DPI provides applications for local school administrative units and charter schools and establishes eligibility guidelines to award funds consistent with certain statutory criteria.

This section became effective July 1, 2023.

### **School Health Personnel Profession Entry Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.31

Section 7.31 of S.L. 2023-134 requires the Superintendent of Public Instruction to study and report the following regarding school health personnel (school psychologists, school counselors, school nurses, and school social workers) to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by no later than January 15, 2024:

- Policies, practices, standards, and curriculum adopted or implemented, as appropriate, by the State Board of Education, the Department of Public Instruction, educator preparation programs, and public school units for people to receive training, licensure, and employment as school health support personnel in public school units.
- Barriers people face when entering each school health support profession because of the policies, practices, standards, and curriculum identified.



- Recommendations and any actions already taken to reduce and eliminate the barriers and improve the number and quality of school health support personnel employed in public school units.

This section became effective July 1, 2023.

## **School Safety Grants – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.36

Section 7.36 of S.L. 2023-134 provides funding for the School Safety Grants Program (Program) to improve safety in public school units by providing grants for services for students in crisis, school safety training, safety equipment in schools, and subsidizing the School Resource Officer Grants Program through an application process administered by the Superintendent of Public Instruction (Superintendent) in accordance with certain criteria. The grants will be awarded in the following categories:

- **Students in Crisis Grants** – In consultation with the Department of Health and Human Services (DHHS), funds to contract with community partners to provide the following crisis services:
  - Crisis respite services for parents or guardians of an individual student to prevent more intensive or costly levels of care.
  - Training and expanded services for therapeutic foster care families and licensed child placement agencies that provide services to students who need support to manage their health, welfare, and safety and have cognitive or behavioral problems, developmental delays, or aggressive behavior.
  - Evidence-based therapy services aligned with targeted training for students and their parents or guardians.
  - Other crisis services, including peer-to-peer mentoring, likely to increase school safety.
- **Training to Increase School Safety Grants** – In consultation with DHHS, funds to contract with community partners to address school safety by providing training to help students develop healthy responses to trauma and stress. The training must be targeted and evidence-based and can include any of the following:
  - Counseling on Access to Lethal Means training for school mental health support personnel, local first responders, and teachers on the topics of suicide prevention and reducing access by students to lethal means.
  - Training for school mental health support personnel on comprehensive and evidence-based clinical treatments for students and their parents or guardians.
  - Training for students and school employees on community resilience models to improve understanding and responses to trauma and significant stress.
  - Training for school mental health support personnel on Modular Approach to Therapy for Children with Anxiety, Depression, Trauma, or Conduct problems.
  - Other training, including training on the facilitation of peer-to-peer mentoring, that is likely to increase school safety.

- Safety Equipment Grants – In consultation with DHHS, funds for the purchase of safety equipment for school buildings, including charter schools, and training associated with the use of that safety equipment.
- Artificial Intelligence (AI) Pilot – The Department of Public Instruction (DPI) must allocate funds to New Hanover County Schools and Davidson County Schools for an AI School Safety Pilot Program that integrates AI technology into existing access controls, alerting protocols, and intercom systems. Participating public school units must report to the Joint Legislative Education Oversight Committee (JLEOC) by January 15, 2025, on the implementation and impact of the pilot program.
- Subsidizing School Resource Officer Grants Program – If the Superintendent receives applications for grants for school resource officers under G.S. 115C-105.60 in excess of the amount of funding appropriated for school resource officer grants in the 2023-2025 fiscal biennium, the Superintendent can use the funds appropriated to DPI for school safety grants to cover the unmet need for school resource officer grants.

Nonrecurring funds appropriated to DPI in the 2022-2023 fiscal year for the 2021-2023 School Safety Grants Program and the nonrecurring funds appropriated by this section for the 2023-2025 School Safety Grants Program do not revert and remain available until June 30, 2025.

By April 1 of each year funds are awarded, the Superintendent must report on the Program to the JLEOC, the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight Committee on Justice and Public Safety, the Joint Legislative Commission on Governmental Operations, the Senate Appropriations/Base Budget Committee, the House Committee on Appropriations, and the Fiscal Research Division. The report must include the identity of each entity that received a grant, the amount of funding provided, the use of funds, and recommendations for the implementation of additional effective school safety measures.

The provision allowing funds to not revert became effective June 30, 2023, and the remainder of the section became effective October 3, 2023.

### **Life Changing Experiences – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.37

Section 7.37 of S.L. 2023-134 directs the Department of Public Instruction (DPI) to use \$500,000 in nonrecurring funds for each year of the 2023-2025 fiscal biennium to contract with the Children and Parent Resource Group, Inc., to design, implement, and evaluate the Life Changing Experiences School Program (Project) in the 2023-2024 and 2024-2025 school years. The Project must be operated and administered for students in grades 6 through 11 in at least the following local school administrative units (LEAs): Cleveland County Schools, Greene County Schools, Lenoir County Public Schools, Lincoln County Schools, McDowell County Schools, Mitchell County Schools, and Pitt County Schools. Additional LEAs can be selected to participate in the Project if there are sufficient funds. The funds cannot be used for any purpose other than to implement the Project. The Project must include theme-specific programs and certain additional follow up applications that address dangerous life and community threatening activities that negatively impact teenagers, including alcohol and other drugs, dangerous driving, violence, and bullying.

The Children and Parent Resource Group, Inc., in consultation with DPI, must submit a report on the Project by March 15, 2024, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division and include an accounting of expenditures and student outcome data related to the operation of the Project.

This section became effective July 1, 2023.

### **National Board for Professional Teaching Standards Participation Fee Grant Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.40

Section 7.40 of S.L. 2023-134 establishes a grant program administered by the Department of Public Instruction (DPI) for qualifying public schools that are low-performing or serve a population of at least 10% at-risk students. The governing board of the school can apply to DPI for grant funds to reimburse teachers for the cost of the National Board for Professional Teaching Standards (NBPTS) certification participation fee. DPI must develop criteria and guidelines for the grants, including requiring that reimbursements be prioritized based on the needs of the school and not requiring teachers to complete the NBPTS certification process in order to receive a reimbursement.

By January 15 of each year in which funds are awarded, DPI must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the impact of the program, including information on the number of applicants and awards, number of teachers reimbursed, information on teacher demographics, employment status, and licensure, and impact of the program on student performance and growth.

This section became effective July 1, 2023.

### **Require Conflicts of Interest Training for Certain Public School Employees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.41

Section 7.41 of S.L. 2023-134 creates a new statute requiring all employees of local school administrative units who are involved in making or administering contracts to receive a minimum of two hours of conflicts of interest training regarding the making and administering of contracts. The training is required in every odd-numbered year and within 90 days of assuming the responsibility of making or administering contracts. Additionally, the training must include position-specific education on conflicts of interest and ethical standards of conduct. The local board of education can choose any qualified source to provide the training. All current employees involved in making or administering contracts have until April 3, 2024, to complete an initial training.

This section became effective October 3, 2023.

## **Combining of the Education and Workforce Innovation Commission Grant Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.43

Section 7.43 of S.L. 2023-134 combines the CTE Grade Expansion Program with the Education and Workforce Innovation Program, which are both administered by the North Carolina Education and Workforce Innovation Commission (Commission). Funds for the consolidated program must be used by the Commission to award competitive innovation grants or CTE grade expansion grants. Charter schools and schools in local school administrative units are expressly eligible for the grants, in addition to local school administrative units or regional partnerships of multiple local school administrative units.

This section became effective July 1, 2023.

## **Teacher Assistant Tuition Reimbursement Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.44

Section 7.44 of S.L. 2023-134 codifies the Teacher Assistant Tuition Reimbursement Program (Program) which provides tuition assistance to part-time or full-time teacher assistants working in local school administrative units (LEAs) to pursue a college degree that will result in teacher licensure. LEAs can apply to participate in the Program pursuant to a process established by the Department of Public Instruction (DPI). The applications must identify current and ongoing needs for licensed teachers and the expected number of eligible teacher assistants that would participate in the Program. In evaluating applications, DPI must prioritize LEAs according to the following order: (i) LEAs that received funds under the Teacher Assistant Tuition Reimbursement Pilot Program established in prior Appropriations Acts of the General Assembly; (ii) LEAs located, in whole or in part, in a county with at least one LEA that received low wealth supplemental funding in the previous fiscal year; and (iii) all other LEAs.

Award of Funds – To the extent funds are made available for the Program, an LEA receiving funds under the Program must provide a teacher assistant participating in the Program an award of up to \$4,600 per academic year per teacher assistant for up to four academic years to defray the costs of tuition and fees at an educator preparation program at an institution of higher education while employed in the LEA as a teacher assistant. The following criteria apply under the Program:

- Tuition assistance awards granted under the Program can be for part-time or full-time coursework.
- A local board of education can grant a teacher assistant academic leave to pursue coursework that can only be taken during working hours.
- A teacher assistant must fulfill the student teaching requirements of an educator preparation program by working as a teacher assistant at his or her employing LEA.
- A teacher assistant must continue to receive salary and benefits provided for teacher assistants while student teaching in the LEA.

Selection of Teacher Assistants and Monetary Requirements – The act directs DPI to adopt initial and continuing eligibility to participate in the Program with standards to ensure that only qualified, potential recipients receive an award of funds for tuition and fees under the Program, including the requirement for satisfactory academic progress toward achieving teacher licensure and the following requirements:

- The teacher assistant must be employed by the local board of education in the LEA.
- The teacher assistant must be enrolled or provide a statement of intent to enroll in an accredited institution of higher education in North Carolina with an educator preparation program approved by the State Board of Education to pursue teacher licensure.
- The teacher assistant qualifies as a resident for tuition purposes under State law.

LEAs receiving grants pursuant to the Program must select teacher assistants to receive funds under the Program and prioritize teacher assistants who received an award in the prior academic year and who are making satisfactory academic progress towards achieving teacher licensure. Each local board of education participating in the Program must have a memorandum of understanding with the institution of higher education in which an award recipient under the Program is enrolled that includes procedures for at least the following: (i) remittance of the award from the local board of education to the institution of higher education; (ii) endorsement of the funds awarded to the recipient to the institution of higher education for deposit into the account of the institution; (iii) return of a pro rata share of funds to the local board of education in the event a recipient withdraws from the institution of higher education prior to the end of a term or the recipient's employment with the local board of education is terminated.

Local and State Reports – By September 1 of each school year following at least six months of participation in the Program for that year, local boards of education participating in the Program must report at least the following information to DPI: (i) the number and amount of funds in tuition assistance awards provided to teacher assistants; (ii) the number of teacher assistant recipients who achieved teacher licensure, including the period of time from the issue of an initial tuition assistance award to the time of achieving licensure; (iii) the number of recipients who remained employed in the LEA after achieving teacher licensure. By December 1, 2024, and annually thereafter for each year funds are awarded pursuant to the Program, DPI must aggregate the information in the local reports and report that information to the Joint Legislative Education Oversight Committee.

This section became effective July 1, 2023, and applies beginning with the 2023-2024 school year.

### **Teacher Apprenticeship Grant Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.44A

Section 7.44A of S.L. 2023-134 directs the Department of Public Instruction (DPI) to establish the Teacher Apprenticeship Grant Program (Program). The purpose of the Program is to provide grants to local school administrative units (LEAs) to award funds for (i) the cost of tuition at an educator preparation program (EPP) for eligible teacher apprentices and (ii) salary supplements for teacher apprentices who become teachers in the LEA. LEAs can apply for participation annually through

a process established by DPI that identifies current and ongoing needs for licensed teachers and the expected number of eligible teacher apprentices that would participate in the Program.

LEAs can award tuition funds to an eligible teacher apprentice of up to \$4,600 per academic semester for up to four academic years to defray the costs of tuition and fees for part-time or full-time coursework taken while employed in the LEA as an eligible teacher apprentice. An eligible teacher apprentice is an individual who meets all of the following criteria:

- Is a graduate of a high school in the LEA who was enrolled in a Career and College Promise Transfer Pathway Program leading to an associate degree in teacher preparation and earned one or more credits toward that degree.
- Is employed as a teacher apprentice in an elementary school in the same LEA. A teacher assistant works with a teacher of record to develop an expertise in teaching by observing best education practices and gaining classroom experience with the goal of becoming a licensed teacher.
- Is enrolled part-time or full-time in a recognized EPP pursuing coursework toward a college degree that will result in teacher licensure.
- Is a State resident for tuition purposes.

Eligible teacher apprentices can also:

- Be granted academic leave to pursue coursework that can only be taken during working hours.
- Fulfill the student teaching requirements by working as a teacher apprentice at the employing LEA.
- Continue to receive salary and benefits while student teaching in the LEA.

If an eligible teacher apprentice becomes a licensed teacher and accepts employment in the same LEA, that teacher will receive a salary supplement each month during the first four years of employment as a teacher that is equivalent to the difference between the State funded salary of the graduate and the State funded salary of a similarly situated teacher with four years of experience on the "A" Teachers Salary Schedule.

Local boards of education receiving grants under the Program must make efforts to promote the Program to high school students enrolled in a Career and College Promise Transfer Pathway Program. DPI must establish criteria for initial and continuing eligibility to participate in the Program, and adopt standards to ensure that only qualified potential recipients receive an award of funds for tuition and fees. The standards must include satisfactory academic progress toward achieving teacher licensure.

LEAs receiving grants pursuant to the Program must prioritize the award of funds for eligible teacher apprentices who received an award in the prior academic year, and must enter into a memorandum of understanding with the institution of higher education in which an award recipient under the Program is enrolled, including procedures for remittance, endorsement, and return of funds in certain circumstances.

DPI must report no later than May 15, 2024, and annually thereafter while funds are awarded under the Program, to the Joint Legislative Education Oversight Committee regarding the Program, including information on funds awarded by LEA and EPP, demographics of recipients, placement rates, and recommendations to improve the Program and increase the number of teachers in North Carolina.

This section became effective July 1, 2023.

### **Economically Disadvantaged Public School Support Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.45

Section 7.45 of S.L. 2023-134 creates a new statute requiring the Department of Public Instruction (DPI) to establish the Economically Disadvantaged Public Schools Support Program (Program). The Program will provide funds to support the efforts of economically disadvantaged public schools that exceeded expected growth in the prior school year to continue to exceed growth. To the extent funds are available, DPI must allocate the funds annually to each governing body of an economically disadvantaged public school based on the relative proportion of students in each public school governed by the body. The funds will be used for curriculum, activities necessary to support students and instructional support personnel, and bonuses and retention programs for eligible employees, in the discretion of the governing body.

This section became effective July 1, 2023.

### **Revise School Transportation Funds Requirements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.47

Section 7.47 of S.L. 2023-134 clarifies that the State Board of Education (SBE) must allocate transportation funds appropriated by the General Assembly to local boards of education based on the local school administrative unit's efficiency in transporting students. Funds must be allocated at the beginning of each fiscal year based on available data from the previous school year, except that the SBE can reserve 5%, rather than the previous 10%, for future allocation. Prior to April 1 of the fiscal year in which funds are reserved, the reserved funds can only be allocated in the event of any emergency need of a local school administrative unit. After April 1, the SBE must allocate remaining funds to all local school administrative units based on efficiency.

This section became effective July 1, 2023.

## **Study for Students with Extraordinary Costs/Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.49

Section 7.49 of S.L. 2023-134 directs the Department of Public Instruction to study the following and report any legislative recommendations based on the outcomes of the study to the House Appropriations Committee on Education, the Senate Appropriations Committee on Education/Higher Education, and the Joint Legislative Education Oversight Committee by January 15, 2024:

- A method of improving options for children with disabilities with intensive needs which require private placement in an Approved School consistent with the student's individualized education program (IEP).
- A method of determining that placement in an Approved School is the means that most appropriately suits the child's individual needs.
- Extraordinary costs incurred by the public school unit by student placement in Approved Schools.
- Methods of creating a network of Approved Schools into which a child with disabilities with intensive needs can be placed consistent with the student's IEP.
- A method of prioritizing dispersal of funds to public school units to assist with the cost associated with enrolling in an Approved School in early grades to incentivize public school units to enroll students in the Approved Schools at the earliest appropriate age.
- Recommendations on the proportion of a student's extraordinary cost to be paid from local, State, and federal sources, respectively, and to identify existing funds at each level that can be available for the purposes studied pursuant to this section.
- A method to monitor overidentification of children with disabilities with intensive needs.
- Methods to allow for Medicaid reimbursement for additional services, such as transportation, and expanding the eligible age range to receive reimbursement for services.
- An estimated range of costs associated with implementing the studied methods.
- The advisability of one or more pilot programs with one or more Approved Schools.

For the purposes of this section, the term "Approved School" means a private school with approved nonpublic education programs providing special education for students with intensive needs.

This section became effective July 1, 2023.

## **Special Needs Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.53

Section 7.53 of S.L. 2023-134 directs the Department of Public Instruction (DPI) to contract with Amplio Learning Technologies, Inc., to create a new pilot program (Program) for a special education digital intervention software platform in Alamance County Schools, Catawba County



Schools, and Nash County Schools to increase opportunities for students with special needs. The Program must focus primarily on students receiving interventions for speech language and reading development, including English language learners, to provide more optimized progress for the interventions and effective and efficient opportunities for Medicaid billing for speech language pathologists services and dyslexia related services.

DPI must report on the results of the Program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by October 15, 2025, including information comparing Medicaid reimbursements rates both prior to and following participation and for both participating and non-participating schools.

This section became effective July 1, 2023.

### **Increase Amount for Developmental Delay Centers/Carry Forward/Grant Reserve/Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.54

Section 7.54 of S.L. 2023-134 requires the Department of Public Instruction (DPI) to set the funding rate for each eligible student enrolled in a Developmental Day Center (Center) program up to a maximum of \$1,350 per month. Any funds remaining at the end of each fiscal year will not revert but will be transferred by DPI to a reserve to establish a grant program for Centers.

Beginning with the 2023-2024 fiscal year, when the balance in the reserve is at least \$50,000, DPI must solicit applications from licensed, community-based Centers approved by the Exceptional Children Division at DPI for grants. The grant application will require documentation of the expenditures for which the grant is being requested and any other information requested by DPI. Local school administrative units are ineligible to receive funds from this program.

By March 15 of each fiscal year in which grants are awarded, DPI must report to the Joint Legislative Education Oversight Committee (JLEOC) on at least the following information:

- The Centers that received a grant.
- The balance of the reserve.
- The number of grant recipients.
- The dollar amount of each grant.
- The type of expenditure covered by each grant.

DPI must report by October 15 of each year that funds are received to the JLEOC on the following related to Centers:

- The number of students enrolled in Centers.
- The average funding rate for each eligible student enrolled in a Center.
- The percentage of eligible students enrolled in Centers that warranted dispersal of the maximum funding amount per month.
- The number of staffing vacancies in Centers, disaggregated by Center.

- Any other information DPI deems relevant.

The requirement that funds available at the end of the fiscal year do not revert became effective June 30, 2023. The remainder of this section became effective July 1, 2023.

## **Career and Technical Education Modernization and Expansion – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.55

Section 7.55 of S.L. 2023-134 requires the Department of Public Instruction (DPI) to use up to \$2 million for each year of the 2023-2025 fiscal biennium to create a grant program for modernization of Career and Technical Education (CTE) programming, materials, training, and professional development in grades 6 through 12. A public school unit or regional partnership of more than one public unit can apply to receive grant funds, which must be used to procure and implement an online digital CTE learning platform that contains the following:

- Comprehensive courses with lesson plans, media-rich content and activities, and interactive assessments that align with North Carolina CTE standards.
- Modules that assist teachers in preparing students for high-wage, high-growth career areas.

By December 15, 2023, DPI must select approved providers of online digital CTE learning platforms that include the following components:

- Instructional strategies and guided lesson plans to assist teachers with classroom implementation and instructional differentiation.
- Media-based instructional content for providing demonstrations and instruction on skills required for applicable career areas.
- Multiple methods of delivery of instruction, including at least face-to-face, self-paced, and distance or hybrid learning.
- Guided projects and activities to incorporate hands-on application of skills.
- A focus on mastery-based learning.
- Reporting features to provide data on student progress.
- Guidance for students to obtain industry-recognized certifications.
- Career connections to provide examples of career opportunities following graduation from high school.

This section became effective July 1, 2023.

## **Enhanced School Bus Stop Arm Grants – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.57

Section 7.57 of S.L. 2023-134 directs the Superintendent of Public Instruction (Superintendent) to establish the Enhanced School Bus Stop Arm Grant Program (Program) for the 2023-2024 fiscal

year to administer funds to public school units to add, upgrade, or replace mechanical stop signals on school buses with either illuminated mechanical stop signals or extended mechanical stop signals to increase student safety. An application process must be developed with information on how to apply for the Program. The Superintendent must consider the type and number of stop signal additions, upgrades, or replacements the public school unit proposes to complete and the number of bus routes or stops that are known to pose safety risks.

The Superintendent must submit a report to the Joint Legislative Education Oversight Committee by April 15, 2024, with the following information:

- Which public school units received grants and in what amounts.
- Whether the public school unit purchased extended mechanical stop signals, illuminated mechanical stop signals, or both.
- Any outstanding needs including the amount to fulfill any remaining grant requests.
- Impact of the Program on student safety and any recommendations for additional school bus mechanical stop signal technology or implementation.

This section became effective July 1, 2023.

### **Eliminate Student Copay for Reduced Price Meals – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.58

Section 7.58 of S.L. 2023-134 directs that funds appropriated for reduced-price school meal copays be used to provide school breakfasts and lunches at no cost to students of all grade levels that qualify for reduced-price meals under the National School Lunch Program in the current school year. If the funds are insufficient, the Department of Public Instruction can use funds appropriated to the State Aid for Public Schools fund for this purpose.

This section became effective July 1, 2023.

### **CEP Meal Program Incentive – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.59

Section 7.59 of S.L. 2023-134 requires the Department of Public Instruction (DPI) to establish the CEP Meal Program Incentive for the 2023-2025 fiscal biennium, to expand public school participation in the federal Community Eligibility Provision (CEP) program to increase the number of students with access to healthy, cost-free school breakfast and lunch. The incentive program will be available to public school units for the 2024-2025 fiscal year.

A public school unit or school within a public school unit is eligible for the incentive program if the unit or school qualifies for the CEP program but did not participate in the 2023-2024 fiscal year. By January 15, 2024, DPI must develop the application for the incentive program and make it available. Public school units and schools will submit their applications by March 1, 2024. The application must include at least the following:

- The school or schools that will participate in the CEP program.
- The Identified Student Percentage (ISP) for the school or schools for the 2024-2025 school year.
- The number of students enrolled for the 2024-2025 school year.
- The participation rates in the National School Breakfast and Lunch programs for the 2023-2024 school year.

Schools will be selected by April 30, 2024. If there are insufficient funds to award grants to all eligible units and schools, DPI must first prioritize awarding grants to units and schools with an ISP of greater than 55% and then prioritize the schools that will draw the greatest federal match. The grants will provide State reimbursement to cover up to the portion of the cost of meals that is not covered by the federal reimbursement. Schools receiving the incentive must offer breakfast after the bell and in the classroom.

No later than January 1, 2025, DPI must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on at least the following information:

- The number of schools that utilized the incentive.
- The number of students that received free meals that would not have otherwise received free meals.
- The amount of federal and State money participating public school units and schools received.
- Any increase on student success due to the school's utilization of the incentive and participation in the program.

This section became effective July 1, 2023.

### **No Administrative Penalty for Unpaid Meal Debt – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.60

Section 7.60 of S.L. 2023-134 prohibits governing bodies of public school units from imposing administrative penalties on a student for unpaid school meal debt. Administrative penalties include withholding student records (transcripts, report cards, attendance records, and health records) and not allowing a student to participate in graduation or receive a diploma.

This section became effective July 1, 2023.

### **High School Remote Instruction Flexibility Pilot – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.61

Section 7.61 of S.L. 2023-134 directs the Superintendent of Public Instruction (Superintendent) to select 10 local school administrative units (LEAs) to participate in a remote instruction flexibility pilot program (Pilot) that allows local boards of education to establish a school calendar for high schools that uses up to 5 days or 30 hours of remote instruction to ensure that all final

examinations for the fall semester are administered to students prior to December 31 of the school year. The remote instruction days or hours used as part of the Pilot are to be in addition to any other remote instruction time already authorized in law. The Pilot will be for the 2023-2024 through 2027-2028 school years and is exempted from the calendar law that mandates school start dates.

The 10 LEAs selected by the Superintendent must be geographically diverse and represent the varying climate regions of the State including at least one LEA that would qualify for a good-cause school calendar waiver. Each local board of education participating in the Pilot must annually report to the Superintendent the following information:

- The high schools that participated in the Pilot with a copy of the high school calendars that designate all remote instruction time, including whether the instruction was remote under the Pilot or due to an emergency already authorized by law.
- The methods for providing instruction outside of the school facility.
- The impact on academic outcomes for students in comparison to the recent years where final examinations for the fall semester were administered after December 31.
- Identified advantages and disadvantages to using the Pilot calendar and additional remote learning.

The Superintendent must annually summarize the information provided by the participating local boards of education and provide a report of that information, including a copy of each participating local board of education's report, to the Joint Legislative Education Oversight Committee beginning September 15, 2024, and ending September 15, 2028.

This section became effective July 1, 2023.

### **SparkNC Pilot for High-Tech Learning Accelerator Credit – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.62

Section 7.62 of S.L. 2023-134 establishes the SparkNC Pilot Program (Program) for the 2023-2025 fiscal biennium. The Program authorizes SparkNC, Inc. to partner with selected public school units (PSUs) to develop nontraditional, student-driven, modular learning experiences focused on science, technology, engineering, and mathematics (STEM) that, when aggregated, provide a competency-based equivalency to a traditional elective course credit.

PSUs partnering with SparkNC must enter a memorandum of understanding (MOU) to meet certain requirements for the Program, including the provision of a physical learning lab staffed by a learning lab facilitator that will provide a site for collaborative learning and virtual networking.

Partnering PSUs must award the elective credit to any student who completes a combination of modules determined by SparkNC to provide the competency-based elective credit in that course upon verification of successful completion of the learning experiences and integrity of student

work products by the learning lab facilitator. The elective credit must be denoted on student transcripts as High-Tech Learning Accelerator and as achieved mastery.

Learning lab facilitators are not required to hold teacher licensure, but must meet the standards established by the MOU and will be the teacher of record for students enrolled in the Program. Learning lab facilitators are not required to be paid on the same salary schedule as other teachers. Additional non-licensed personnel can be contracted with for the purpose of providing timely, real-world content, industry expertise, and student learning experiences.

Students can participate in the Program and aggregate learning experiences throughout the time the students are enrolled in the PSU and are not limited to a semester or school year. Learning experiences can be provided to students in person, remotely, or through asynchronous modules.

The elective credit can satisfy any computer science graduation requirement if approved by the Superintendent of Public Instruction upon recommendation of the Department of Public Instruction that the course meets the required domains of computer science.

For the 2023-2024 and 2024-2025 school years, 18 designated PSUs can partner with SparkNC to participate in the Program.

SparkNC, in consultation with the partnering PSUs, must provide an interim report to the Joint Legislative Education Oversight Committee by March 1, 2025, and a final report by March 1, 2026, disaggregated for each public school unit by grade level and school, on certain information including Program participation, retention, persistence, and completion, as well as student evaluation and interest in STEM following participation, cost per student, and recommendations for Program changes.

This section became effective July 1, 2023.

### **Extended Learning and Integrated Student Supports Competitive Grant Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.63

Section 7.63 of S.L. 2023-134 directs the Department of Public Instruction (DPI) to use up to \$7 million for the 2023-2024 and 2024-2025 fiscal years for the Extended Learning and Integrated Student Supports Competitive Grant Program (Program). The purpose of the Program is to fund high-quality, independently validated extended learning and integrated student support service programs for at-risk students (not performing at grade level, at risk of dropping out, at risk of school displacement due to suspension or expulsion) that raise standards for student academic outcomes by focusing on the following:

- Use of a successful evidence-based model.
- Inclusion of rigorous, quantitative performance measures to confirm effectiveness of the program.

- Deployment of multiple tiered supports in schools to address student barriers to achievement.
- Alignment with State performance measures, student academic goals, and the North Carolina Standard Course of Study.
- Integration of science, technology, engineering, and mathematics (STEM) learning opportunities or reading development and proficiency instruction.
- Minimization of student class size when providing instruction or instructional supports and interventions.
- Expansion of student access to high-quality learning activities and academic support that strengthen student engagement and leverage community-based resources.
- Utilization of digital content to expand learning time.

Grants will be used to award funds for new or existing eligible programs for at-risk students operated by nonprofit corporations and nonprofit corporations collaborating with local school administrative units. Grant recipients are eligible to receive grants for up to two years in an amount up to \$500,000 each year. The funds received must be matched at a rate of \$3 in grant funds to \$1 in nongrant funds.

Grant recipients must report to DPI on (i) alignment with State academic standards, (ii) data collection for reporting student progress, (iii) the source and amount of matching funds, (iv) and other measures before receiving a second year of funding. Grant recipients will also submit a final report on key performance data, including statewide test results, attendance rates, graduation rates, and promotion rates, and financial sustainability of the Program.

DPI must provide an interim report on the Program to the Joint Legislative Education Oversight Committee by September 15, 2024, and a final report by September 15, 2025. The final report must include the final results of the Program and recommendations for future grant programs.

This section became effective July 1, 2023.

### **Prohibition Against "Three-Cueing" – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.64

Section 7.64 of S.L. 2023-134 prohibits the use of either a three-cueing system or a curriculum with visual memory as the primary basis for teaching word recognition in any instruction or intervention for NC Pre-K students. A three-cueing system is defined as a model of teaching students to read based on meaning, structure and syntax, and visual cues. Additionally, the prohibition applies to students in kindergarten through third grade in local school administrative units, schools for the deaf and blind, charter schools, and laboratory schools. Further, the prohibited content cannot be included in Science of Reading coursework at educator preparation programs.

This section became effective October 3, 2023, and applies beginning with the 2023-2024 school year.

## **Salary Supplements for Teachers in Advanced Teaching Roles Schools – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.66

Section 7.66 of S.L. 2023-134 codifies salary supplements for teachers in Advanced Teaching Roles (Program). To the extent funds are made available for this Program, the State Board of Education must award funds to local school administrative units (LEAs) for annual salary supplements for teachers as provided in this section. LEAs participating in the Program must designate up to 15% of the teachers in each Program school as adult leadership teachers and 5% of teachers in each Program school as classroom excellence teachers. Participating LEAs must provide salary supplements for those teachers as follows: (i) \$10,000 for adult leadership teachers and (ii) \$3,000 for classroom excellence teachers.

The following additional requirements apply to salary supplements received under the Program:

- Loss of a salary supplement under this Program is not considered demotion for employment purposes.
- A teacher is eligible to continue to receive a salary supplement under this Program as long as he or she remains an adult leadership teacher or a classroom excellence teacher.
- A teacher is eligible to receive no more than one annual salary supplement under the Program at any time.

This section became effective July 1, 2023.

## **Daily Deposit Amount Adjustment – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.68

Section 7.68 of S.L. 2023-134 increases the amount of funds an individual school in a local school administrative unit can have on hand prior to deposit, following collection or receipt, from \$250 to \$1500.

This section became effective July 1, 2023.

## **Plasma Games Grant Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.69

Section 7.69 of S.L. 2023-134 requires the Department of Public Instruction (DPI) to create a grant program for public school units to apply for funds to contract with Plasma Games, Inc., for the use of educational software to be used in science, technology, engineering, and math (STEM) and career and technical education (CTE) courses. DPI must make an application available by November 15, 2023, and August 1 of each year thereafter that funds are made available. Public school units must submit applications by January 15, 2024, and October 1 of each year thereafter that funds are made available. The grants will be awarded by March 15, 2024, and December 1 of each year thereafter that funds are made available.



DPI must report to the Joint Legislative Education Oversight Committee beginning May 15, 2024, and each year thereafter that funds are made available, on the outcomes of the program, including at least the following:

- The number of public school units that submitted an application.
- The number of grants awarded.
- The percentage of grants that were awarded to public school units that previously participated in the Plasma Games pilot program.
- The average size of grants awarded.
- The average daily membership (ADM) of each public school unit that received grant awards.
- The ratio of grant funds received compared to the ADM of the public school unit.
- The total number of Plasma Games licenses in active use in the State.
- Any other information the DPI deems relevant.

This section became effective July 1, 2023.

### **North Carolina Education Corps Reporting – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.70

Section 7.70 of S.L. 2023-134 requires the North Carolina Education Corps to report to the Joint Legislative Education Oversight Committee by February 15, 2024, on the results of its program to accelerate COVID-19 learning recovery through the recruitment, training, and deployment of corps members to work as tutors and mentors with public school students. The report must include at least the following:

- The number of tutors trained using funds provided.
- The number of students who worked with tutors trained by the program.
- The average amount of funding spent by the North Carolina Education Corps per tutor trained.
- The number of tutors hired by public school units after completion of the training provided by the program.
- Which public school units utilized tutors trained by the program.
- The impacts on student outcomes in public school units that utilized tutors trained by the program.
- The amount spent by each public school unit to hire tutors trained by the program.
- Any other information the North Carolina Education Corps deems relevant.

This section became effective July 1, 2023.

## **Allow Nonprofits to Provide Abuse/Sex Trafficking Training to Educators – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.71

Section 7.71 of S.L. 2023-134 allows nonprofit organizations with over 10 years of experience in providing research-based child sexual abuse prevention curriculum to provide training to school personnel on child sexual abuse and sex trafficking as required by law. These organizations would be in addition to other entities such as local nongovernmental organizations and local law enforcement officers.

This section became effective July 1, 2023.

## **High School Diploma Endorsements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.72

Section 7.72 of S.L. 2023-134, as amended by S.L. 2023-132, makes the following changes:

- Adds a graduation requirement of a passing grade in a computer science course, beginning with students entering the ninth grade in the 2024-2025 school year. This requirement does not apply to a student whose individualized education program states that the student's disability would prevent the student from completing that graduation requirement.
- Recodifies existing high school graduation requirements.
- Requires the State Board of Education (SBE) to develop a sequence of courses allowing a student to complete the credits required for graduation in a three-year period that will be noted on the student's transcript. Prohibits local boards of education from requiring any additional credits beyond those mandated by the SBE for high school graduation, beginning with students enrolled in tenth grade in 2023-2024.
- Recodifies current high school diploma endorsements and adds two new high school diploma endorsement:
- Arts proficiency high school diploma endorsement: The SBE must develop the criteria for this endorsement to encourage students to obtain a well-rounded, high-quality arts education. The criteria must include at least a minimum of 4 arts credits with an unweighted 3.0 or higher grade point average and a minimum of 40 hours of arts-related extracurricular activities that meet certain criteria.
- Citizenship proficiency high school diploma endorsement: The SBE must develop the criteria for this endorsement to encourage students to demonstrate their understanding of the basics of the American government and civic life. The criteria must include at least a passing score on a civics test composed of questions from the pool of publicly available questions to be used for the civics test given by the U.S. Citizenship and Immigration Services (USCIS) as part of the naturalization interview and test issued by USCIS. Charter schools must make this diploma endorsement available to students.

The SBE must report annually to the Joint Legislative Education Oversight Committee on high school diploma endorsements, including numbers of endorsements, beginning with reports due November 15, 2024.

This section became effective October 3, 2023. The SBE must make arts proficiency and citizenship proficiency high school diploma endorsements available to students graduating high school beginning with the 2023-2024 school year.

### **Limited Teacher Licensure Changes – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.73

Section 7.73 of S.L. 2023-134 changes the limited teacher license from a nonrenewable license to a renewable license. For a teacher to renew a limited license, an affidavit from the employing local board of education that is signed by both the teacher's principal and superintendent must be submitted. The affidavit must state all of the following:

- The teacher is currently employed by the local board of education.
- The teacher is an effective teacher.
- The teacher will be courage to continue to pursue a continuing professional license.

For limited license renewals occurring on or before July 1, 2025, no additional requirements beyond the affidavit will be required.

This section became effective October 3, 2023, and applies to renewal applications submitted on or after that date.

### **Out-of-State Teacher License Reciprocity – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.74

Section 7.74 of S.L. 2023-134 requires the State Board of Education to grant a continuing professional license (CPL) to a teacher who meets the following criteria:

- Is licensed in a state that has substantially similar licensure requirements as North Carolina.
- Has at least three years of teaching experience.
- Is in good standing with the other state.

This section became effective October 3, 2023, and applies to out-of-state applicants for a CPL on or after that date.

## **Allow Home School Students to Sit for Advanced Placement/Preliminary SAT Exams – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.75

Section 7.75 of S.L. 2023-134 allows home school students to be eligible to take the Preliminary SAT/National Merit Scholarship Qualifying Test, the PreACT, and advanced course examinations such as the Advanced Placement Course exam, International Baccalaureate Diploma Programme exam, and Cambridge Advanced International Certificate of Education as offered by the local school administrative unit (LEA) if the following criteria are met:

- The student can take the test at a school within the LEA that the student would be assigned to if the student attended public school.
- The student must have completed a course or test that shows equivalent competency to passing Algebra I.
- The student's parent must be charged the cost of the test by the LEA.
- The student's parent, or other responsible adult designated by the parent, can be required by the LEA to serve as a proctor in order for the student to take the test, if the addition of the student prevents the LEA from meeting the required proctor-student ratio for that test at that school.

This section became effective July 1, 2023.

## **Searches of Student's Person – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.76

Section 7.76 of S.L. 2023-134 requires policies governing searches of students to be consistent with the constitutions, statutes, and regulations of the United States and North Carolina. Searches performed by school officials must be executed using narrowly tailored methods that are as minimally intrusive as possible. Governing body policies must require all searches of students be conducted in private by one school official and one adult witness who are the same sex as the student being searched.

This section became effective July 1, 2023.

## **State of the School Administration Profession Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.77

Section 7.77 of S.L. 2023-134 creates the report on the State of the School Administration Profession Report. The State Board of Education must submit an annual report on school principals in North Carolina that includes data on the decisions of principals to leave the profession of school administration or move to a different position, including the number of principals who:

- Left the profession without remaining in the field of education.
- Left to become a principal in another school in the State.
- Left for another type of educational position and the type of position.
- Left a low-performing school.
- Moved to a low-performing school.

This section became effective October 3, 2023, and applies beginning with the report due December 15, 2024.

## **Study Status and Cost of Carbon Monoxide Alarms and Radon Testing in Schools – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.78

Section 7.78 of S.L. 2023-134 requires the State Board of Education (SBE) to survey all identified public schools to determine the number of existing school buildings that meet the following criteria:

- Are not currently equipped with carbon monoxide alarm and detection systems.
- If required to be in compliance with Fire Prevention Code requirements for new buildings, would be required to install carbon monoxide alarm and detection systems.

Additionally, the SBE must survey all identified public schools to determine the need and implementation of radon gas testing.

The SBE must report to the Joint Legislative Education Oversight Committee on the following by December 15, 2023:

- The number of non-equipped buildings statewide, and by identified public school.
- The estimated cost statewide, and by the identified public school, to permit, install, and inspect all non-equipped buildings with carbon monoxide alarm and detection systems and radon gas testing.

"Identified public schools" means (i) schools in a public school unit, except for charter schools; (ii) the North Carolina School of Science and Mathematics; (iii) the University of North Carolina School of the Arts; (iv) schools operated by the Department of Health and Human Services; and (v) schools operated by the Division of Juvenile Justice of the Department of Public Safety.

This section became effective July 1, 2023.

**Clarify that Nonpublic Schools May Provide Remote Instruction and that a Nonpublic School Shall Provide In-Person Instruction to be Eligible to Receive Students with Scholarship Grants – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.80

Section 7.80 of S.L. 2023-134 allows a nonpublic school to provide remote instruction if the school maintains copies of all required records at an administrative office that is physically located in the State. Remote instruction means instruction delivered to students in a remote location outside of a school facility, either synchronously or asynchronously.

This section became effective July 1, 2023.

**Opportunity Scholarship Financial Impact Report/Reinvestment in Public Schools – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.82

Section 7.82 of S.L. 2023-134 requires the North Carolina State Education Assistance Authority (SEAA) to provide to the Department of Public Instruction (DPI) the following information no later than October 15 of each year:

- Nonpublic schools in which Opportunity Scholarship grant recipients are enrolled, including the number of scholarship grant students at each nonpublic school.
- For each scholarship grant recipient, award amounts and sufficient personally identifiable information to track the recipient's continued enrollment in a nonpublic school. This information is confidential and is not a public record.

DPI must report no later than April 1 of each year to the Joint Legislative Education Oversight Committee on the cumulative difference in the current school year between the Opportunity Scholarship grant award amount for each prior public school attendee enrolled in a nonpublic school and the average State per pupil allocation for daily membership for a student in a public school unit. A "prior public school attendee" means any scholarship grant recipient who was in membership in a public school unit for the majority of the first or second month of the school year immediately prior to enrollment in a nonpublic school, beginning with students enrolled in a public school unit in the 2023-2024 school year or subsequent school years.

This section extends certain dates by which the SEAA is required to report.

Additionally, the section states that it is the intent of the General Assembly to reinvest in the public schools any savings realized by the State each year, beginning in the 2025-2026 school year, because of the transfer of a student from a public school unit to a nonpublic school where the student accepts an Opportunity Scholarship grant award that is less than 100% of the State per pupil allocation for average daily membership for a student in a public school unit.

This section became effective July 1, 2023.

## **Clarify Minimum Service Requirements for Paid Parental Leave – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.83

Section 7.83 of S.L. 2023-134 clarifies that the rules adopted by the State Human Resources Commission providing for a period of minimum service before an employee is eligible for paid parental leave must provide that the period of minimum service can be met by aggregating employment at any of the following:

- State agencies, departments, and institutions, including The University of North Carolina.
- Public school units that provide paid parental leave in accordance with G.S. 126-8.6.
- Community colleges located in North Carolina.

Additionally, if the board of directors of a charter school does not provide paid parental leave, it must provide written notice to individuals upon offering employment.

This section became effective July 1, 2023.

## **Limit Discretion to Withhold or Reduce Charter School Funding to Review Board and Superintendent of Public Instruction – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.84

Section 7.84 of S.L. 2023-134 limits the discretion of the State Board of Education to withhold or reduce charter school funds except in certain situations. See summary for S.L. 2023-110.

This section became effective July 1, 2023.

## **The University of North Carolina Building Reserve Study – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.2

Section 8.2 of S.L. 2023-134 requires the Board of Governors of The University of North Carolina to study and report by April 1, 2024, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the building reserve model. At a minimum, the report must include the following information:

- For all buildings, disaggregated by constituent institution and fund source:
  - Expenditures related to operation and maintenance costs for the 2022-2023 fiscal year.
  - The number of full-time equivalent positions for building operation and maintenance used in the 2022-2023 fiscal year.
  - Recurring expenditures generated by the current building reserve model.

- The number of full-time positions generated by the current building reserve model.
- An analysis of the above including:
  - Any instances where the current building reserve model aligns or misaligns with full-time equivalent positions and actual expenditures of the constituent institution.
  - Any substantial differences among constituent institutions in actual operating and maintenance expenditures compared to projected expenditures under the building reserve model.
  - Recommendations to improve the process of providing operation and maintenance funds for buildings.

This section became effective July 1, 2023.

### **Completion Assistance Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.3

Section 8.3 of S.L. 2023-134 requires the Board of Governors of The University of North Carolina (BOG) to create a Completion Assistance Program (Program) at the following constituent institutions for the 2023-2025 fiscal biennium:

- Elizabeth City State University.
- Fayetteville State University.
- North Carolina Agricultural and Technical State University.
- North Carolina Central University.
- The University of North Carolina at Asheville.
- The University of North Carolina at Greensboro.
- The University of North Carolina at Pembroke.
- Winston-Salem State University.

Students enrolled in a Program can receive up to \$1,000 per academic year to pay for the costs of continuing attendance and earning necessary credit hours at the constituent institution. A student who meets at least the following requirements is eligible to receive funds:

- Needs financial assistance to remain enrolled at the eligible constituent institution and earn credits necessary to graduate on time.
- Is a resident for tuition purposes.
- Meets satisfactory academic progress, as determined by the Board.
- Has completed or is on track to complete at least 60 academic credit hours by the end of the semester in which the funds are provided.
- Has completed the Free Application for Federal Student Aid (FAFSA) for the academic year in which the funds are provided.
- Has an unpaid balance with the eligible constituent institution. This can include an unpaid balance for tuition, fees, room, board, or other expenses of attendance.



The BOG must report on each Program to the Joint Legislative Education Oversight Committee by March 15, 2025. The report must include an analysis of the impact of each Program on on-time graduation rates and student debt at graduation.

From the nonrecurring funds appropriated for the Programs, the BOG must allocate funds to each eligible constituent institution proportional to the number of undergraduate students enrolled at each eligible constituent institution who are residents of North Carolina and recipients of a federal Pell Grant.

This section became effective July 1, 2023.

### **Establish the School of Civic Life and Leadership at the University of North Carolina at Chapel Hill – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.5

Section 8.5 of S.L. 2023-134 as amended by Section 3.10 of S.L. 2023-132 directs the Board of Trustees of the University of North Carolina at Chapel Hill, in consultation with the Board of Governors of The University of North Carolina (BOG), the Provost of the University of North Carolina at Chapel Hill (Provost), and faculty and administration officials at the University of North Carolina at Chapel Hill (UNC-CH), to establish the School of Civic Life and Leadership at the University of North Carolina at Chapel Hill (School). The School must meet the following requirements:

- Provide course opportunities for students that can focus on the development of democratic competencies informed by American history and the American political tradition, with the purpose of fostering public discourse and civil engagement necessary to promote democracy and benefit society as well as develop programming on these topics and provide resources to students, faculty, and the general public.
- Subject to approval of the Provost and the inaugural dean of the School, house the Program on Public Discourse.
- Hire at least 10 and no more than 20 faculty members from outside UNC-CH. These faculty members must be hired with permanent tenure or be eligible to receive permanent tenure in accordance with policies adopted by the BOG and UNC-CH. All faculty hired by or appointed to the School must be subject to the approval of the dean of the School. Faculty members can hold joint or courtesy appointments with other existing units of UNC-CH.

The section specifies that if the nonrecurring funds appropriated to the BOG for the 2023-2025 fiscal biennium to be allocated to UNC-CH for the School are insufficient to establish the School, UNC-CH must expend sufficient additional funds to achieve that purpose. The Provost must name the inaugural dean of the School by December 31, 2023, subject to the approval of the Board of Trustees. The Board of Trustees of the University of North Carolina at Chapel Hill must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by March 15, 2024, on progress made toward establishing the School and factors affecting the long-term sustainability of the School.

This section became effective July 1, 2023.

### **Reduce Number of Required University of North Carolina Laboratory Schools from Nine to Eight – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.6

Section 8.6 of S.L. 2023-134 reduces the number of laboratory schools that must be established and operated by constituent institutions from nine to eight.

This section became effective July 1, 2023.

### **Educational Opportunities Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.8

Section 8.8 of S.L. 2023-134 requires the Board of Governors of The University of North Carolina (BOG) to establish a College of Educational Opportunities Program (Program) for students 22 years of age and older with intellectual and developmental disabilities. North Carolina State University (NC State) will develop and operate the Program beginning in the 2023-2024 fiscal year. North Carolina Central University (NC Central) will adapt and operate the Program as developed by NC State beginning in the 2024-2025 fiscal year. The Program will provide post-secondary opportunities for eligible students, including the following:

- A person-centered planning process.
- The opportunity to pursue educational credentials, including degrees, certificates, and other nondegree credentials.
- Inclusive academic enrichment, socialization, independent living skills, and integrated work experiences to develop career skills that can lead to gainful employment.
- Individual supports and services for academic and social inclusion in academic courses, extracurricular activities, and other aspects of campus life.

Funds provided for the Program will be used for administrative and programmatic staff, training for faculty, improvements to existing assistive technologies and other support services, scholarships for economically disadvantaged eligible students, additional supports such as counseling, and outreach. For the 2023-2024 fiscal year, \$3 million will be allocated to NC State. For the 2024-2025 fiscal year, \$3 million will be allocated to both NC State and NC Central.

No later than May 15, 2024, and annually thereafter, the BOG must report to the Joint Legislative Education Oversight Committee on the impact of the Program.

This section became effective July 1, 2023.

## **Career and Technical Education Grants for Agriculture – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.9

Section 8.9 of S.L. 2023-134 requires the Agriculture Extension of North Carolina State University to provide funding to the North Carolina Future Farmers of America (FFA) to provide and administer grants for the 2023-2024 and 2024-2025 academic years to fund items necessary for the agriculture education program operated as a part of the Career and Technical Education (CTE) program at a given middle or high school within a public school unit. A public school unit or a regional partnership of more than one public school unit can apply to receive funds. When awarding grants, FFA must prioritize public school units that meet the following criteria:

- Are located, in whole or in part, in a county with at least one local school administrative unit that received low-wealth supplemental funding in the previous fiscal year.
- Have a high population of at-risk students or students with disabilities.

Grant recipients can make items purchased with grant funds available to any student within the public school unit or partnership regardless of whether the student is identified as at-risk or a student with a disability.

FFA must create and make available an application for grants no later than 30 days after the act becomes law (October 3, 2023). Applicants must submit applications to receive grant funds to FFA by June 15, 2024. Applications must be approved or denied within 30 days.

Grant recipients must submit a report to FFA no later than October 15, 2024, on the outcomes of any programs funded by the grants, including data collection methods for reporting on student outcomes, impacts of the program, and use of State funds. FFA must submit a report on the overall outcomes of the grant program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by December 15, 2024.

This section became effective July 1, 2023.

## **Board of Governors Study New Teacher Support Program/Elizabeth City State – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.10

Section 8.10 of S.L. 2023-134 directs the Board of Governors of The University of North Carolina to report to the Joint Legislative Education Oversight Committee by December 15, 2023, on the advisability and feasibility of incorporating additional constituent institutions, including Elizabeth City State University, as administrators of the New Teacher Support Program.

This section became effective July 1, 2023.

## **Require Comprehensive Transition Postsecondary Programs Report and Establish Comprehensive Transition Postsecondary Program At UNC-W – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.12

Section 8.12 of S.L. 2023-134 requires the University of North Carolina at Wilmington (UNCW) to establish a certificate accomplishment program for students with intellectual disabilities to be approved by the United States Department of Education (US DOE) as a Comprehensive Transition Postsecondary Program (CTP Program) in accordance with federal law.

No later than March 15, 2025, UNCW must report to the Joint Legislative Education Oversight Committee (JLEOC) and the Fiscal Research Division on its progress in establishing the CTP Program, including number of participants, additional costs to provide scholarships to participants, and whether the CTP Program has been approved by the US DOE.

The University of North Carolina System Office must report to the JLEOC by March 15 annually on the impact on participants of CTP Programs at constituent institutions of The University of North Carolina, including information on admissions requirements, number of participants, and participant outcomes.

This section became effective July 1, 2023.

## **Agriculture Analytics Platform Initiative – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.13

Section 8.13 of S.L. 2023-134 requires North Carolina State University (NC State) and North Carolina Agricultural and Technical State University (NC A&T) to contract with SAS Institute, Inc. to establish or maintain a software platform to use data collection and analytics to improve agricultural systems and agricultural profitability. Funds will be used for software, equipment installation, cloud hosting, and technical support. NC State and NC A&T will collaborate in the creation and use of these platforms as much as practicable.

No later than August 15, 2025, NC State and NC A&T must report to the Joint Legislative Education Oversight Committee on the impact of the initiative on the following:

- The sustainability and profitability of agricultural systems in the State, including any improved efficiencies.
- Research grants secured by each constituent institution.
- Student and faculty recruitment and retention.
- Engagement and collaboration with private farmers in the State.
- Faculty research on agriculture.
- Collaboration between NC State and NC A&T.

This section became effective July 1, 2023.

## **University of North Carolina System Faculty Realignment Incentive Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.14

Section 8.14 of S.L. 2023-134 requires the Board of Governors of The University of North Carolina (BOG) to create a Faculty Realignment Incentive Pilot Program (Program) for constituent institutions to award severance payments to identified faculty members. Funds for the Program will be distributed among the constituent institutions based on criteria established by the President of The University of North Carolina. To qualify for a severance payment under the Program, an identified faculty member must be a full-time, tenured faculty member employed by a constituent institution who meets the following criteria:

- Is at least 55 years of age.
- Meets either of the following criteria:
  - Is eligible to commence retirement with an early or service retirement allowance under the Teachers' and State Employees' Retirement System (TSERS).
  - Is vested in the Optional Retirement Program (ORP) for The University of North Carolina.
- Does not receive disability or workers' compensation benefits.

The Program must meet at least the following requirements:

- An identified faculty member is selected to receive a payment under the Program in the discretion of the employing constituent institution.
- Severance payments are equivalent to the identified faculty member's base salary from the prior academic year.
- Severance payments are exempt from payroll deductions for retirement contributions and are not considered compensation for purposes of the supplemental plans administered by The University of North Carolina or plans administered by the Supplemental Retirement Board of Trustees.
- If an identified faculty member does not qualify for the full employer premium contribution for retiree health coverage provided under TSERS or ORP, then the constituent institution where the identified faculty member is employed can provide the faculty member, in addition to a severance payment, an amount equivalent to 12 months of the full employer contribution to the employee health insurance premium.

By December 1, 2024, and annually thereafter, while funds are expended under the Program, the BOG must report at least the following information on the Program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division, disaggregated by constituent institution:

- The number of identified faculty members that received funds under the Program.
- The total amount paid out by the Program.

Funds appropriated for the Program will not revert and will remain available until expended.

This section became effective July 1, 2023.

### **University of North Carolina at Wilmington Research Program in Critical Workforce Areas Funds and Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.17

Section 8.17 of S.L. 2023-134 directs the University of North Carolina at Wilmington (UNC-W) to expand research programs in critical research areas to maintain its classification in the Carnegie Classification of Institutions of Higher Education as R2 – High Research Activity. This is to be implemented from the recurring funds appropriated to the Board of Governors of The University of North Carolina for the 2023-2025 fiscal biennium to be allocated to UNC-W for research programs. UNC-W can use these funds only to expand relevant research programs in critical research areas and cannot supplant other funds already allocated for these purposes.

By March 15, 2024, and every year thereafter in which these funds are provided, UNC-W must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the use of the funds with at least the following information:

- A detailed explanation of how the funds are being used, including all expansions on research programs supported by these funds since the previous report and the nature of each expansion.
- All critical research areas as defined by UNC-W.
- The impact of the expansions on the critical research areas, including the extent to which the expansions support the continued classification of UNC-W as a High Research Activity institution.
- Recommended actions to maintain the classification of UNC-W as a High Research Activity institution or to improve that classification to R1 – Very High Research Activity.
- Any other matter UNC-W deems relevant to the efficient and effective expenditure of these funds.

This section became effective July 1, 2023.

### **Revise Distinguished Professors Endowment Trust Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.18

Section 8.18 of S.L. 2023-134 limits the Distinguished Professors Endowment Trust Fund (Trust Fund) and matching funds to challenge grants for those funds to endowments for professors for degree programs in science, technology, mathematics, and engineering (STEM) subject areas.

By December 15, 2024, and annually thereafter, the Board of Governors must identify and provide to the Joint Legislative Education Oversight Committee a list of degree programs in STEM subject areas and the number of distinguished professorships at each constituent institution

funded pursuant to the Trust Fund in each STEM subject area. The Board of Governors must also make the list of degree programs in STEM subject areas available on its website.

This section became effective October 3, 2023, and applies to distinguished professorships established on or after that date.

### **Green Industry Economic Impact Study/North Carolina State University – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.21

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Clarify Definition of Eligible Private Institutions for Patriot Scholarship Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.22

Section 8.22 of S.L. 2023-134 changes the private institutions at which students eligible to receive the Patriot Star Family Scholarship Program and the Patriot Star Family Recovery Scholarship Program can attend. The private institutions must be a junior college, senior college, or university that meets all of the following requirements:

- Is operated and governed by private interests not under the control of the federal government, the State, or any local government.
- Has a main permanent campus in the State.
- Does not operate for profit.
- Has a curriculum primarily directed toward awarding associate, baccalaureate, or graduate degrees.
- Is eligible to participate in the Children of Wartime Veterans scholarship program or is accredited by an accrediting agency that is recognized by the United States Department of Education as a reliable authority concerning the quality of education or training offered by institutions of higher education.

This section became effective October 3, 2023, and applies to applications for scholarship awards submitted on or after that date.

### **Washington Center Internship Scholarship Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.1

Section 8A.1 of S.L. 2023-134 establishes the Washington Center Internship Scholarship Program (Program). The State Education Assistance Authority (SEAA) must award scholarship grants to students who are residents of North Carolina and are enrolled in their second year or higher in a

constituent institution of The University of North Carolina to attend a semester term internship, summer term internship, or a one- to four-week public policy and career readiness seminar program at The Washington Center for Internships and Academic Seminars (Washington Center) located in Washington, D.C. SEAA must administer the Program pursuant to guidelines and procedures that it establishes consistent with its practices for administering State-funded financial aid. The guidelines and procedures must include an application process and schedule, notification and disbursement procedures, standards for reporting, and standards for return of funds when a student withdraws from the Program. A student who meets the eligibility criteria of the Washington Center can apply for a grant to cover costs related to the semester term internship (up to \$10,000), summer term internship (up to \$8,000), or shortened public policy and career readiness program (up to \$4,000).

If an eligible student also receives a scholarship or other grant covering the cost of attendance for the Program, then the amount of the State grant must be reduced by an appropriate amount determined by the SEAA so that the sum of all grants and scholarship aid covering the cost of attendance does not exceed the cost of attendance, including Program fees, housing, and incidental costs. SEAA must establish the cost of attendance in accordance with information provided to the SEAA by the Washington Center.

A student participating in the Program must do the following:

- Intern four days a week with a nonprofit corporation, private company, federal agency, or a member of the United States Congress.
- Take an academic class taught by the Washington Center's faculty.
- Participate in career readiness training programs.
- Be responsible for a final portfolio project outlining work completed during the Program.

By December 1, 2023, the Board of Governors of The University of North Carolina must develop and communicate guidance to constituent institutions on a process for awarding up to three academic credit hours for participation in an internship.

Any funds that are unencumbered for the Program at the end of each fiscal year do not revert to the General Fund but remain available for the Program. SEAA can use up to 1% of the funds appropriated per year for administrative costs.

By September 1, 2024, and each year thereafter in which grants are received, SEAA, in consultation with the Washington Center, must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the implementation of the Program, including the number of participating students and the award amount for each semester or summer term or shortened seminar program by constituent institution.

This section became effective July 1, 2023, and applies beginning with the award of scholarship grants for the 2023-2024 academic year.



## **State Education Assistance Authority Disburse State's Scholarships for Children of Wartime Veterans – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.2

Section 8A.2 of S.L. 2023-134 directs the State Education Assistance Authority (SEAA) to disburse the Scholarships for Children of Wartime Veterans (Scholarships) rather than the Department of Military and Veterans Affairs (DMVA). The DMVA will continue to manage and maintain the Scholarships. The Veterans' Affairs Commission must select recipients for Scholarships and notify SEAA of the recipients for the disbursement of Scholarships and indicate the recipients that qualify for Scholarships funded with monies from the Escheat Fund. From the funds appropriated from the General Fund each fiscal year to support the Scholarships, SEAA can use up to \$150,000 each fiscal year for administrative costs for the disbursement and accounting activities for the program.

This section became effective July 1, 2023, and applies beginning with Scholarships awarded for the 2024-2025 academic year.

## **Permit North Carolina School of Science and Mathematics and University of North Carolina School of the Arts Tuition Scholarships to be Used for Summer Tuition and Establish Institutional Trust Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.3

Section 8A.3 of S.L. 2023-134 allows tuition grants for graduates from the North Carolina School of Science and Mathematics and the University of North Carolina School of the Arts (graduates) to be used for summer terms as well as fall and spring semesters, effective beginning June 30, 2023, for 2022-2023 graduates.

Beginning with 2023-2024 graduates, graduates must submit a completed Free Application for Federal Student Aid (FAFSA) form to receive tuition grants.

Effective June 30, 2023, tuition grant funds received by the State Education Assistance Authority and interest earned on those funds must be placed into an institutional trust fund.

Except as otherwise provided, this section became effective October 3, 2023.

## **Revise Teaching Fellows Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.4

Section 8A.4 of S.L. 2023-134 revises the North Carolina Teaching Fellows Program by expanding the qualifying licensure areas to include elementary education (K-6) in addition to special education and STEM (science, technology, engineering, and math).

Additionally, this section requires the State Education Assistance Authority (SEAA) to administer the Teaching Fellows Program in cooperation with 10 institutions instead of only 8. Institutions with educator preparation programs enrolling loan recipients in an elementary education program must provide training that is aligned with the Science of Reading. A third-party entity will biennially evaluate whether the institution's training is aligned with the Science of Reading.

This section also increases the amount per loan award from \$4,125 to \$5,000 per semester. For each year that a teacher who has received a forgivable loan remains a qualifying teacher, the SEAA will forgive one year's worth of the loan, including any interest that has accrued.

This section became effective July 1, 2023, and applies to applications for the award of funds beginning in the 2024-2025 academic year.

### **Expand Eligibility for Opportunity Scholarships – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.6(a)-(j)

Section 8A.6(a) – (j) of S.L. 2023-134 makes multiple changes to the Opportunity Scholarship Program, including expanding eligibility for scholarships.

Eligibility – A student is now eligible if the student meets the following requirements:

- Resides in North Carolina.
- Has not yet received a high school diploma.
- Is eligible to attend a North Carolina public school.
- Has not been enrolled in a postsecondary institution as a full-time student taking at least 12 hours of academic credit.
- Has not been placed in a nonpublic school or facility by a public agency at public expense.

The State Education Assistance Authority (SEAA) is required to create a domicile determination system to verify that domicile requirements are met for all applicants. In addition, SEAA is required to annually select and verify 4% of scholarship grant applications that qualify for an amount related to income eligibility, rather than the previous requirement of 6%.

For the 2024-2025 school year only, in lieu of submitting evidence electronically to SEAA through a domicile determination system, parents must certify that the domicile requirements are met. SEAA must select 6% of the applications for the 2024-2025 school year to verify the domicile requirements are met.

Scholarship Amount and Priority – Based on household income, students can receive a scholarship grant equal to a percentage of the average State per pupil allocation for average daily membership in the prior fiscal year. Eligible students will be awarded scholarship grant amounts as follows:

- 100% of the per pupil allocation for eligible students residing in households with an income level not in excess of the amount required for the student to qualify for free or reduced-price lunch.
- 90% of the per pupil allocation for eligible students residing in households with an income level between the amount required for the student to qualify for free or reduced-price lunch and not in excess of 200% of that amount.
- 60% of the per pupil allocation for eligible students residing in households with an income level between 200% of the amount required for the student to qualify for free or reduced-price lunch and not in excess of 450% of that amount.
- 45% of the per pupil allocation for all other eligible students.

When awarding scholarship grants, SEAA must first prioritize eligible students who received a scholarship grant in the prior school year. Next, SEAA must prioritize eligible students based on their household income level.

Nationally Standardized Testing – Nonpublic schools receiving scholarship grants must administer a nationally standardized test designated by SEAA in 3rd and 8th grade, and the ACT in 11th grade. For all other grades four and higher, the school must continue to administer its choice of nationally standardized test that meets specified criteria. Schools must do the following for any grade in which more than 25 scholarship grant recipients are enrolled:

- Report aggregate 3rd, 8th, and 11th grade scholarship grant recipient test performance data to SEAA.
- Retain test performance data for scholarship grant recipients in all other grades and certify to SEAA compliance with testing requirements.

Additionally, SEAA must provide the nonpublic schools with funds for the cost of the required nationally standardized tests in 3rd, 8th, and 11th grade. SEAA must report annually by December 1 to the Joint Legislative Education Oversight Committee (JLEOC) on an analysis of the aggregate outcomes of students in grades 3, 8, and 11 as compared to national outcomes on the nationally standardized test.

Superintendent Study and Report – By March 1, 2024, the Superintendent of Public Instruction (Superintendent) must study and report on the following to JLEOC:

- Recommendations for a nationally standardized test for use in 3rd and 8th grade to compare performance between students in nonpublic schools who are receiving Opportunity Scholarships and students attending schools in public school units.
- Alignment between the recommended nationally standardized test and the standard course of study for 3rd and 8th grade.
- Feasibility of developing a through-grade assessment for 3rd and 8th grade that would meet certain criteria.

SEAA must designate the tests recommended by the Superintendent as the nationally standardized assessment to be administered in nonpublic schools for 3rd and 8th grade.

Opportunity Scholarship Grant Fund Reserve – This section makes the following changes related to the Opportunity Scholarship Grant Fund Reserve (Reserve):

- For any fiscal year in which SEAA uses funds from the Reserve, requires SEAA to report certain information to JLEOC and the Fiscal Research Division by April 1.
- Beginning with the 2025-2026 fiscal year, increases statutory appropriations for the Reserve.
- Expands the amount that SEAA can use to contract with one or more nonprofit corporations for outreach and scholarship education and application assistance from \$500,000 to \$1 million.
- Authorizes SEAA to use up to 30% of the unencumbered cash balance in the Reserve if the funds required to award scholarship grants to eligible students for a school year exceed the funds available for distribution of the awards.

This section became effective July 1, 2023, and applies to the application and award of scholarship grants beginning with the 2024-2025 school year.

### **Require a Sequence of Courses for Early High School Graduation and Establish the Early Graduate Scholarship Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.6(k)-(s)

Section 8A.6(k) – (s) of S.L. 2023-134, as amended by Section 2.6 of S.L. 2023-132, requires high school students to be given the opportunity to graduate from high school within three years of entering 9th grade and for those who choose to graduate early, creates a two-semester scholarship to be used at an eligible postsecondary institution.

Graduation from High School in Three Years – This section requires the State Board of Education (SBE) to develop a sequence of courses to allow students to complete the credits required for high school graduation within three years. Local boards of education cannot require additional credits for graduation beyond those mandated by the SBE. Additionally, local boards of education can no longer require high school graduation projects.

Local boards of education must offer a sequence of courses that allow students to graduate in three years and must advise students using this sequence of the availability of early graduate scholarships. Other public schools are authorized, but not required, to offer the three-year sequence of courses.

By May 15, 2025, and May 15, 2026, local boards of education and other public school units offering a three-year graduation sequence must report to the Department of Public Instruction (DPI) on the number of rising 11th graders utilizing the sequence of courses to complete the credits required for graduation in a three-year period. DPI must report the total numbers to the Fiscal Research Division by June 1, 2025, and June 1, 2026.

The SBE must adopt emergency rules by November 1, 2023, to establish the required graduation requirements and sequence of courses. Students in 10th grade in the 2023-2024 school year who

complete the required courses within three years will be eligible to graduate in the 2024-2025 school year.

Early Graduate Scholarship Program – Students are eligible for a two-semester scholarship at an eligible postsecondary institution to be used in the two academic years immediately following graduation from high school if they meet the following requirements:

- Graduate from a North Carolina public high school within three years of entering 9th grade.
- Qualify as a resident for tuition purposes.
- Meet enrollment standards by being admitted, enrolled, and classified as a student in a matriculated status at an eligible postsecondary institution.
- Submit a Free Application for Federal Student Aid (FAFSA).

The amount of the scholarship will be determined annually using a payment schedule developed by the State Education Assistance Authority (SEAA) based on student financial need as determined by household income in comparison with the eligibility for the federal free and reduced-price lunch program, similar to calculations for Opportunity Scholarships. No scholarship can exceed the cost of attendance at the eligible postsecondary institution where the student is enrolled.

If an eligible student also receives other scholarships or grants, the amount of the early graduate scholarship will be reduced by an appropriate amount determined by the SEAA so that the total amount of scholarships and grants does not exceed the cost of attendance. If there are not sufficient funds to cover each eligible student's full scholarship amount, the SEAA must first award scholarships to students residing in households with an income level not in excess of 200% of the amount required for the student to qualify for the federal free or reduced-price lunch program.

SEAA must adopt rules related to the early graduate scholarships, including an application process and schedule, notification and disbursement procedures, and standards for reporting. SEAA must report annually beginning December 1, 2026, to the Joint Legislative Education Oversight Committee on the dollar amount of awards disbursed, the number of eligible students receiving funds, and a breakdown of the eligible postsecondary institutions that received the funds.

This section also creates the Reserve Fund for Early Graduate Scholarships that is made up of the following:

- Funds appropriated by the General Assembly for the Program.
- All interest earned on appropriated funds.

Monies in the Reserve Fund do not revert and remain available until expended. SEAA can use up to 1.5% of the funds available in the Reserve Fund each year for administrative costs.

This section became effective October 3, 2023. The provisions related to the Early Graduate Scholarship program apply to application and award of scholarships beginning with the 2025-2026 academic year.

### **Longleaf Commitment Community College Grant – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.7

Section 8A.7 of S.L. 2023-134 creates the Longleaf Commitment Grant Program (Program) and directs that funds appropriated to the Board of Governors of The University of North Carolina for each year of the 2023-2025 fiscal biennium to be allocated to the State Education Assistance Authority (SEAA) for the Program. From the Escheat Fund and the General Fund, SEAA must administer the Program for the 2023-2025 fiscal biennium to award grants to eligible students graduating from high school at the end of the 2022-2023 school year to cover tuition and fees at a community college for up to two years. Grants awarded under the Program must be for a minimum amount of \$700.00 per eligible student with a maximum grant of up to \$2,800 per eligible student per year for up to two years, which includes cost of tuition and a fee allowance.

To be eligible to receive a grant under the Program, a student must meet all of the following requirements:

- Graduate from high school during the 2022-2023 school year or receive a high school equivalency diploma during the 2022-2023 school year.
- Qualify as a State resident for tuition purposes.
- Complete the Free Application for Federal Student Aid (FAFSA) for the 2023-2024 academic year and, if applicable, renew the FAFSA for the 2024-2025 academic year.
- Have an Expected Family Contribution below \$15,000.
- Enroll in the Fall 2023 semester and maintain enrollment in at least six credit hours per semester in curriculum courses at a community college.

SEAA can use up to 1% of the total appropriations for the Program from all funding sources in each fiscal year for administrative costs related to the Program. SEAA must submit the following reports to the Joint Legislative Education Oversight Committee regarding the Program:

- By March 15, 2024, recommendations for a permanent community college grant program that incorporates the goals of the Program established in this section and the Need-Based Scholarship Program for Public Colleges and Universities.
- An initial report by September 1, 2024, and a final report by September 1, 2025, on the implementation of the Program. These reports must contain, for each academic year, the amount of grant funds disbursed and the number of eligible students receiving funds.

This section became effective July 1, 2023.

**Conform State Education Assistance Authority Requirements with Federal Changes to Free Application for Federal Student Aid Simplification Act – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.9

Section 8A.9 of S.L. 2023-134 removes the requirement for individuals to comply with the Selective Service System in order to receive educational assistance from a State agency, including scholarships, loans, and other financial assistance.

This section became effective October 3, 2023, and applies beginning with the 2023-2024 academic year.

**Conform In-State Tuition for Military-Related Individuals to Federal Law – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.10

Section 8A.10 of S.L. 2023-134 makes technical and conforming changes to the definitions for qualifying federal services members and their spouses and dependents to qualify for in-state tuition rates at North Carolina community colleges and constituent institutions of The University of North Carolina to align with federal definitions.

This section became effective October 3, 2023, and applies beginning with the 2024-2025 academic year.

**Allow Preapproval of Personal Education Student Account Expenses in Lieu of Expense Reports, as Recommended by the Internal Auditor – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.11

Section 8A.11 of S.L. 2023-134 requires preapproval of Personal Education Student Account (PESA) qualifying expenses in a process established by the State Education Assistance Authority instead of requiring parents to submit an expense report each semester.

This section became effective October 3, 2023.

**Allow Cash Basis Accounting for Schools Participating in the Opportunity Scholarship Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.12

Section 8A.12 of S.L. 2023-134 allows schools participating in the Opportunity Scholarship Program (Program) to contract with a certified public accountant to perform a financial review, consistent with generally accepted methods of accounting principles, or any other

comprehensive basis of accounting recognized by the American Institute of Certified Public Accountants for each school year in which the school enrolls 70 or more students receiving scholarship grants or scholarship funds under the Program.

This section became effective October 3, 2023.

### **Personal Education Student Account Unexpended Funds to Establish an Institutional Trust Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.13

Section 8A.13 of S.L. 2023-134 authorizes the State Education Assistance Authority (SEAA) to place unexpended funds appropriated for the Personal Education Student Accounts (PESA), which provide scholarships for students with disabilities, into an institutional trust fund of up to \$10 million (trust fund). That trust fund will be used to award scholarships to students in any year in which the funds available are exceeded by the number of eligible students.

SEAA is required to report on specific metrics related to the use of the trust fund to award scholarships by April 1 in any fiscal year in which funds are used from the trust fund.

This section became effective June 30, 2023, and applies beginning with awards of scholarships for the 2023-2024 school year.

### **Primary Care Medicine and Psychiatry Targeted Assistance Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.14

Section 8A.14 of S.L. 2023-134 establishes the Primary Care Medicine and Psychiatry Targeted Assistance Program (Program) administered by the State Education Assistance Authority (SEAA) to provide forgivable loans to address the demand for physicians practicing primary care medicine and psychiatry in rural and other high-need areas of the State. Students enrolled in medical school at an eligible institution of higher education to practice primary care medicine or psychiatry can qualify for loans up to \$25,000 per academic year, up to \$100,000 per student. Loans will be forgiven by the SEAA through service, as follows:

- One year of the loan amount, including any accrued interest, will be forgiven for each year of full-time employment as a licensed physician practicing primary care medicine or psychiatry in a healthcare facility in a tier one or tier two county.
- If the county in which the physician is working is no longer a tier one or tier two county, the physician will still qualify for forgiveness if he or she continues to work at the healthcare facility without a break in service.
- The SEAA can provide for an accelerated repayment option or an option for part-time employment to qualify for forgiveness.



The SEAA, in consultation with the Office of Rural Health at the Department of Health and Human Services, is required to report no later than January 15, 2025, to the Joint Legislative Education Oversight Committee and the Joint Legislative Oversight Committee on Health and Human Services on strategies to increase the pipeline of physicians practicing primary care medicine and psychiatry in the State.

This section became effective July 1, 2023, and applies to loans awarded beginning with the 2024-2025 academic year.

### **Common Digital Transcript – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.15

Section 8A.15 of S.L. 2023-134 requires the State Education Assistance Authority (SEAA), in consultation with the Department of Public Instruction, the Community Colleges System Office, and The University of North Carolina System Office, to contract with the College Foundation, Inc., to design, develop, and maintain a common digital transcript for students enrolled in a public school unit, community college, or constituent institution of The University of North Carolina. The transcript must meet at least the following criteria:

- Be available to all students.
- Be secure and confidential.
- Be compatible with data systems used by eligible public education entities.
- Be free of cost to students who are enrolled in or have been enrolled in an eligible public education entity.

By March 15, 2024, SEAA must report to the Joint Legislative Education Oversight Committee on the progress made by the College Foundation, Inc., in designing and developing the digital transcript, including at least the following:

- Any additional steps to be taken for this purpose and a timeline for completing those steps and publishing the transcript to students.
- Estimates of additional costs needed to design, develop, and maintain the digital transcript, including operational costs.

This section became effective July 1, 2023.

### **Revise Reporting Requirements for the State Education Assistance Authority and the Division of Nonpublic Education – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.16

Section 8A.16 of S.L. 2023-134 revises the date by which the Division of Nonpublic Education (Division) must provide to the State Education Assistance Authority (SEAA) a list of nonpublic schools, including home schools, operating in the State by December 31 of each year. In addition,

the Division must create a unique identifier for each nonpublic school registered with the Division and provide the identifiers to SEAA.

Nonpublic schools that have students that receive Opportunity Scholarships must annually provide to the Division the following information: (i) name and address of the school, including physical location address; (ii) the name of the owners and chief administrator; and (iii) number of students in attendance at the school as of October 1. If a nonpublic school terminates operation during the school's regular schedule and fails to (i) report the date of the closure to the Division within 14 days, and (ii) return funds owed to SEAA in a timely manner for students who received Opportunity Scholarships, any other nonpublic school opened during that school year or subsequent school years by an owner or chief administrator listed in the report submitted to the Division for that closed school is ineligible to receive Opportunity Scholarship funds until such time SEAA determines the obligation to return those funds has been satisfied.

This section became effective July 1, 2023.

### **Department of Military and Veterans Affairs - Children of Veterans' Scholarships. – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 33.4

[For a detailed summary of the provisions of this act, please see the MILITARY, VETERANS, AND INDIAN AFFAIRS subject area.]

### **Capital Improvement and Repairs and Renovations Appropriations – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 40.1.(v)

Section 40.1.(v) of S.L. 2023-134 directs North Carolina State University to use funds appropriated to conduct a feasibility study concerning establishment of an advanced nuclear research reactor at the University. The study may include the following:

- Assessment of site selection for a reactor.
- Study and analysis of potential environmental impacts.
- Analysis of licensing requirements for a reactor.
- Engineering and construction evaluation of a reactor and associated laboratories, including cost estimates.
- Utilization analysis, including capability development for advanced nuclear power generation in the State.
- Vendor and contractor evaluation.
- Identification of the potential for collaboration with industry, other academic institutions, and State and federal entities.

This section became effective July 1, 2023.

**Expansion of the Homeschool Cooperative Exemption to the Definition of Child Care – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 33

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

**Clarify Reservation of Water and Sewer Capacity for Proposed Charter School Facilities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 40

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

# **Environment, Natural Resources, and Energy**

**See full summary documents for additional detail**

## **Cities/Remove and Dispose of Abandoned Vessels.**

SL 2023-27 (S465)

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

## **Authorize Haw River State Trail.**

SL 2023-36 (S100)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Permit Choice/Certain Airport Authorities.**

SL 2023-53 (S240)

S.L. 2023-53 allows certain airport authorities to elect to be regulated under the permitting authority of a local erosion and sedimentation control program.

This act became effective October 1, 2023.

## **Wastewater Regulatory Relief Act.**

SL 2023-55 (S673)

S.L. 2023-55 allows permittees for new or expanded wastewater treatment systems to use alternative wastewater flow calculations, to expand beyond the system's hydraulic capacity if the system meets certain requirements; and makes changes to how a local government can impose a system development fee.

Section 12.15 of S.L. 2023-134 amends Section 1 of this act to clarify that if a permittee for a wastewater treatment system exceeds its currently permitted monthly flow more than once in any 12-month period, the permittee may not allocate more than 100% of the existing system's hydraulic capacity until the permittee complies with the permitted monthly flow for at least 12 consecutive months.

This act became effective June 23, 2023.

## **Establish Equine State Trail – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 6

Section 6 of S.L. 2023-63 authorizes the Department of Natural and Cultural Resources to add the Equine State Trail in Chatham, Cumberland, Harnett, Hoke, Lee, Montgomery, Moore, and Richmond Counties to the State Parks System as a State trail.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Limit Civil Penalties for Removal of Timber in a Riparian Buffer to the Value of the Timber – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 11.1

Section 11.1 of S.L. 2023-63 provides that a civil penalty for removal of timber in a riparian buffer in violation of rules applicable to that riparian buffer cannot exceed the value of the timber removed from the riparian buffer.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective July 1, 2023, and applies to acts committed on or after that date.

## **Align Animal Waste Management System Operator Fees with Water Pollution Control System Operator Fees – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 13.1

Section 13.1 of S.L. 2023-63 increases the examination including certificate fee for Animal Waste Management System Operators from \$25.00 to \$85.00 and raises the renewal fee from \$10.00 to \$25.00.

Additionally, this section provides that a certificate that is not renewed when due is invalid. If the certificate has been invalid for less than 12 months, it can be renewed by paying the renewal fee plus a late application fee of twice the annual renewal fee. The certificate holder must pay all penalties that have been assessed since the certificate was last renewed and meet all accrued continuing education requirements. If the certificate has been invalid for more than 12 months, the operator must pass the certification examination to renew the certificate.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Digester General Permit Clarification – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 14

In 2021, the General Assembly directed the Department of Environmental Quality to develop a general permit for animal operations that includes authorization for the permittee to construct and operate a farm digester system.

Section 14 of S.L. 2023-63 amends the definition of "farm digester system" to clarify that "associated equipment" refers to "animal waste management equipment" and that collected gases must be used as a renewable energy resource as quickly as feasible, but within six months of the collection of the gases, and during that period the gas must be flared rather than vented.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Direct the Environmental Management Commission to Withdraw the 2021 NPDES General Permit for Aquaculture and Revise it to be Substantively Identical to the Previous General Permit – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 14.1

Section 14.1 of S.L. 2023-63 requires the Environmental Management Commission (EMC) and Department of Environmental Quality (DEQ) to reopen and modify National Pollutant Discharge Elimination System (NPDES) General Permit NCG530000 issued for discharges from seafood packing and rinsing, aquatic animal operations, and similarly designated wastewaters that took effect on December 1, 2021, to make it substantially similar to the previous general permit issued in 2018. The 2021 permit is more stringent than the 2018 permit in that it (i) requires quarterly, rather than annual monitoring, (ii) requires monitoring of nine parameters rather than four, and (iii) includes enhanced best management practices.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023, and expires when the EMC revises the permit and notifies the Revisor of Statutes that it has done so.

## **Clarify Definition of Wetlands – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 15

Section 15 of S.L. 2023-63 directs the Environmental Management Commission (EMC) to implement 15A NCAC 02B .0202 consistent with the pre-2019 definition of "wetlands" restricting those waters to only those waters of the United States as defined by 33 C.F.R. § 328.2 and 40

C.F.R. § 230.2, and readopt its rule consistent with that implementation. The rule must also specify that wetlands do not include prior converted cropland, consistent with the existing rule.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

### **Wastewater Amendments – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 16

The 18E on-site wastewater rules suite became effective January 1, 2024. 15A NCAC 18E .0905 will require that prefabricated permeable block panel systems (PPBPS) trenches must be located the greater of either a minimum of eight feet on center or three times the trench width, and that when used in sand lined trench systems, PPBPS must use an equivalent trench width of three feet to calculate minimum trench length. PPBPS can only be used in domestic strength wastewater systems.

Section 16 of S.L. 2023-63 directs the Commission for Public Health (Commission) to implement 15A NCAC 18E .0905 as follows, and readopt its rule consistent with that implementation:

- PPBPS trenches can be located a minimum of eight feet on center or three times the trench width.
- When used in a sand lined trench, PPBPS must use an equivalent trench width of six feet.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

### **Wastewater Amendments – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 17

The Commission for Public Health (Commission) and the Department of Health and Human Services (DHHS) are responsible for evaluating and approving on-site wastewater systems and designating those systems as Provisional, Innovative, or Accepted. The Commission can impose conditions on the installation and use of those systems at each designation. The Commission can designate a nonproprietary wastewater system as Accepted without having received a petition from a manufacturer.

Section 17 of S.L. 2023-63 provides that Accepted system approvals would be limited to the manufacturer who submitted the petition and received Accepted status and the Commission, DHHS, or local health department cannot condition, delay, or deny the approval based on the location of nitrification lines. The section also removes the Commission's authority to designate

nonproprietary wastewater systems as Accepted without a manufacturer petition, and prohibits the Commission or DHHS from conditioning, delaying, or denying the approval of a subsurface trench dispersal product based on a non-native backfill material requirement without prior approval of the manufacturer. A technical change was made in Section 10 of S.L. 2023-90, enacted after this act became law, that corrected a mistaken reference to the "Department" instead of the "Commission."

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023, and applies retroactively to any wastewater system approvals issued by the Commission or DHHS.

### **Expedite Water/Wastewater Franchise Transfer.**

SL 2023-67 (H455)

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

### **Clarify Surplus Property Process for Museums and Aquariums – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 2

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **State Parks Report Consolidation – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 4

Section 4 of S.L. 2023-70 amends the requirements of the State Parks Systems Plan, to add a requirement that the Secretary of Natural and Cultural Resources (Secretary) validate the number of visitors per car used in the calculation of visitor counts at units of the State Parks System. This section repeals a similar reporting requirement applicable to the Department of Environmental Quality.

This section became effective June 30, 2023.



## **Umstead Act Exemption for Lodging Facilities at State Parks – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 6

Section 6 of S.L. 2023-70 exempts certain lodging facilities at State Parks from the Umstead Act prohibition on State agencies competing with the private commercial activities of North Carolina citizens.

This section became effective June 30, 2023.

## **Clarify Zoological Park Statutes – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 7

Section 7 of S.L. 2023-70 amends the North Carolina Zoological Park statutes in the following ways:

- Provides that the North Carolina Zoological Park Council (Council) can advise the Secretary of Natural and Cultural Resources (Secretary) on concepts for the North Carolina Zoological Park (Zoo) and recommend admission fees for approval by the Secretary.
- Specifies that the Secretary can approve the use of the North Carolina Zoo Fund under certain circumstances without the recommendation of the Council.
- Allows the Council and the Secretary to receive gifts for the Zoo.
- Provides that the Secretary can receive and expend funds for the operation and maintenance of the Zoo.
- Provides that the Secretary can set admission fees as recommended by the Council.
- Authorizes the Secretary to donate any exhibit, exhibit component, or object from the collections of the Zoo.
- Provides that the Department of Natural and Cultural Resources, not the Council, has powers regarding fee negotiations, contracts, and capital improvements.

This section became effective June 30, 2023.

## **Revisions to the North Carolina Land and Water Fund Board of Trustees – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 10

Section 10 of S.L. 2023-70 makes changes to the statutes governing the Board of Trustees (Board) of the North Carolina Land and Water Fund, including:

- Allowing the Council of State to delegate approval authority for land acquisitions proposed by the Board.

- Revising the Attorney General's review of land acquisitions proposed by the Board, to provide that deeds for land in fee simple absolute are subject to Attorney General approval before the acquisition can become effective.

This section became effective June 30, 2023.

### **Clarify Public Records Statute Related to Photographs and Video Recordings of Derelict Vessels and Shipwrecks – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 11

Section 11 of S.L. 2023-70 repeals G.S. 121-25(b), which specifically stated that "all photographs, video recordings, or other documentary materials of a derelict vessel or shipwreck or its contents, relics, artifacts, or historic materials in the custody of any agency of North Carolina government or its subdivisions shall be a public record pursuant to Chapter 132 of the General Statutes."

This section became effective June 30, 2023.

### **State Nature and Historic Preserve Additions and Deletions – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 13

Section 13 of S.L. 2023-70 accepts and removes certain properties as part of the State Nature and Historic Preserve.

This section became effective June 30, 2023.

### **On-Site Wastewater Rules Implementation.**

SL 2023-77 (H627)

S.L. 2023-77 directs the Commission for Public Health (Commission) to implement its on-site wastewater rules to amend and clarify the responsibilities of on-site wastewater owners, professionals, and local health departments and to provide additional options for installation, testing, operation, and maintenance, and readopt those rules consistent with that implementation.

This act became effective January 1, 2024.

### **Amend On-Site Wastewater/Environment Statutes.**

SL 2023-90 (H628)

S.L. 2023-90 does the following:

- Makes various changes to the on-site wastewater statutes.
- Modifies the On-Site Wastewater Contractors and Inspectors Certification Board.
- Directs the Building Code Council to create an on-site wastewater existing systems affidavit.
- Allows for a certified wastewater contractor to perform certain electrical work.
- Eliminates an optional building inspection for private water wells and allows the well contractor to cover exposed pipes once installation is complete.
- Prohibits forced sewer connections in certain situations.
- Establishes a registered environmental health associate certification.

This act has various effective dates. Please see the full summary for details.

### **Movie Sets/Radon/Licensee Experience.**

SL 2023-91 (H782)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Dam Safety Law Clarification.**

SL 2023-131 (S531)

S.L. 2023-131 prohibits the Department of Environmental Quality (DEQ) from withholding approval of an application for repair or alteration of certain "phased compliance eligible dams" based solely on the fact that the proposed repair or alteration will not bring the dam into full compliance with the requirements of the Dam Safety Law of 1967 and rules adopted to implement that law.

This act became effective September 29, 2023, and applies to applications for repair or alteration received by DEQ on or after that date.

### **Stormwater Retrofit Pilot Cost-Share Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 5.6.(h)

Section 5.6.(h) of S.L. 2023-134 directs the North Carolina Coastal Federation, Inc. (Federation), a nonprofit corporation, to establish the Stormwater Retrofit Cost-Share Program (Program) to provide grants to stormwater permittees who demonstrate that they would experience a significant economic hardship in financing upgrades and repairs to their stormwater control measures to meet the more stringent of either (i) current standards if the permittee was building a new system or (ii) the terms of the permit. The Federation must adopt guidelines to administer the Program in consultation with the Department of Environmental Quality (DEQ).

Section 5.6.(f)(17) allocates \$5 million to DEQ to provide directed grants to the Federation to establish and administer the Program. Funds allocated to this Program that are not expended or

encumbered by June 30, 2028, revert to the State Emergency Response and Disaster Relief Reserve.

The Federation must report to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Cultural Resources by March 1, 2024, on the implementation of this Program. The report must include, at a minimum, the continued need for the Program to operate through the 2024-2025 fiscal year and whether the Program should be expanded or terminated.

This section became effective July 1, 2023.

### **Preemption of Certain Local Government Actions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 5.9

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

### **Water Safety Act of 2023 – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.16

Section 8.16 of S.L. 2023-134 appropriates funds to the North Carolina Collaboratory (Collaboratory) for the following matters related to per- and poly-fluoroalkyl substances (PFAS):

- Programs related to management of aqueous film-forming foams (AFFF) containing PFAS used by local fire departments and for other PFAS-related research, including:
  - To conduct a voluntary buyback program for stocks of PFAS-containing AFFF owned or stored by local fire departments, which can include the purchase and distribution of replacement PFAS-free foams.
  - To develop, acquire, analyze, and deploy facilities and technologies to safely store and destroy PFAS-containing AFFF.
  - To provide competitive research grants for (i) human exposure and other studies intended to assess the long-term health risk to firefighters and other emergency response personnel and their family members from exposure to PFAS-containing AFFF and related PFAS-containing materials and (ii) other research related to PFAS in water and air, PFAS toxicology and human exposure, and the mitigation, removal, or destruction of PFAS and PFAS-containing materials.
  - To fund upgrades to laboratory space at the Textile Protection and Comfort Center at North Carolina State University to accommodate aerosol studies that simulate airborne PFAS particulate exposure.
- Water-related research for emerging compounds, water quality improvements, or other discretionary research deemed important to the State by the Collaboratory.
- Other PFAS research projects, including a multiyear human exposure study related to PFAS in North Carolina counties identified with higher than average PFAS exposure risks from inhalation, ingestion, and dermal exposure.

The Collaboratory must include updates regarding this research in the statutorily required annual report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Joint Legislative Oversight Committee on Health and Human Services, and the Joint Legislative Education Oversight Committee.

This section became effective July 1, 2023.

### **Collaboratory Study Next-Generation Energy and Research Development – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.19

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

### **Green Industry Economic Impact Study/North Carolina State University – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.21

Section 8.21 of S.L. 2023-134 directs the North Carolina State University College of Agriculture and Life Sciences (CALS) to study the statewide, regional, and county-level economic impact of the green industry in the State. CALS must consult with the Department of Agriculture and Consumer Services and the NC Green Industry Council in conducting this study and is required to report the results no later than January 15, 2025 to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources. As used in the section, "green industry" refers to the production, design, installation, maintenance, and sale of plants and related goods and services to enhance, beautify, and protect human environments and provide jobs and economic growth.

This section became effective July 1, 2023.

### **Prohibit Cap and Trade Requirements for CO2 Emissions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.5

Section 12.5 of S.L. 2023-134 creates a new statute that prohibits the Governor, and any agency of the State, from requiring that an electric public utility (or persons who operate an electric generating facility the primary purpose of which is for the person's own use and not for the primary purpose of producing electricity for sale to or for the public for compensation) participate in a program that requires the utility or person to obtain allowances to offset their CO2 emissions, commonly characterized as emissions cap-and-trade programs, CO2 budget trading programs, or cap-and-invest initiatives. In addition, the statute expressly prohibits the Governor and the Department of Environmental Quality from entering into any agreement with other states obligating North Carolina's participation in any program requiring acquisition of allowances to offset CO2 emissions by such utilities.

This section became effective October 3, 2023.

### **Prohibition on State or Regional Emissions Standards for New Motor Vehicles – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.6

Section 12.6 of S.L. 2023-134 prohibits any agency of the State from adopting and enforcing standards relating to control of emissions from new motor vehicles or new motor vehicle engines, including requirements that mandate the sale or purchase of "zero-emission vehicles," or electric vehicles. These prohibitions, however, do not affect requirements for the State's vehicle emissions testing and maintenance program.

This section became effective October 3, 2023.

### **Reduce Emissions Inspections Requirements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.7

Section 12.7.(a) of S.L. 2023-134 modifies the age of vehicles subject to emissions inspections requirements by: (i) eliminating the requirement for vehicles older than the three most recent model years to those within 20 years of the current model year; and (ii) requiring inspections for those within 20 years of the current model year and earlier than the 2017 model year.

Section 12.7.(b) eliminates emissions inspection requirements in 18 counties (Alamance, Buncombe, Cabarrus, Cumberland, Davidson, Durham, Forsyth, Franklin, Gaston, Guilford, Iredell, Johnston, Lincoln, New Hanover, Randolph, Rowan, Union, and Wake), and require inspections for Mecklenburg County only.

Section 12.7.(c) requires that, no later than July 1, 2024, the Department of Environmental Quality must prepare and submit to the United States Environmental Protection Agency (USEPA) for approval a proposed North Carolina State Implementation Plan amendment based on the change to the motor vehicle emissions testing program set forth in Sections 12.7.(a) and 12.7.(b).

Section 12.7.(c) became effective July 1, 2023. Sections 12.7.(a) and 12.7.(b) become effective on the first day of a month that is 60 days after the Secretary of the Department of Environmental Quality certifies to the Revisor of Statutes that USEPA has approved an amendment to the SIP submitted as required by Section 12.7.(c).

## **Dam Safety Emergency Fund/Overtopping Studies – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.8

Section 12.8 of S.L. 2023-134 provides that the Dam Safety Emergency Fund within the Department of Environmental Quality (DEQ) can be used to perform overtopping studies for high hazard or intermediate hazard dams for which DEQ has inadequate overtopping risk information.

This section became effective July 1, 2023.

## **Discharges of Highly Treated Wastewater – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.9

Section 12.9 of S.L. 2023-134 establishes a new statutory requirement that the Department of Environmental Quality (DEQ) permit discharges of highly treated domestic wastewater<sup>2</sup> to surface waters of the State where the 7Q10 flow or 30Q2 flow<sup>2</sup> of the receiving waterbody is estimated to be low flow or zero flow if the wastewater treatment system is capable of meeting specific water quality-based effluent limitations for nine listed parameters. Such discharges, however:

- Must be directed through buffer systems meeting standards as set forth in the section.
- Are generally prohibited to classified shellfish waters or outstanding resource waters.
- Are limited based on the ability of the receiving waters to hydraulically accept the proposed flow as determined through methods established in the section.

The section further provides that:

- Once an applicant has submitted data to demonstrate that a proposed discharge meets the requirements of this section, signed, and sealed by a professional engineer licensed in accordance with the provisions of Chapter 89C of the General Statutes, DEQ must deem the application complete for the purposes of DEQ's review.
- If rules are required in order to implement the requirements of this section, DEQ must adopt temporary rules no later than 60 days after this section becomes law. Any temporary rules adopted will remain in effect until permanent rules that replace the temporary rules become effective. Rules adopted cannot, however, impose additional requirements on permitting of the discharge of highly treated domestic wastewater over that established under this section.

This section became effective October 3, 2023, and applies to permits for new or expanded wastewater discharge facilities issued on or after that date.

## **Right to Apply for and Obtain a Permit – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.10

Section 12.10 of S.L. 2023-134:

- Creates a new statute that prohibits, except to the extent required by federal or State law, the Department of Environmental Quality from refusing to:
  - Accept an application for a permit, authorization, or certification.
  - Issue any permit, authorization, or certificate based solely on the failure of an applicant to obtain another permit, authorization, or certification required for the same project. For purposes of this section, failure to obtain a permit, authorization, or certification does not include denial of the permit, authorization, or certification by the Department based on the standards for approval of the permit, authorization, or certification provided by law.
- Amends the statutes governing approval of draft erosion and sedimentation control (ESC) plans to prohibit the Sedimentation Control Commission, and local governments, with delegated authority to administer ESC programs, from denying a draft ESC plan based solely upon an applicant's need to obtain other environmental permits, authorizations, or certifications for the project (aside from a permit required for stormwater discharges from construction sites pursuant to federal law). The Commission and delegated local programs are authorized, however, to condition approval of a draft ESC plan upon the applicant's receipt of other environmental permits, authorizations, or certifications that can be required for the project.

This section became effective July1, 2023.

## **Air Permitting Revisions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.11

Section 12.11 of S.L. 2023-134 enacts several changes to statutes governing air quality permitting as follows:

- Modifies statutes governing review and issuance timelines for Title V<sup>2</sup> and other air quality permits as follows:
  - Requires the Environmental Management Commission (Commission) to amend applicable rules to provide that the Department of Environmental Quality (DEQ) must issue, deny, or publish a permit for public notice and comment within 90 calendar days of receipt of an administratively complete application<sup>3</sup> for a minor modification, or within 270 calendar days of receipt of an administratively complete application for a major modification.
  - Provides that if the Commission fails to act on a permit within the required timeframes, a permit applicant, permittee, or other person aggrieved can commence a contested case in accordance with the Administrative Procedure Act (and repeals language that provided that the Commission's failure to act on a



permit within previously prescribed timeframes constituted a final agency decision to deny the permit, at which point a permit applicant, permittee, or other person aggrieved was authorized to seek judicial review of the decision).

- Requires the Commission to begin rulemaking to create a Title V permit exemption for non-major research and development activities consistent with the United States Environmental Protection Agency's (USEPA) position regarding exemption for such activities as set forth in the July 10, 1995, "White Paper for Streamlined Development of Part 70 Permit Applications." The rules must include, at a minimum, allowance levels and minor permit modification thresholds to promote greater flexibility in research and development activities and to allow facilities subject to Title V permit requirements flexibility to work with DEQ and notify them of research activities with a minor permit modification to maintain compliance. The Commission must complete draft rulemaking activities and submit a Title V program amendment request to the USEPA no later than July 1, 2025.
- Expands the activities that can be undertaken prior to obtaining a permit for a new air contaminant source, equipment, or associated air cleaning device at a site or facility, to authorize the construction, but not operation, of such source, equipment, or devices prior to permit issuance upon determination that an application for a permit or permit modification is administratively complete. This exception only applies only, however, to an application for the addition or modification of an emissions source that is not subject to: (i) permit limits set pursuant to programs for the prevention of significant deterioration and for the attainment of air quality standards in nonattainment areas, (ii) a residual risk-based hazardous air pollutant standard, or (iii) a case-by-case maximum achievable control technology (MACT) permit requirement issued by DEQ. The section provides that the undertaking of these pre-permitting activities does not entitle an applicant to operate any air contaminant source, equipment, or associated air cleaning or emissions control devices prior to permit issuance.

This section became effective July 1, 2023.

### **Stormwater Permitting Revisions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.12

Section 12.12 of S.L. 2023-134 makes various changes to statutes governing review and approval of applications for stormwater permits. Specifically, the section:

- Establishes a variety of deadlines, including:
  - 10 days for the Environmental Management Commission (Commission) to perform a review of a new application to determine if the information is administratively complete, and notify the applicant accordingly. The deadline is also applicable to resubmittal of applications previously determined to be incomplete.
  - A 70-calendar day technical review period, which can be extended if the Commission determines that additional information is required to continue

processing the application. Upon receipt of additional information from an applicant, the Commission has 30 calendar days to complete the technical review and issue the permit, issue the permit with modifications, deny the permit, or request additional information.

- Prohibits the Commission, once it has requested additional information, from subsequently requesting additional information that was not previously identified as missing or required, except if required for the technical review based on any new information, changed circumstances, or changed designs provided by the applicant. Where the Commission identifies information that should have been requested, but was not, the Commission can include conditions in or modifications to the permit upon issuance addressing this information but cannot deny the permit because of the missing information.
- Requires the Commission to develop an application package checklist identifying the items and information required for an application to be considered administratively complete.
- Provides that all permits for which an expiration date is specified must be issued for a term not to exceed eight years.

This section becomes effective July 1, 2024.

### **Flow Allocation Limit Clarification for Wastewater Treatment System Permittees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.15

Section 12.15 of S.L. 2023-134 amends Section 1 of S.L. 2023-55, to clarify that if a permittee for a wastewater treatment system exceeds its currently permitted monthly flow more than once in any 12-month period, the permittee cannot allocate more than 100% of the existing system's hydraulic capacity until the permittee complies with the permitted monthly flow for at least 12 consecutive months.

S.L. 2023-55 allows a permittee for a wastewater treatment system to allocate more than 100% of its existing hydraulic capacity where the permittee meets certain location, expansion, and discharge conditions.

This section became effective July 1, 2023.

### **Regional Water/Wastewater Planning – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.16

Section 12.16 of S.L. 2023-134 allocates, from funds appropriated to the North Carolina Megasite Fund, \$1 million in nonrecurring funds for the 2023-2024 fiscal year to the Department of Environmental Quality (DEQ) to develop a Regional Water and Wastewater Infrastructure Master Plan (Plan) in the geographic area surrounding US Route 421 between I-85 in Greensboro and I-95 in Dunn, which was designated a high-priority corridor in the federal Infrastructure Investment

and Jobs Act of 2021. DEQ is authorized to contract with a third party for all or part of the development of the Plan, which must prioritize a study of options for the regionalization of water and wastewater systems in the region. This report is due to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division no later than May 1, 2024. In contracting with a third party, DEQ is exempt from the requirements of Articles 3 and 3C of Chapter 143, governing public purchasing, contracting, and obtaining consultant services.

This section became effective July 1, 2023.

### **Title V Air Permit Bonus Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.17

Section 12.17 of S.L. 2023-134 directs the Environmental Management Commission to establish a Permit Bonus Pilot Program for qualifying employees who process applications for Title V Air Permits.

Except as otherwise provided, this section became effective January 1, 2024. The Permit Bonus Pilot Program expires on June 30, 2025.

### **Eliminate Fast-Track Stormwater Permit Option – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.14(q)

Sec. 12.14(q) of S.L. 2023-134 repeals a statute that required the Environmental Management Commission to establish a fast-track permitting process that allowed for the issuance of stormwater management system permits without a technical review when the permit applicant (i) complies with the Minimum Design Criteria for stormwater management developed by the Department of Environmental Quality and (ii) submits a permit application prepared by a qualified professional.

This section became effective October 1, 2023, and applies to permit applications filed on or after that date.

### **Saluda Grade Rail Corridor – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.5

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Great Trails State Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.6

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Complete the Trails Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.7

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Capital Improvement and Repairs and Renovations Appropriations – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 40.1.(v)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Roadside Environmental – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.8

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

### **Stormwater Permitting Modifications – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 1-4

Sections 1–4 of S.L. 2023-137:

- Make various changes to stormwater permitting regarding development in excess of the allowable density under applicable water supply watershed rules.
- Make various changes to development in the vegetative buffer for Department of Transportation (NCDOT) projects.
- Make various changes to requirements for stormwater permit submittal.
- Create prohibitions on requiring stormwater permit applicants to take action on unaffiliated adjacent property.
- Authorize the Department of Environmental Quality (DEQ) to rescind a stormwater permit in certain circumstances.
- Allow local governments to consider existing stormwater control measures when determining stormwater fees.
- Direct the Environmental Management Commission to implement a post-construction stormwater rule to allow an exemption for certain public linear transportation projects undertaken by a non-DOT entity.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. These sections became effective October 10, 2023.

**Modify Certain Rules Related to Development Density in Water Supply Watersheds, as Applicable in Iredell County and the Town of Mooresville – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 5

Section 5 of S.L. 2023-137 directs the Environmental Management Commission to implement 15A NCAC 02B .0624 to authorize Iredell County and the Town of Mooresville to regulate development in water supply watersheds within their planning jurisdiction so that a maximum of 20% of the land area of a water supply watershed outside of the critical areas can be developed up to 70% built upon area.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. These sections became effective October 10, 2023.

**Phased in Mandatory Commercial and Recreational Reporting of Certain Fish Harvests – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 6

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Establish Certain Requirements for Issuance of 401 Certifications by the Department of Environmental Quality for Certain Dredging Projects or for Projects Involving the Distribution or Transmission of Energy or Fuel – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 7

Section 7 of S.L. 2023-137 establishes statutory requirements for the Department of Environmental Quality's (DEQ) handling of applications for 401 certifications for maintenance dredging projects partially funded by the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund and projects involving the distribution or transmission of energy or fuel, including natural gas, diesel, petroleum, or electricity. These requirements pertain largely to timelines and permit conditions.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective October 10, 2023, and applies to applications for 401 Certification pending or submitted on or after that date.

## **Environmental Management Commission to Study Narrative Water Quality Standards – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 8

Section 8 of S.L. 2023-137 requires the Environmental Management Commission (EMC) to review its rules to determine if the standards and methodologies for establishment of numeric water quality standards for specific pollutants included in the rule are scientifically sound, protective of human health and the environment, and result in water quality criteria that are technologically achievable without placing undue economic burdens on publicly-owned treatment works and their ratepayers.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023. The EMC's report is due to the General Assembly no later than June 1, 2024.

## **Direct Department of Environmental Quality to Prepare a Human Health Risk Assessment for 1,4-Dioxane in Drinking Water and Evaluate Commercially Available Technology to Remove 1,4-Dioxane from Wastewater Effluent – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 9

Section 9 of S.L. 2023-137 requires the Department of Environmental Quality (DEQ) to prepare a human health risk assessment of 1,4-dioxane in drinking water supported by peer-reviewed scientific studies and requires the North Carolina Collaboratory to evaluate the technologies that are commercially available to remove 1,4 dioxane from wastewater effluent at facilities at various flow volumes, including at flow volumes of greater than 1 million gallons per day.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023. The reports required by this section are due to the General Assembly no later than May 1, 2024.

## **Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund Changes – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 10

Section 10 of S.L. 2023-137 makes changes to the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund to prohibit the use of funds being used for siting and acquisition of dredged disposal easement sites, require that invoices submitted to the Secretary of Environmental Quality (Secretary) be signed by the sponsoring local government's representative, and clarifies the term "shallow draft navigation channel."

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Prohibit Dredging Moratorium Periods Not Otherwise Required by Federal Law – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 10.5

Section 10.5 of S.L. 2023-137 prohibits the Department of Environmental Quality, with respect to permits issued for dredging activities under the Coastal Area Management Act, from including any condition that restricts dredging activities to a specified timeframe, except those timeframes, or moratorium periods, that are required pursuant to the federal Clean Water Act and Endangered Species Act, regulations promulgated thereunder, or other applicable federal law.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Flotation Device Requirements – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 11

Section 11 of S.L. 2023-137 requires that any polystyrene flotation devices installed on a dock, buoy, or float must be encapsulated by a protective covering to prevent the polystyrene from disintegrating. This provision does not apply to polystyrene used in the construction, maintenance, or operation of boats or vessels, but requires that such polystyrene be effectively contained and lawfully disposed of. This section also prohibits the sale of polystyrene flotation devices unless encapsulated in compliance with this provision.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section becomes effective January 1, 2025, and applies to any polystyrene foam flotation sold or used in the State after that date.

## **Add New Procedural Requirements for Coastal Area Management Act Guidelines – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 12

Section 12 of S.L. 2023-137 requires the Department of Environmental Quality (DEQ) to make available to the public on DEQ's website either (i) the entirety of any State guidelines for the coastal area or (ii) a link to those guidelines in the Administrative Code on the Office of Administrative Hearings' website. The guidelines must include a citation to the law under which the rule was adopted, consistent with existing administrative law requirements.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

**Require Statutory or Regulatory Citation for Any Conditions in a Permit Issued by the Department of Environmental Quality – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 13

Section 13 of S.L. 2023-137 requires the Department of Environmental Quality (DEQ) to include in any permit issued by DEQ the statutory or regulatory authority for any permit conditions required in the permit.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

**Revise 2020 Farm Act TMDL Transport Factor Calculation Applicability – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 14

Section 14 of S.L. 2023-137 makes certain changes to the 2020 Farm Act (S.L. 2020-18) regarding the application of nutrient offset credits to a wastewater treatment permit by applying the total maximum daily load (TMDL) transport factor as specified in the 1999 Phase I TMDL and makes changes to a modeling requirement in the 2020 Farm Act.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

**Clarify Certain Environmental Permitting Laws Applicable to Agricultural Activities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 15

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Prohibit Sale of Nutrient Offsets from Municipal Nutrient Offset Banks to any Entity other than a Government Entity or a Unit of Local Government – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 16

Section 16 of S.L. 2023-137 prohibits nutrient offset banks approved by the Department of Environmental Quality (DEQ) and owned by a unit of local government from selling nutrient offset credits to any entity other than a government entity or unit of local government

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective October 10, 2023, and applies to nutrient offset banks owned by a unit of local government and approved by DEQ on or



after that date, except that it does not apply to a unit of local government that has a nutrient offset banking instrument approved by DEQ prior to October 10, 2023.

### **Shorten Septage Management Permitting Review and Clarify Pumper Truck Fee – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 17

Section 17 of S.L. 2023-137 shortens the permit review period for septage management firm permit applications and clarifies how the septage truck fee is calculated.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

### **Wastewater Design Flow Rate Modifications – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 18-18.2

Sections 18, 18.1, and 18.2 of S.L. 2023-137 make further clarifications to statutes and rules concerning the wastewater design daily flow rate for new dwelling units, amended earlier in this session by S.L. 2023-55 to reduce the design flow rate from 120 gallons per day per dwelling to 75 gallons per day per dwelling. Section 18.1 directs the Environmental Management Commission (EMC) to implement its existing rules consistent with the clarification made by Section 18, and Section 18.2 directs the EMC to study whether it is appropriate to change the design flow rates for other buildings.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

### **Prohibit Disposal of Lithium-Ion Batteries in Landfills; Limit Disposal of Solar Panels to Lined Landfills and Other Approved Facilities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 19

Section 19 of S.L. 2023-137 prohibits the disposal of a lithium-ion battery in a landfill or incinerator. This section also prohibits the disposal of a photovoltaic (PV) module, or components thereof, in a sanitary landfill for the disposal of construction and demolition debris waste that is unlined or in any other unlined landfill. A PV module, or components thereof, not shipped for reuse or not recyclable must properly be disposed of in an industrial landfill or a municipal solid waste landfill. Any PV modules that meet the definition of hazardous waste must comply with applicable hazardous waste requirements for disposal and recycling.

The Department of Environmental Quality (DEQ) must study proper handling of end-of-life lithium-ion batteries, and specifically whether any size-based exceptions to the disposal ban are

appropriate. DEQ must report on its findings, including any recommendations for legislative action, to the Environmental Review Commission no later than May 1, 2024.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023. The bans on disposal will become effective December 1, 2026, and apply to offenses committed on or after that date.

### **Clarify Brownfield Program Construction – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 20

Section 20 of S.L. 2023-137 amends the brownfields statute to provide that the law must not be construed to limit or preclude a prospective developer from performing an investigation of a brownfields property without prior approval from the Department of Environmental Quality.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

### **Modify the Application of Riparian Buffer Rules Regarding Airport Facilities; Modify Certain Provisions of the Floodplain Regulation Statutes to Direct the Department of Public Safety to Issue Floodplain Permits for Certain Airport Projects – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 21-22

Sections 21 and 22 of S.L. 2023-137 modify the application of riparian buffer rules and modify certain provisions of the floodplain regulation statutes to allow certain airport projects to receive necessary permits and authorizations to proceed.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. These sections became effective on October 10, 2023.

### **Commissioner of Agriculture/Supply Chain Powers – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 25

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Restore 2009 Building Code Standards for Piers and Docks Constructed in Estuarine Waters – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 35

Section 35 of S.L. 2023-137 directs the North Carolina Building Code Council to implement the Building Code so that no building requirements for piers or docks built in estuarine waters are inconsistent with the requirements of the applicable "Docks, Piers, Bulkheads, and Water Structures" Chapter in the 2009 North Carolina Building Code.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Clean Energy/Other Changes.**

SL 2023-138 (S678)

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

# Finance

**See full summary documents for additional detail**

## **Access to Healthcare Options.**

SL 2023-7 (H76)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Revenue Laws Technical, Clarifying, and Administrative Changes.**

SL 2023-12 (S174)

S.L. 2023-12 makes various technical, clarifying, and administrative changes to the revenue laws as recommended by the Department of Revenue.

This act has various effective dates. Please see the full summary for more detail.

## **Sports Wagering/Horse Racing Wagering.**

SL 2023-42 (H347)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Reimburse Late Audit Costs with Sales Tax Rev.**

SL 2023-59 (S299)

S.L. 2023-59 authorizes the Local Government Commission to withhold a county or municipality's sales tax distribution if the county or municipality fails to submit an annual audit report. The amount withheld is equivalent to 150% of the cost of the required audit.

This bill was vetoed by the Governor on June 19, 2023, and that veto was overridden by the General Assembly on June 27, 2023. Section 1 of the act becomes effective January 1, 2024, and applies to audits for fiscal years ending on or after June 30, 2023. The remainder of the act became effective June 27, 2023.

## **Include Income From the Sale of Honey in Gross Income for Purposes of Present Use Value Taxation – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Exempt Compost from Sales Tax for Qualifying Farmers – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.4

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Self-Liquidating Projects/Property Transfers.**

SL 2023-66 (H364)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Authorize Counties to Provide Capital Funds to Charter Schools – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 6

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Preemption of Certain Local Government Actions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 5.9

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

**Ensuring Certain Medicaid Receipts – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.7

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Agency Requested Changes / Division of Health Benefits – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.23

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **Selectsite Readiness Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.12

Section 11.12 of S.L. 2023-134 establishes the Selectsite Readiness Program to be administered by the Economic Development Partnership of North Carolina.

This section became effective July 1, 2023.

### **Sports Wagering Technical Corrections – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.18

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

### **Tobacco Farm Life Museum Special Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.3

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Reporting Requirements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 29.1

Section 29.1 of S.L. 2023-134 makes changes to the reporting requirements of the North Carolina Housing Finance Agency by allowing multiple reports to be consolidated into one comprehensive report and outlining other information that must be included in that comprehensive report. The report is required to be submitted to the House Finance Committee, the Senate Finance Committee, and the Joint Legislative Oversight Committee on General Government on or before February 15 of each year. The section further repeals certain other reporting requirements of the North Carolina Housing Finance Agency.

This section became effective July 1, 2023 and applies to reports due on or after that date.

### **Housing Finance Agency - Increase Project Caps for Workforce Housing Loan Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 29.2

Section 29.2 of S.L. 2023-134 increases the amount a taxpayer can receive as a loan under the Workforce Housing Loan Program. The Workforce Housing Loan Program finances loans to construct or substantially rehabilitate affordable rental housing in combination with federal low-income housing tax credits. Loans are capped based on the income designation of the county in

which the low-income housing development is located, as designated by the North Carolina Housing Finance Agency. Loans to eligible taxpayers are subject to the following limits:

- Low-income county: \$3 million (increased from \$2 million)
- Moderate-income county: \$2 million (increased from \$1.5 million)
- High-income county: \$500,000 (increased from \$250,000)

This section became effective July 1, 2023.

### **Housing Finance Agency - Workforce Housing Loan Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 29.3

Section 29.3 of S.L. 2023-134 allows a taxpayer who was allocated a low-income housing tax credit for a low-income housing development located in a low-income county before October 3, 2023, to be eligible for a loan under the Workforce Housing Loan Program. The taxpayer must provide evidence that the loan funds are necessary to address inflationary costs associated with the low-income housing development. These funds would be in addition to other sources of funding for the development project included in the taxpayer's initial loan application.

This section became effective July 1, 2023.

### **Department of Revenue Administrative Costs for Collecting Prepaid Wireless Telecommunications Service Charges – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 34.3

Section 34.3 of S.L. 2023-134 increases the amount the Department of Revenue (DOR) can retain from the total 911 service charges for prepaid wireless telecommunications service remitted to DOR. DOR is authorized to retain up to \$750,000 per year (was \$500,000) to cover costs associated with collecting the charges.

This section became effective July 1, 2023.

### **Increase Fees for Lobbyists and Lobbyist Principals – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 35.1

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Bond Referendum Transparency – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 36.3

[For a detailed summary of the provisions of this act, please see the CONSTITUTION AND ELECTIONS subject area.]

### **Ferry Maintenance Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.11B

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

### **Increase Electric and Hybrid Vehicle Fees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14D

Section 41.14D of S.L. 2023-134 increases the additional registration fee for electric vehicles and creates a new additional registration fee for plug-in hybrid vehicles.

This section becomes effective January 1, 2024, and applies to vehicles registered on or after that date.

### **Authorize the Division of Motor Vehicles to Implement Transaction Fees on Electronic Payments – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14E

Section 41.14E of S.L. 2023-134 requires the Division of Motor Vehicles (DMV), Department of Transportation, to develop a plan for adding a fee to transactions where it accepts electronic payment to offset any service charge DMV pays for electronic payment service and to submit the plan to the chairs of the Joint Legislative Transportation Oversight Committee, the chairs of the House and Senate Transportation Appropriations Committees, and the Fiscal Research Division by January 1, 2024. This section also authorizes DMV to charge a transaction fee of up to 2% of the electronic payment beginning July 1, 2024.

The directive to DMV became effective October 3, 2023. The provision authorizing DMV to add a transaction fee of up to 2% for electronic payments becomes effective July 1, 2024.

### **2023 Appropriations Act.**

SL 2023-134 (H259)

Part 42 of S.L. 2023-134 (2023 Appropriations Act) includes the following tax-related changes:



- Personal income tax changes that include accelerating the currently scheduled rate reductions for 2024, 2025, and 2026 with successive rate reductions of .5% if General Fund revenues hit certain triggers in certain fiscal years with a floor of 2.49%. (Section 42.1)
- Business tax changes that include:
- Capping the franchise tax at \$500 for the first one million dollars of a C Corporation's tax base. (Section 42.6A)
- Repealing the State privilege tax on professionals, effective for taxable years beginning on or after July 1, 2024. (Section 42.7)
- Allowing certain trusts and corporations to be partners of a taxed partnership. (Section 42.21)
- Sales tax changes that include:
- Prospectively exempting from sales tax goods and services, other than alcoholic beverages, sold by a provider of continuing care to its independent living residents. The exemption would not apply to sales of alcoholic beverages, and a provider of continuing care must pay sales and use tax on the purchase price of an item that would be exempt under this provision. (Section 42.10)
- Extending the sunsets on exemptions and refunds for professional motorsports teams. (Section 42.11)
- Aligning the sales tax exemption for parts and accessories used in the repair and maintenance of certain aircraft with the existing sales tax exemption for labor on the same aircraft. (Section 42.12)
- Extending by 5 years the sunset on the exemption for aviation gasoline and jet fuel for use in commercial aircraft. (Section 42.13)
- Expanding the exemption on fuels and consumables used by boats engaged in the transportation of freight on the ocean to also include transport in intracoastal waterways, sounds, or rivers (currently limited to oceangoing vessels on the high seas). (Section 42.14)
- Exempting breast pumps, including repair and replacement parts, and breast pump collection and storage supplies. (Section 42.16)
- Excise tax change that modifies the way in which snuff is taxed from being cost-based to weight-based and an expansion of the tax base to include alternative nicotine products. (Section 42.18)
- Creation of a new excise tax applicable to the gross receipts derived from each ride using a for-hire ground transportation service provider, such as Uber, Lyft, or a taxi service, effective July 1, 2025. The rate will be 1.5% for exclusive ride service and 1% for shared ride service. The proceeds of the tax will be credited to the Highway Fund. (Section 42.19)
- Prohibiting a regional transportation authority from levying the short-term car rental tax in a county that has withdrawn from the authority. This provision applies only to Surry County. (Section 42.20)
- Clarification of the motor fuel tax formula. (Section 42.22)
- Property tax exclusion for real and personal property located at a legacy airport, effective for taxable years beginning on or after July 1, 2024. (Section 42.23)

### **Personal Income Tax Rate Reductions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.1

Section 42.1 of S.L. 2023-134 accelerates the currently scheduled personal income tax rate reductions for 2024, 2025, and 2026 with successive rate reductions of .5% if General Fund revenues hit certain triggers in certain fiscal years with a floor of 2.49%.

This section became effective October 3, 2023.

### **Cap the Franchise Tax on First One Million Dollars of C Corp Tax Base – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.6A

Section 42.6A of S.L. 2023-134 caps the franchise tax at a maximum of \$500 for the first one million dollars of a C Corporation's tax base.

This section is effective for taxable years beginning on or after January 1, 2025, and applicable to the calculation of franchise tax reported on the 2024 and later corporate income tax return.

### **Repeal State Privilege Tax on Professionals – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.7

Section 42.7 of S.L. 2023-134 repeals the State privilege tax on professionals, effective for taxable years beginning on or after July 1, 2024.

### **Sales Tax Exemption for Continuing Care Retirement Communities – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.10

Section 42.10 of S.L. 2023-134 prospectively exempts from sales tax goods and services, other than alcoholic beverages, sold by a provider of continuing care to its independent living residents. The exemption does not apply to sales of alcoholic beverages, and a provider of continuing care must pay sales and use tax on the purchase price of an item that is exempt under this provision.

This section became effective for goods and services sold on or after November 1, 2023.

### **Extend Sunset on Exemptions and Refunds for Professional Motorsports – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.11

Section 42.11 of S.L. 2023-134 extends the sunsets on exemptions and refunds for professional motorsports teams.

This section became effective October 3, 2023.

**Expand Aviation Sales Tax Exemption So That Parts and Accessories Exemption Aligns with Labor Exemption for Same Type of Aircraft – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.12

Section 42.12 of S.L. 2023-134 aligns the sales tax exemption for parts and accessories used in the repair and maintenance of certain aircraft with the existing sales tax exemption for labor on the same aircraft.

**Extend Sunset for Aviation Gasoline and Jet Fuel for Use in Commercial Aircraft – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.13

Section 42.13 of S.L. 2023-134 extends by five years the sunset on the exemption for aviation gasoline and jet fuel for use in commercial aircraft.

This section became effective October 3, 2023.

**Expand Sales Tax Exemption for Fuel and Consumables Used by Boats Transporting Freight on Inland and Intracoastal Waterways – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.14

Section 42.14 of S.L. 2023-134 expands the exemption on fuels and consumables used by boats engaged in the transportation of freight on the ocean to also include transport in intracoastal waterways, sounds, or rivers. The current exemption is limited only to oceangoing vessels on the high seas.

**Exempt Breast Pumps, Breast Pump Collection and Storage Supplies, and Repair and Replacement Parts – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.16

Section 42.16 of S.L. 2023-134 exempts breast pumps, including repair and replacement parts, and breast pump collection and storage supplies from sales tax.

This section became effective for sales occurring on or after November 1, 2023.

### **Change Method of Taxing Snuff from Cost-Based to Weight-Based and Expand Base to Include Alternative Nicotine Products – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.18

Section 42.18 of S.L. 2023-134 modifies the way in which snuff is taxed from being cost-based to weight-based, and it expands the tax base to include alternative nicotine products.

This section becomes effective July 1, 2025, for sales or purchases occurring on or after that date.

### **Enact New Transportation Commerce Tax – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.19

Section 42.19 of S.L. 2023-134 creates a new excise tax applicable to the gross receipts derived from each ride using a for-hire ground transportation service provider, such as Uber, Lyft, or a taxi service. The rate is 1.5% for exclusive ride service and 1% for shared ride service. The proceeds of the tax are credited to the Highway Fund.

This section becomes effective July 1, 2025, and applies to for-hire ground transport services occurring on or after that date.

### **Prohibit Regional Transportation Authorities from Levying Short-Term Car Rental Tax in a County that has Withdrawn from Authority – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.20

Section 42.20 of S.L. 2023-134 prohibits a regional transportation authority from levying the short-term car rental tax in a county that has withdrawn from the authority. This provision applies only to Surry County.

This section became effective November 1, 2023, and applies to the gross receipts derived from short-term leases or rentals billed on or after that date.

### **Allow Certain Trusts and Corporations to be Partners of a Taxed Partnership – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.21

Section 42.21 of S.L. 2023-134 allows certain trusts and corporations to be partners of a taxed partnership.

This section is effective for taxable years beginning on or after January 1, 2022.

**Property Tax Exclusion for Property Located at a Legacy Airport – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.23

Section 42.23 of S.L. 2023-134 creates a property tax exclusion for real and personal property located at a legacy airport.

This section becomes effective for taxable years beginning on or after July 1, 2024.

**Prohibit Counties and Cities from Regulating Certain Online Marketplaces – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 27

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

# Health and Human Services

**See full summary documents for additional detail**

## **Repurpose R.J. Blackley Center as Psychiatric Hospital.**

SL 2023-3 (S115)

S.L. 2023-3 exempts from certificate of need review the conversion of the R.J. Blackley Alcohol and Drug Treatment Center in Granville County to a psychiatric hospital for children and adolescents.

This act became effective March 10, 2023.

## **Access to Healthcare Options.**

SL 2023-7 (H76)

Part I of the act does the following:

- Provides Medicaid coverage through NC Health Works to adults aged 18-64 with incomes up to 133% of the federal poverty level, beginning on the later of (i) the date the Current Operations Appropriations Act for the 2023-2024 fiscal year becomes law or (ii) the federally-approved start date.
- Provides increased Medicaid reimbursements to hospitals through the Healthcare Access and Stabilization Program (HASP) upon federal approval of a request developed and submitted by the Department of Health and Human Services (DHHS).
- Increases hospital assessments to provide funding for the NC Health Works coverage and the HASP program.

Part II of the act enacts various workforce development measures to promote employment among Medicaid enrollees.

Part III of the act removes psychiatric beds and facilities, chemical dependency treatment beds and facilities, ambulatory surgical centers in large counties, MRI machines in large counties, certain home care agency treatment for minors, and the first \$3 million worth of replacement and diagnostic center equipment from certificate of need review.

This act has various effective dates. Please see the full summary for more details

## **Care for Women, Children, and Families Act - Part I.**

SL 2023-14 (S20)

Part I of S.L. 2023-14, as amended by Part XIII-B and Part XIV of S.L. 2023-65, repeals and replaces the current abortion law in North Carolina. Under the new law, abortion is permitted through the first 12 weeks of pregnancy for any reason, through the 20th week of pregnancy if the pregnancy

resulted from rape or incest, through the 24th week of pregnancy if there is a life-limiting anomaly in the unborn child, and at any time if there is a medical emergency for the pregnant woman. Part I also bifurcates the definition of abortion into surgical and medical abortions and creates new informed consent provisions for both. Finally, Part I criminalizes the provision or advertising of abortion-inducing drugs in certain circumstances, prohibits eugenic abortions, and establishes reporting requirements for abortion.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. This Part of the act became effective July 1, 2023, and the criminal provisions apply to any offenses committed on or after that date.

### **Care for Women, Children, and Families Act - Part II.**

SL 2023-14 (S20)

Part II of S.L. 2023-14, as amended by Part XIV of S.L. 2023-65, requires that all surgical abortions be performed in hospitals, ambulatory surgical centers, or licensed abortion clinics. It also authorizes the Department of Health and Human Services (DHHS) to adopt rules for the regulation of abortion clinics.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. The provisions in this Part of the act authorizing the adoption of rules became effective July 1, 2023. The remaining provisions in this Part of the act became effective October 1, 2023.

### **Care for Women, Children, and Families Act - Part III.**

SL 2023-14 (S20)

Part III of S.L. 2023-14 requires medical providers to employ the same duty of care for children born alive after attempted abortions that they would for any other child of the same gestational age. It also creates criminal penalties for the failure to exercise that duty of care.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. This Part of the act became effective July 1, 2023, and applies to offenses committed on or after that date.

### **Care for Women, Children, and Families Act - Part IV.**

SL 2023-14 (S20)

Part IV of S.L. 2023-14, as amended by Section 2 of S.L. 2023-79, appropriates funds for long-term birth control, increases the Medicaid rate for obstetrics maternal bundle payments, expands the practice authority of Certified Nurse Midwives, and appropriates funds to expand the Safe Sleep North Carolina Campaign.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. The Certified Nurse Midwife provisions in this Part of the act became effective October 1, 2023. The remainder of the Part of the act became effective July 1, 2023.

### **Care for Women, Children, and Families Act - Part VI.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

### **Care for Women, Children, and Families Act - Part VII.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

### **Controlled Substances/Opioid/Vaccine/At Home Omnibus.**

SL 2023-15 (S206)

S.L. 2023-15 seeks to stop counterfeit pills by making pill counterfeiting a Class E felony; expands the definition of opioid antagonist; continues to authorize pharmacists, pharmacy interns, and pharmacy technicians to administer vaccinations and immunizations in response to the expiring Public Readiness and Emergency Preparedness Act (PREP Act); and extends the Acute Hospital Care at Home Program as implemented by the Centers for Medicare and Medicaid.

The counterfeit pills change became effective December 1, 2023, and applies to offenses committed on or after that date. The acute hospital care at home program change became effective May 19, 2023, and expires on December 31, 2024. The remaining changes became effective May 19, 2023.

### **Quality Rating and Improvement System (QRIS) - Star Rating System Reform.**

SL 2023-40 (S291)

Section 1.(a) of S.L. 2023-40 extends the expiration date of Section 2 of S.L. 2021-127 from June 30, 2023, until June 30, 2026. This section pertains to awarding QRIS "education points" to a licensed child care facility toward its star rating. The change extends lowering the criteria from 75% to 50% of lead teachers in the program required to meet the "rated licensed education points".

Section 1.(b) of S.L. 2023-40 extends the expiration date of Section 1 of S.L. 2021-127 from six months after the expiration of Executive Order 116 (February 15, 2023) until June 30, 2024. This



section pertains to the Division of Child Development and Early Education, Department of Health and Human Services, resuming Environmental Rating Scale (ERS) assessments that would cause a child care facility to lose a star rating due to a facility's loss and inability to replace similarly qualified educators.

Section 2 of S.L. 2023-40 requires the North Carolina Child Care Commission to complete recommendations for QRIS/Star Rating reform by March 31, 2024, and submit those recommendations to the Joint Legislative Oversight Committee on Health and Human Services before the 2024 legislative session begins. Those recommendations must include accreditation from a national early childhood education accreditation organization as an alternative path to earning a star rating equivalent to the accreditation requirements.

This act became effective June 12, 2023.

## **Department of Health and Human Services Revisions.**

SL 2023-65 (H190)

S.L. 2023-65 makes the following changes listed below.

- Implements the Emergency Solutions Grant Program.
- Equalizes State-County Special Assistance eligibility regardless of residence property value.
- Amends contract language pertaining to nonprofit grantees receiving government funds.
- Makes conforming name changes for the new Division of Child and Family Well-Being.
- Clarifies duties of the Medical Care Commission.
- Makes managed care related changes for local management entity/managed care organization (LME/MCO) populations.
- Changes "Substance Abuse" to "Substance Use" in the name of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services Division.
- Allows the newborn screening equipment fund to be used to maintain and support equipment.
- Expands the professionals who can serve as county medical examiners.
- Lengthens the duration of the County Plan for Work First/Temporary Assistance for Needy Families (TANF).
- Removes a requirement for the child abuse and neglect document required for public school students. This change became effective June 29, 2023, and applies beginning with the 2023-2024 school year.
- Amends definitions in the child support statutes and strengthens enforcement.
- Recognizes child welfare training completed in another state.
- Clarifies maximum daily rate setting for adult day care services.
- Renames the "Division of Vocational Rehabilitation Services" to the "Division of Employment and Independence for People with Disabilities".
- Amends the education and experience requirements for registered environmental health specialists. These changes became effective October 1, 2023.

- Authorizes opioid treatment program medication units and mobile units. The language requiring the adoption of rules related to these treatment programs became effective June 29, 2023. The remaining language becomes effective on the effective date of the emergency rules adopted by the Commission for Mental Health, Developmental Disabilities, and Substance Use Services.
- Adds gabapentin to the Controlled Substance Reporting System. The changes related to a veterinarian who prescribes gabapentin become effective March 1, 2025, the remaining changes become effective March 1, 2024.
- Requires electronic prescribing of codeine cough syrup in an effort to address forgery of prescriptions. This change became effective January 1, 2024.
- Adds over-the-counter opioid antagonists to the treatment and immunity statutes.
- Makes technical and clarifying changes to paid parental leave enacted by S.L. 2023-14. These changes became effective July 1, 2023, and apply to requests for paid parental leave related to births occurring on or after that date.
- Makes technical and clarifying changes to the informed consent to medical abortion law (G.S. 90-21.83A) enacted by S.L. 2023-14. This change became effective July 1, 2023.
- Makes technical and conforming changes to S.L. 2023-14 that became effective July 1, 2023.

Except as otherwise provided, the act became effective June 29, 2023.

### **Parent Consent to Donate Blood/Midwifery Technical Corrections.**

SL 2023-79 (S389)

S.L. 2023-79 amends the law (G.S. 130A-412.31) to require written consent from the parent, parents, or guardian, of a donor who is 16 or 17 years old before they are permitted to donate blood to an individual, hospital, blood bank, or blood collection center. Individuals who are 18 years of age or older may give or donate blood without the consent of the parent, parents, or guardian.

The act also made technical and clarifying changes to Section 4.3 of S.L. 2023-14 pertaining to midwifery statutes and the reference to the "joint subcommittee". These changes became effective October 1, 2023.

Except as otherwise provided, the act became effective June 28, 2023.

### **Mental Health Licensing Fair Practice Standards.**

SL 2023-80 (H344)

S.L. 2023-80 requires the Division of Health Service Regulation (DHSR), Department of Health and Human Services, to establish a quality dashboard making licensure, rule violation, and contested case information available on its website. It also must establish a workgroup to identify ongoing issues and provide training to providers based on the workgroup's findings.

This act became effective October 1, 2023.

### **Certified Alcohol and Drug Counselor Supervision Requirements.**

SL 2023-83 (S45)

[For a detailed summary of the provisions of this act, please see the OCCUPATIONAL BOARDS AND LICENSING subject area.]

### **Chiropractic Preceptorship Modifications.**

SL 2023-84 (S507)

S.L. 2023-84 allows students in a chiropractic preceptorship program to observe and perform chiropractic services under the direct supervision of a licensed chiropractor.

The act became effective October 1, 2023.

### **Child Care Flexibilities.**

SL 2023-87 (S722)

S.L. 2023-87 directs the Division of Child Development and Early Education, Department of Health and Human Services, to develop and implement criteria to allow the child development associate credential to satisfy education requirements of the star rating system for child care.

This act became effective October 1, 2023.

### **Mental Health Confidential Information Disclosure.**

SL 2023-95 (H484)

S.L. 2023-95 amends the law (G.S. 122C-52) to conform to federal regulations as it pertains to the requirements for disclosure of confidential information regarding a client by a mental health facility. It also requires the Commission for Mental Health, Developmental Disabilities, and Substance Use Services, Department of Health and Human Services, to adopt temporary rules until permanent rules become effective.

The act became effective October 1, 2023, and applies to releases of information consented to on or after that date.

### **Child Advocacy Centers/Share Information.**

SL 2023-96 (H674)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

## **Parents' Bill of Rights.**

SL 2023-106 (S49)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **Gender Transition/Minors.**

SL 2023-111 (H808)

S.L. 2023-111 prohibits medical professionals from performing surgical gender transition procedures on minors and prescribing, providing, or dispensing puberty-blocking drugs or cross-sex hormones to minors, with some exceptions. Medical professionals who violate these provisions will have their licenses revoked, and minors who underwent a surgical gender transition procedure or who were prescribed or provided with puberty-blocking drugs or cross-sex hormones have a private right of action against the medical provider who performed the procedure or prescribed or provided the drugs. State funds cannot be used for surgical gender transition procedures on minors or prescribing, providing, or dispensing puberty-blocking drugs or cross-sex hormones to minors.

This act has various effective dates. Please see the full summary for more details.

## **Retain Adult Developmental Vocational Rehabilitation Programs.**

SL 2023-115 (H323)

S.L. 2023-115 prohibits the Department of Health and Human Services (DHHS) from reducing the number of Adult Developmental and Vocational Programs (ADVP) and Community Rehabilitation Programs (CRP), or the number of individuals in those programs, without consulting stakeholders and/or appropriately reviewing current services.

This act became effective August 24, 2023.

## **North Carolina Health and Human Services Workforce Act.**

SL 2023-129 (H125)

S.L. 2023-129 makes numerous changes that impact the workforce in the health and human services sector. Sections of the act include the following: allows military relocation licenses for physician and physician assistant servicemembers and spouses; modifies the hearing aid dealers and fitters laws with regard to over-the-counter hearing aids; modifies behavior analyst credentialing; makes modifications to optometry laws; requires evaluation of federal requirements and, if appropriate, requires development of a plan to transition the nurse aide I education and training program from the Department of Health and Human Services to the Board of Nursing; protects health care workers from violence; extends flexibility for ambulance transport; updates statutes governing the practice of audiology; adjusts Medicaid

reimbursement for dental procedures performed in ambulatory centers; and amends the definition of a "bar" in the sanitation statutes.

The audiology portion of the act was amended by Section 2.7 of S.L. 2023-141.

This act has various effective dates. Please see full summary for more details.

## **Transformational Investments in North Carolina Health – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 4.10

Section 4.10 of S.L. 2023-134 recodifies many of the existing provisions relating to the University of North Carolina Health Care System and the East Carolina University Health Care System. It expands some of those provisions, giving the Board of Directors and Chancellor more authority, and it allows the UNC System to purchase insurance or self-insure against medical malpractice claims. It clarifies that the UNC System is a State agency and states that employees of both systems hired on or after January 1, 2024, are ineligible to participate in the Teachers' and State Employees' Retirement System. Finally, the act makes conforming changes throughout the General Statutes, appropriates \$420 million to the NC Care Initiative, and contains reporting requirements.

The appropriation and reporting provisions became effective July 1, 2023. The remaining provisions became effective October 3, 2023.

## **Medical Freedom/COVID-19 Vaccinations – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 5.8

Section 5.8 of S.L. 2023-134 creates several new statutes (G.S. 143-162.10, G.S. 130A-158.3, G.S. 153A-465, and G.S. 160A-499.10) that prohibit State agencies, local governments, and political subdivisions from discriminating against individuals based on their refusal to provide proof of, or to submit to, a COVID-19 vaccination, unless the vaccine is required for employees in a facility certified by federal Centers for Medicare and Medicaid Services (CMS), is required for employees as a condition of an entity receiving federal funding, or is required for employees of the Department of Health and Human Services, Division of State Operated Healthcare Facilities. For purposes of this section, "COVID-19" is defined as the coronavirus disease of 2019.

The section also amends the immunization requirement statute (G.S. 130A-152) to prohibit the Commission for Public Health, public school units, community colleges, and constituent institutions of The University of North Carolina from requiring a student to provide proof of a COVID-19 vaccination or to submit to a COVID-19 vaccination or series of vaccinations unless the requirement for vaccination or proof of vaccination is required for participation in a program of study, or fulfilling education requirements pertaining to working, volunteering, or training, in a facility certified by the Centers for Medicare and Medicaid Services.

This section became effective January 1, 2024.

### **School Safety Grants – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 7.36

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Primary Care Medicine and Psychiatry Targeted Assistance Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.14

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Conforming Parity Changes Pertaining to the State-County Special Assistance In-Home Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9A.1

Section 9A.1 of S.L. 2023-134 amends the law (G.S. 108A-47.1(b)) to remove an outdated requirement that the Department of Health and Human Services establish a formula to determine the need for additional State-County Special Assistance (SA) In-Home Program slots for each county and to annually review and revise the formula. This change conforms with Section 9A.3A of S.L. 2021-180 which brought the SA In-Home program into parity with the SA Adult Care Home program.

This section became effective July 1, 2023.

### **Reports by Non-State Entities on the Use of Directed Grant Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.1

Section 9B.1 of S.L. 2023-134 requires the Department of Health and Human Services to submit to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division all reports received under the administrative code requirement (9 NCAC 03M .0205) from non-State entities, as defined in statute (G.S. 143C-1-1), that are recipients of nonrecurring funds allocated in Part IX-B of S.L. 2023-134 as a directed grant. The reports must be submitted based on the following schedule:

- By November 1, 2024, all reports on the use of directed grant funds received under the Part for the 2023-2024 fiscal year.
- By November 1, 2025, all reports on the use of directed grant funds received under the Part for the 2024-2025 fiscal year.

This section became effective July 1, 2023.

### **Community Health Grant Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.2

Section 9B.2 of S.L. 2023-134 continues funding of the Community Health Grant Program administered by the Office of Rural Health (ORH), Division of Central Management, Department of Health and Human Services. No individual grant can exceed \$150,000, and ORH must consider (i) the incidence of poverty in the area served by the applicant or the number of indigent clients served by the applicant; (ii) the availability of, or arrangements for, after-hours care; and (iii) collaboration between the applicant and a community hospital or other safety net organizations in awarding grants. Grant money cannot be used to enhance compensation or benefits or supplant existing funds, and only \$200,000 can be spent for administrative purposes. ORH must submit annual reports on September 1 on the grants to the Joint Legislative Oversight Committee on Health and Human Services.

This section became effective July 1, 2023.

### **Funds for North Carolina Dental Society Foundation's Missions of Mercy Dental Clinics – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.3

Section 9B.3 of S.L. 2023-134 requires funds allocated to the North Carolina Dental Society Foundation's Missions of Mercy Dental Clinics to be used only for providing direct services to patients and purchasing dental supplies. No funds can be spent for administrative purposes.

This section became effective July 1, 2023.

### **Expansion of the North Carolina Loan Repayment Program/Incentives for the Recruitment and Retention of Health Providers in Outpatient Primary Care Settings in Rural, Underserved Areas – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.4

Section 9B.4 of S.L. 2023-134 requires the Office of Rural Health (ORH), Division of Central Management, Department of Health and Human Services, to allocate \$25 million in nonrecurring funds from the ARPA Temporary Savings Fund for each year of the 2023-2025 fiscal biennium to the North Carolina Loan Repayment Program (NC LRP). The funds must be used as follows:

- \$9 million in nonrecurring funds for each year of the 2023-25 fiscal biennium is allocated to expand the current NC LRP.
- \$5 million in nonrecurring funds for each year of the 2023-25 fiscal biennium is allocated to fund a new initiative to recruit and retain primary care physicians in rural and underserved areas of the state.

- \$10 million in nonrecurring funds for each year of the 2023-25 fiscal biennium is allocated to fund a new initiative to recruit and retain behavioral health providers in rural and underserved areas of the state.
- \$1 million in nonrecurring funds for each year of the 2023-25 fiscal biennium is allocated to expand the NC LRP to include nurses.

Up to 5% of the funds allocated can be used for administrative purposes and to partner with the North Carolina Area Health Education Center Program to enroll additional NC LRP participants. ORH must report to the Joint Legislative Oversight Committee on Health and Human Services on January 1, 2025, and January 1, 2026, on the use of the funds appropriated under this section.

This section became effective July 1, 2023.

### **Expansion of the Medical Assistant Apprenticeship Initiative Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.5

Section 9B.5 of S.L. 2023-134 requires the Office of Rural Health, Division of Central Management, Department of Health and Human Services, to allocate \$1,703,250 in nonrecurring funds from the ARPA Temporary Savings Fund for each year of the 2023-2025 fiscal biennium as a grant to the North Carolina Community Health Center Association (NCCHCA) to expand its Medical Assistant Apprenticeship Initiative. The apprentices funded by this initiative will be placed at the following sites:

- Rural Health Group, Inc. locations in Edgecombe, Granville, Halifax, Northampton, Vance, and Warren Counties.
- OIC Family Medical Center.
- Cabarrus Rowan Community Health Centers, Inc.
- Kintegra Health in Davidson County.
- United Health Centers in Forsyth County.

NCCHCA must report on the use of the funds to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by November 1, 2024, and November 1, 2025.

This section became effective July 1, 2023



**Transfer of Positions to the Department of Public Instruction for the Care and Maintenance of Governor Morehead School for the Blind – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.6

Section 9B.6 of S.L. 2023-134 requires the Department of Health and Human Services to transfer several positions responsible for the care and maintenance of the grounds of the Governor Morehead School for the Blind to the Department of Public Instruction.

This section became effective July 1, 2023.

**Funds for Telehealth Infrastructure Grant Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.7A

Section 9B.7A of S.L. 2023-134 requires the Office of Rural Health (ORH), Division of Central Management, Department of Health and Human Services, to allocate \$5 million in nonrecurring funds for the 2023-2024 fiscal year and \$15 million in funds for the 2024-2025 fiscal year from the ARPA Temporary Savings Fund to award competitive grants to rural healthcare providers to purchase the infrastructure necessary for establishing telehealth services. ORH must report on the grants to the Joint Legislative Oversight Committee on Health and Human Services on April 1, 2024, and April 1, 2025.

This section became effective July 1, 2023.

**Management Flexibility for the Department of Health and Human Services to Expend Certain ARPA Temporary Savings Fund Appropriations for Purposes Related to Child and Family Well-Being – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9B.9

Section 9B.9 of S.L. 2023-134 appropriates nonrecurring funds from the ARPA Temporary Savings Fund to the Department of Health and Human Services (DHHS) for the 2023-2024 fiscal year in the amount of \$20 million and for the 2024-2025 fiscal year in the amount of \$60 million. These funds must be allocated and used for the purposes below:

- Supporting families and other caregivers of children with high behavioral health or other special needs through community intensive support expansion and increasing structured options to meet the needs of those children.
- Strengthening specialized treatment options for children with complex behavioral or other special needs.

DHHS may allocate the funds to the following Divisions in such amounts, programs, and initiatives it deems necessary if the purpose and initiatives meet the requirements above:

- Child Welfare and Family Well-Being.
- Mental Health, Developmental Disabilities, and Substance Use Services.
- Social Services.

This section became effective July 1, 2023.

## **NC Pre-K Programs/Standards for Four- and Five-Star Rated Facilities – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.1

Section 9D.1 of S.L. 2023-134 requires the Department of Health and Human Services, Division of Child Development and Early Education (DCDEE) to continue implementation of the prekindergarten program (NC Pre-K).

Eligibility requirements for the NC Pre-K program include the following:

- The child must be four years old on or before August 31 of the program year.
- Income cannot exceed seventy-five percent (75%) of the State median income.
  - Up to twenty percent (20%) of the enrolled children can exceed this limitation if they also have other designated risk factors.
- Any age-eligible child whose parent is a member of the Armed Forces of the United States is eligible for enrollment if one of the following conditions is met:
  - A parent was ordered to active duty within the last 18 months or is expected to be ordered to active duty within the next 18 months.
  - A parent was killed in action while on active duty.
  - The Armed Forces of the United States includes the North Carolina National Guard, State military forces, or a reserve component of the Armed Forces.
- Eligibility determinations can continue through partnerships with local education agencies and local North Carolina Partnership for Children, Inc.
- The maximum staff-to-child ratio must not exceed one staff per 10 children and the classroom size cannot exceed 20 children.
- A classroom with 11 to 20 students must have at least one teacher and one teacher assistant.
- A classroom with 10 or less students must have at least one teacher.
- The Child Care Commission must adopt rules and DCDEE must revise rules or policies necessary to implement the staff-to-child ratio and classroom size rules.
- DCDEE must require the NC Pre-K contractor to issue multiyear contracts for licensed private child care centers providing NC Pre-K classrooms.
- Private child care providers and public schools providing NC Pre-K classrooms must meet building requirements for preschool students provided by law (G.S. 115C-521.1) and notwithstanding the mandatory building standards for a license (G.S. 110-91(4)).
- NC Pre-K classrooms must comply with all policies by DCDEE regarding program standards and classroom requirements except as provided.

- Local Pre-K committees must use the standards developed by DCDEE for awarding classroom slots and student selection.
- DCDEE must submit an annual report by March 15 to the Joint Legislative Oversight Committee on Health and Human Services, Office of State Budget and Management, and the Fiscal Research Division of the General Assembly. This report must include the following:
  - The number of children participating in the program broken down by county.
  - The number of children participating in the program who have never been served by any other early education program.
  - The expected expenditures for the programs and the source of local funds.
  - The results of an annual evaluation of the program.
  - The administration of the program by local partners is subject to financial and compliance audits authorized under G.S. 143B-168.14(b).

This section became effective July 1, 2023.

### **Child Care Subsidy Rates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.3

Section 9D.3 of S.L. 2023-134 establishes the requirements and rules regarding child care subsidy rates including the following:

- The maximum gross annual income for initial eligibility for subsidized child care services must be on an income percentage of the federal poverty level as follows:
  - 200% for children aged zero to five years.
  - 133% for children aged 6-12.
  - 200% for any child with special needs.
- Establishes maximum fees a family pays if they are required to share in the cost of child-care.
- Purchase of child care services for low-income families must meet the following requirements:
  - Religious sponsored facilities and licensed child care centers and homes meeting the minimum licensing requirements must be paid the one-star county market rate or the rate they charge private pay parents unless otherwise prohibited by this section.
  - Licensed centers and homes rated with two or more stars must receive the market rate for the age group.
  - Payments for transportation provided by the child care center or home must not be made.
  - Postsecondary education child care payments are limited to a maximum of 20 months enrollment which does not start until the family's recertification.
  - Department of Health and Human Services is required to restructure services, including targeting benefits to employment, and implement rules necessary to do so.

- Establishes payment rates for counties with fewer than 50 children in each age group for center and home-based child care.
- Requires the calculation of market rates for child care for each county and each age group which is representative of fees charged to parents privately paying for child care.
- The Division of Child Development and Early Education (DCDEE) must continue implementation of policies that improve the quality of child care for subsidized children to include a policy in which the subsidies are paid for higher quality centers and home, where possible. DCDEE must define higher quality and not pay subsidies to one- and two-star centers and homes. For counties with insufficient four- and five-star centers, the subsidies can continue to be paid while the centers and homes work to increase their star ratings. Exemptions can be allowed in counties with inadequate four- and five-star facilities for non-rated programs such as religious programs.
- Payments for subsidized child care made with funds from the Temporary Assistance for Needy Families (TANF) block grant must comply with all regulations and policies issued by DCDEE for the subsidized child care program.
- Noncitizen families residing in the State legally must be eligible for subsidized child care payments if all other eligibility requirements are met. Noncitizen families residing in the State illegally are eligible for child care subsidies if all other eligibility requirements are met and at least one of the following is met:
  - The child for whom the subsidy is sought is receiving child protective or foster care services.
  - The child for whom the subsidy is sought is developmentally delayed or is at risk of developmental delay.
  - The child for whom the subsidy is sought is a citizen of the United States.
  - Any forms used to determine eligibility for a subsidy must include whether the family seeking the subsidy is receiving assistance through NC Pre-K or Head Start.
- Department of Defense (DOD) certified child care facilities can participate in this subsidy program with the state subsidy supplementing other funds received by the DOD facility.

This section became effective July 1, 2023.

### **Child Care Allocation Formula – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.4

Section 9D.4 of S.L. 2023-134 requires Division of Child Development and Early Education (DCDEE), Department of Health and Human Services (DHHS), to allocate child care subsidy vouchers. The base amount for each county is the mandatory 30% North Carolina Partnership for Children, Inc. subsidy allocation. DHHS must use the procedure established in this section for the allocation of federal and State child care funds exclusive of the North Carolina Partnership for Children, Inc. subsidy allocation.

This section further requires DCDEE to submit a report to the Joint Legislative Oversight Committee of the Department of Health and Human Services and the Fiscal Research Division each year of the 2023-2025 biennium which must include the following:

- The amount of funds used for preventing termination of services and repayment of federal funds.
- The date remaining funds were distributed to counties.
- Any counties that received less funds than the previous year and the amount the funds were decreased.

The county can reallocate unused child care subsidy vouchers to meet the child care needs of low-income families. The reallocation must be based on the expenditure of all child care subsidy voucher funds in the county.

Additional requirements of DCDEE include calculation of the market rate increase in the formula established by this section.

This section became effective July 1, 2023.

### **Smart Start Initiatives – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.5

Section 9D.5 of S.L. 2023-134 establishes the policies and procedures for Smart Start Initiatives including:

- The North Carolina Partnership for Children, Inc. must ensure policies focus on improving child care quality in North Carolina for children from birth to five years old including utilization of funds for activities which assist child care facilities in improving quality and implementing pre-kindergarten programs. Improvement of quality includes helping one-, two-, and three-star programs increase their star ratings.
- State funding for local partnerships must also be used for evidence-based and evidence-informed programs for children from birth to five years old which increase children's literacy; increase the parent's ability to raise healthy, successful children; improve children's health; and assist four- and five-star facilities improve and maintain quality.
- This section establishes the requirements for the administration of the initiative including capping the administrative costs at no more than 10% of the total statewide allocation to all local partnerships.
- This section also establishes the criteria for the salary schedule for the Executive Director of the North Carolina Partnership for Children, Inc. and the directors of the local partnership which must be used to determine the maximum amount of State funds which can be used for payment of those salaries. There is no prohibition on using non-State funds to supplement those salaries.
- In addition, this section requires that the North Carolina Partnership for Children, Inc., and the local partnerships comply with the following:
  - In the aggregate, they must match 100% the funds allocated by the State for each year of the 2023-2025 fiscal biennium which can be done through a minimum of a 13% cash contribution and a maximum of 6% in-kind contributions.
  - Utilize competitive bidding in contracting for goods and services which is based upon the cost of the goods or services being sought.

- The North Carolina Partnership for Children, Inc. must not reduce the allocation of a county with a population less than 35,000 below the 2012-2013 level.
- The Department of Health and Human Services must continue with the implementation of a performance-based evaluation system.
- Capital expenditures and expenditures of State funds for advertising and promotional activities are prohibited for the 2023-2025 biennium. Up to 1% of State funds can be used by the North Carolina Partnership for Children, Inc. for fundraising. Its required annual report must include the amount of funds spent on fundraising, any return on fundraising investments, and any other pertinent information.

This section became effective July 1, 2023.

### **Smart Start Literacy Initiative/Dolly Parton's Imagination Library – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.6

Section 9D.6 of S.L. 2023-134 allocates a portion of the funds allocated by the act to the North Carolina Partnership for Children, Inc. from the Department of Health and Human Services, to be used to increase access to Dolly Parton's Imagination Library.

The North Carolina Partnership of Children, Inc. can use up to 1% of the funds for statewide management and up to 1% for program evaluation.

Funds allocated under this section are not subject to the following:

- The administrative cost requirements under Section 9D.5(b) of this act.
- The child care services funding requirements under G.S. 143B-168.15(b).
- The child care subsidy expansion requirements under G.S. 143B-168.15(g).
- The match requirements under Section 9D.5(d) of this act.

This section became effective July 1, 2023.

### **Increase Provision of In-Home Child Care/Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.8

Section 9D.8 of S.L. 2023-134 appropriates \$525,000 in nonrecurring funds from the General Fund to the Division of Child Development (DCDEE), Department of Health and Human Services, and Early Education for each year of the 2023-2025 fiscal biennium to establish a pilot program that provides business and financial assistance in establishing new in-home child care programs and sustaining existing in-home child care programs. DCDEE must:

- Issue a request for application (RFA) for an organization to contract with DCDEE to administer the program by January 15, 2024.

- Submit a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division of the General Assembly by January 31, 2025. The report must contain the number of child care programs created through the pilot program by county and any other relevant information.

This section became effective July 1, 2023.

### **Tri-Share Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.9

Section 9D.9 of S.L. 2023-134 requires the Division of Child Development and Early Education (DCDEE), Department of Health and Human Services, in collaboration with the North Carolina Partnership for Children, Inc., to develop the Tri-Share Pilot Program. This is a two-year pilot program creating a public/private partnership for the sharing of child care costs equally between the employee, the employer, and the State. The State will provide \$900,000 in nonrecurring funds for each year of the 2023-2025 fiscal biennium to be divided evenly between the regional hubs to be established under this section and selected to participate in the pilot program. Any unused funds must revert to the General Fund. Local partnerships chosen to serve as facilitator for each hub must design the program requirements consistent with this section. Childcare for this section includes full-time and part-time care, before and after school care, and summer camps. The regional facilitator can use up to 9% of its allocated funds for administrative costs. Within six months of the completion of the pilot program, DCDEE must submit a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division of the General Assembly including, at a minimum, the following:

- The number of children served by age and county.
- Total pilot program costs including administrative costs.
- The amount of funds needed to expand the program statewide.
- The list of employers participating in the pilot program.
- Any other relevant information.

This section became effective July 1, 2023.

### **Increase Capacity/Family Child Care Homes – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.10

Section 9D.10 of S.L. 2023-134 amends the law (G.S. 110-86(3)) to increase the maximum number of children allowed in a family child care home to 10 children provided the arrangement complies with the law on family child care home capacity (G.S. 110-91(7)b).

This section also amends the family child care home capacity law (G.S. 110-91(7)b) to allow a family child care home to provide care to one of the following groups of children:

- A maximum of eight children made up of no more than five children from birth to five years old and three school-aged children.
- A maximum of three children from birth to 24 months old, plus three children from two to five years old, and three school-aged children up to 13 years old, for a maximum of nine children.
- A maximum of 10 children if all children are older than 24 months old.
- Each of these numbers includes the operator's own preschool aged children and excludes the operator's school aged children up to 13 years old.

This section became effective July 1, 2023.

## **Extend Compensation Grants for Child Care Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9D.11

Section 9D.11 of S.L. 2023-134 amends Section 9L.2(b) of S.L. 2021-180, as amended by Section 9L.2(a) of S.L. 2022-74 as follows:

- Provides that \$503,793,711 in nonrecurring funds appropriated in this act from the federal Child Care and Development Block Grant funds received under ARPA by the Division of Child Development and Early Education, Department of Health and Human Services, must be allocated as follows:
  - Up to \$274 million of the funds must be used as follows:
    - Up to \$206 million and no more than \$215 million must be used to reduce the waitlist for subsidized child care of children in foster care.
- Reducing the waitlist for subsidized child care for children not in foster care is to be addressed, after the waitlist for children in foster care is addressed.
  - A portion of these funds must be used to extend the compensation grants under the child care stabilization grants authorized under Section 3.2(a) of S.L. 2021-25, until these funds are exhausted.
- Up to \$207,777,789 of the funds may be used to increase the supply of qualified teachers by providing bonuses and other programs such as fast-track programs.

This section became effective July 1, 2023.

## **Ensuring Certain Medicaid Receipts – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.7

Section 9E.7 of S.L. 2023-134 changes the calculation of the modernized hospital assessments under Part 2 of Article 7B of Chapter 108A of the General Statutes for one taxable quarter to allow the Department of Health and Human Services (DHHS) to collect an additional \$43 million in hospital assessments. This additional assessment amount offsets \$43 million in Medicaid disproportionate share adjustment receipts that were anticipated for the 2022-2023 fiscal year but that were not collected as a result of the retroactive implementation of the healthcare access



and stabilization program (HASP) which is a new initiative providing increased Medicaid reimbursements to hospitals participating in Medicaid managed care. This section of the act allows DHHS to use the additional hospital assessment receipts in the same manner as was allowed for the disproportional share adjustment receipts that are being offset.

The effective date of this section of the act is the later of the following dates: (i) the first day of the next assessment quarter after this act becomes law or (ii) the first day of the next assessment quarter after the Centers for Medicare and Medicaid Services (CMS) approves HASP hospital reimbursements for the 2022 2023 fiscal year that are greater than \$400 million. Based on the timing of these conditions being met, this section became effective January 1, 2024.

### **Medicaid Rebase Tracking, Transparency, and Predictability – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.8

Section 9E.8 of S.L. 2023-134 provides a schedule for the Division of Health Benefits, Department of Health and Human Services, to report specified information related to Medicaid spending and Medicaid funding needs during the 2023-2025 fiscal biennium. The information is intended to help the General Assembly closely monitor whether a budget shortfall exists in relation to the amount of funding needed to maintain the current scope of the Medicaid program so that the General Assembly can appropriate funds in the event of a shortfall. The reason for the close monitoring is due to the uncertainty of the timing and rate of disenrollments for individuals losing Medicaid coverage as a result of the unwinding of the public health emergency related to the COVID-19 pandemic, among other factors.

This section became effective July 1, 2023.

### **Use of the Medicaid Transformation Fund for Medicaid Transformation Needs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.9

Section 9E.9 of S.L. 2023-134 authorizes the use of funds from the Medicaid Transformation Fund for (i) claims runout, which refers to the payment of claims for services provided under the fee-for-service system to beneficiaries who have transitioned to managed care, and (ii) other qualifying needs relating to Medicaid transformation. Funds for qualifying needs can be transferred to the Division of Health Benefits (DHB), Department of Health and Human Services (DHHS), upon DHB's request and after verification by the Office of State Budget and Management that the request is for a qualifying need and that the amount requested will not result in total requirements that exceed a specified amount. Qualifying needs are defined as the following:

- Program design.
- Beneficiary and provider experience.
- Information technology upgrades, operations, and maintenance.
- Data management tools.

- Program integrity.
- Quality review.
- Actuarial rate setting functions.
- Technical and operational integration.
- Behavioral health and intellectual/developmental disabilities tailored plan health homes.
- Legal fees.
- Expenses related to the Healthy Opportunities Pilots.

Any federal funds received in any fiscal year by DHHS that represent a return of the State share already expended on a qualifying need related to the transfer of these funds must be deposited into the Medicaid Transformation Fund.

This section became effective July 1, 2023.

### **Expand North Carolina Innovations Waiver Slots – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.10

Section 9E.10 of S.L. 2023-134 adds 350 Innovations waiver slots to be made available upon approval by the Centers for Medicare and Medicaid Services. This section of the act repeals Section 9F.14 of S.L. 2021-180 related to the Group Home Stabilization and Transition Initiative; however, services that were developed under the repealed section can still be provided, as long as there is sufficient money in the Medicaid program budget to cover the cost.

This section became effective July 1, 2023.

### **Medicaid Skilled Nursing Facility Rates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.11

Section 9E.11 of S.L. 2023-134 provides funding to continue the Medicaid reimbursement rates for skilled nursing facilities, on an ongoing basis, at rates that are not less than the rates that were being provided on a temporary basis in response to the COVID-19 public health emergency.

This section became effective July 1, 2023.

### **Medicaid Personal Care Services Rates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.12

Section 9E.12 of S.L. 2023-134 provides funding to continue the Medicaid reimbursement rate for personal care services, on an ongoing basis, at the same rate that was being provided on a temporary basis in response to the COVID-19 public health emergency.

This section became effective July 1, 2023.

### **Increase Private Duty Nursing Rates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.12A

Section 9E.12A of S.L. 2023-134 increases the Medicaid reimbursement rate for private duty nursing services from \$45 per hour to \$52 per hour.

This section became effective July 1, 2023.

### **Rates for Durable Medical Equipment – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.13B

Section 9E.13B of S.L. 2023-134 increases the Medicaid reimbursement rate for durable medical equipment. The rate increase may not exceed a cost to the State of more than \$1 million for a twelve-month period and is supported by nonrecurring funding.

This section became effective July 1, 2023.

### **Increase Wages of Direct Care Workers – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.15

Section 9E.15 of S.L. 2023-134 requires the Division of Health Benefits (DHB), Department of Health and Human Services, to provide a Medicaid reimbursement rate increase to providers of Innovations waiver services. The rate increase is to be used to increase the wages paid to the direct care workers performing the Innovations waiver services. Prior to receiving the rate increase, providers must attest that the entire amount of the rate increase is being used for the benefit of the direct care workers. DHB must recoup from a provider any amount of the rate increase that DHB determines was not used for the benefit of the workers.

This section became effective July 1, 2023.

### **Behavioral Health and Intellectual/Developmental Disabilities Tailored Plan Updates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.16

Section 9E.16 of S.L. 2023-134 directs certain activities related to the upcoming transition to a Medicaid managed care model for delivering whole-person physical and behavioral health services to Medicaid beneficiaries in need of specialized behavioral health services. The services covered under this model are referred to as a behavioral health and intellectual/developmental disabilities tailored plan (Tailored Plan). This section of the act directs the following activities:

- Requires the launch of Tailored Plans by July 1, 2024 (Section 9E.16(a)).
- Requires the initial term of the Tailored Plan contracts to be no less than four years (Section 9E.16(a)).

- Requires the Department of Health and Human Services (DHHS) and local management entity/managed care organizations (LME/MCOs) to report a proposal for modifying the existing statutes that require LME/MCOs to use closed provider networks. If proposed modifications are not enacted by July 1, 2024, then specified legislative changes will become effective on that date that will require LME/MCOs to accept certain additional providers in their networks (Section 9E.16(b)).
- Requires DHHS to report a plan to transition the administration of the Community Alternatives Program for Disabled Adults (CAP/DA) program to Tailored Plan contracts by January 1, 2025. The report must be submitted to the Joint Legislative Oversight Committee on Medicaid by June 1, 2024 (Section 9E.16(c)).
- Requires DHHS to request federal approval to expand the Traumatic Brain Injury waiver statewide and to seek an implementation date of January 1, 2025 (Section 9E.16(d)).
- Requires DHHS to report a plan for a waiver to provide Medicaid services to the adult incarcerated population through Tailored Plans by January 1, 2025. The report must be submitted to the Joint Legislative Oversight Committee on Medicaid by January 1, 2024 (Section 9E.16(e)).

Except as specified with regard to closed provider networks, this section became effective October 3, 2023.

### **Expedited Medicaid Preferred Drug List Review for Drugs Treating Serious Mental Illness – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.17

Section 9E.17 of S.L. 2023-134 requires the Medicaid program to provide immediate coverage of new prescription medications treating serious mental illness that are approved by the Food and Drug Administration and available to the public, if the manufacturer of the medication is enrolled in the Medicaid Drug Rebate Program. For any of these new prescription medications that are eligible for inclusion on the Medicaid program's Preferred Drug List, the Department of Health and Human Services must submit, by the end of the next calendar quarter after the medication is available to the public, a proposal for consideration by the Preferred Drug List Policy Review Panel (Review Panel) regarding whether to include the medication on the Preferred Drug List. This section of the act also codifies previously enacted language establishing the Review Panel and requires the Review Panel to meet at least quarterly, rather than twice a year.

This section became effective October 3, 2023.

### **Relatives Providing Care to Minors on the Innovations Waiver – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.18

Section 9E.18 of S.L. 2023-134 directs the Department of Health and Human Services to seek federal approval to allow Community Living and Support services provided through the

Innovations waiver to be provided by a relative living in the same house as the individual receiving the service, even if the individual is under the age of 18. This makes permanent a temporary policy allowed during the COVID-19 public health emergency under which family members could provide services to minors on the Innovations waiver when no other provider is available to provide the services, in the same manner as has been allowed for adults on the Innovations waiver.

This section of the act became effective July 1, 2023.

**Further Adjust Implementation Date for Requiring Local Management Entity/Managed Care Organizations to Pay for Behavioral Health Services Provided to Beneficiaries Awaiting Hospital Discharge – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.19

Section 9E.19 of S.L. 2023-134 amends Section 9D.22(f) of S.L. 2021-180, as previously amended by Section 9D.9 of S.L. 2022-74, which directed the Division of Health Benefits, Department of Health and Human Services, to develop Medicaid coverage for specified services provided to Medicaid beneficiaries in an acute hospital setting after the beneficiary has been in the care of the hospital for at least 30 hours if the beneficiary is awaiting discharge to a more appropriate setting for the treatment of behavioral health needs. This section changes the implementation date of the Medicaid coverage for the new service from December 31, 2022, to March 1, 2023, and includes language restating that standard benefit plans are not required to cover the new services.

This section became effective December 31, 2022.

**Draft Serious Mental Illness/Serious Emotional Disturbance Waiver – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.19A

Section 9E.19A of S.L. 2023-134 requires the Division of Health Benefits (DHB), Department of Health and Human Services, to develop a proposed Medicaid 1115 demonstration waiver focused on adults with serious mental illness and/or children with serious emotional disturbances. The proposal must be designed so that the State begins receiving federal financial participation for covered services furnished to Medicaid beneficiaries during stays greater than 15 days for acute care in psychiatric hospitals or residential treatment settings that qualify as an institution of mental disease (IMD). DHB must submit a report on the proposal, along with a draft of the 1115 waiver and an estimate of any costs or savings to the State, to the Joint Legislative Oversight Committee on Medicaid by March 1, 2024.

This section became effective July 1, 2023.

## **Psychiatry Access Line – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.19B

Section 9E.19B of S.L. 2023-134 provides that of the funds appropriated in the act to the Division of Health Benefits, Department of Health and Human Services (DHHS), \$1.85 million in recurring funds for the 2023-2024 fiscal year, and \$1.95 million in recurring funds for the 2024-2025 fiscal year, must be used for the North Carolina – Psychiatry Access Line (NC-PAL). NC-PAL is a partnership between DHHS and the Department of Psychiatry and Behavioral Sciences at Duke University.

No later than September 1, 2024, and September 1, 2025, NC-PAL must submit the information below to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division.

- The number of consultations by NC-PAL Child Psychiatry and NC-PAL Perinatal Psychiatry provided over the previous fiscal year.
- The geographic regions by county utilizing NC-PAL services.
- The percentage of NC-PAL consultations that resulted in treatment of an individual by that individual's primary care provider, rather than a referral to a specialist.
- The estimated number of avoided emergency department visits resulting from services provided through NC-PAL.
- The results of any new pilot program offering consultations with county department of social services offices or residential providers and whether those consultations reduced placement disruptions for children in the custody of county departments of social services or the need for crisis intervention.

This section became effective July 1, 2023.

## **Prepaid Health Plans Performance Metrics – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.20

Section 9E.20 of S.L. 2023-134 requires the Department of Health and Human Services to establish and report to the Joint Legislative Oversight Committee on Medicaid on performance metrics that prepaid health plans must meet regarding the timely payment of provider claims for reimbursement.

This section became effective July 1, 2023.

## **Additional Medicaid Services for Foster Youth – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.21

Section 9E.21 of S.L. 2023-134 provides that youth receiving foster care services through the county are entitled to trauma-informed interventions that are also evidence-based, evidence-informed or both. Under this section, the Division of Health Benefits (DHB), Department of Health

and Human Services (DHHS) must convene a workgroup to identify innovative Medicaid services to fill in gaps in the care received by these youth. The service options must be one of the following:

- Models of community evidenced-based, and evidence-informed practices supporting a foster child's timely return to their family and diverting from higher levels of foster care placement.
- Models of intensive community or short-term residential treatment options serving children with higher acuity needs and which divert a child from a higher-level placement.

The workgroup must consist of county child welfare agencies, individuals with lived experiences in child welfare, Benchmarks, prepaid health plans, and LME/MCOs.

No more than three months after completing the workgroup work, DHB must begin distributing funds appropriated in this act to be used for the innovative Medicaid services identified by the workgroup. These funds can be used for either of the following:

- New services identified by the workgroup that can be implemented regionally or statewide.
- Expanding a service or modality to a county or region where it was not previously available.

Any entity receiving these funds must provide DHB with the following information:

- Timelines for, and establishment of, first- and second-year deliverables for any service that can be a phased-in service.
- Identification of required funding, including start-up funding and a three-year budget, including projected revenue sources and amounts.
- Specific outcome measures with attestation of timely submission of data to the prepaid health plan and DHB. The outcomes must be aligned with child welfare safety and permanency measures and support positive childhood outcomes.

DHHS may prioritize the funds distribution to the areas of greatest need identified by the workgroup.

DHHS must provide training to all county departments of social services and must offer training to tribal welfare offices on any Medicaid services funded under this section and must continue to provide status updates on implementation to any county or tribal offices within any impacted counties or regions.

This section became effective October 3, 2023.

## **Children and Families Specialty Plan – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.22

Section 9E.22 of S.L. 2023-134 requires the Department of Health and Human Services (DHHS) to issue a request for proposals (RFP) for a Medicaid managed care statewide children and families specialty plan (CAF Specialty Plan) contract to serve children who are enrolled in foster care, are receiving adoption assistance, or are former foster care children under age 26, and their family members, beginning on December 1, 2024. This section makes other changes to the Medicaid managed care statutes.

All changes in this section became effective October 3, 2023.

## **Agency Requested Changes / Division of Health Benefits – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.23

Section 9E.23 of S.L. 2023-134 makes technical, clarifying, and conforming updates to various laws relating to Medicaid as requested by the Department of Health and Human Services. See full summary for effective dates.

## **Ensure Adherence to Medicaid State Plan/ Reimbursements for Ambulatory Surgical Centers – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.24

Section 9E.24 of S.L. 2023-134 requires the Division of Health Benefits, Department of Health and Human Services, to set and adjust Medicaid reimbursement rates for new services provided by licensed ambulatory surgical centers so that these services are reimbursed at ninety-five percent (95%) of the Medicare Ambulatory Surgical Centers fee schedule in effect as of January 1 of each year. The reimbursements required by this section of the act are consistent with the reimbursement requirements already in the State's Medicaid State Plan.

This section became effective July 1, 2023.

## **Increase Medicaid Personal Needs Allowance – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.25

Section 9E.25 of S.L. 2023-134 increases from \$30 to \$60 the Medicaid personal needs allowance, which is the amount of income that Medicaid beneficiaries residing in a long-term care setting can retain for their personal needs. The increase in the personal needs allowance begins on the date approved by the Centers for Medicare and Medicaid Services.

This section became effective July 1, 2023.



## **Continue to Address the Reimbursement Methodology Used for Services Provided to Senior Dual Eligibles – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.26

Section 9E.26 of S.L. 2023-134 expresses the intent of the General Assembly to continue to address the need for changes to the Medicaid reimbursement methodology used for certain services provided to seniors aged 65 and older who are dually enrolled in Medicare and Medicaid. In consultation with relevant stakeholders, the Division of Health Benefits (DHB), Department of Health and Human Services, is required to explore all options available to increase access to Medicaid services for dual eligibles that provide alternatives to nursing home placements, including adult care homes, special care units, and in-home living. DHB is required to take specified actions, but is prohibited from implementing any changes, new programs, or new services if implementation exceeds DHB's statutory authority (G.S. 108A-54(e)(1)) or creates a recurring cost to the State that would reasonably be anticipated to exceed a future authorized budget for the Medicaid program.

The actions specified are as follows:

- Make a formal request to the Centers for Medicare and Medicaid Services (CMS) for coverage by the Medicare program of services provided to individuals who reside in adult care homes, assisted living settings, or special care units, or to support in-home living of older individuals.
- Develop the proposed changes to the current Medicaid personal care services under Clinical Coverage Policy 3L required to implement a per diem payment for personal care services provided in a congregate setting in a manner, similar to the payment methodology used by Washington state and outlined in the report to the Joint Legislative Oversight Committee on Medicaid entitled "Establish New Adult Care Home Payment Methodology" dated June 10, 2022.
- Develop the proposed service definition and draft clinical coverage policy for Adult Care Home Congregate Care Services (ACH CCS) as a new Medicaid covered service, as outlined in the report referenced above. DHB must also develop the proposed per diem rate methodology to be used for these services and create the proposed new independent assessment tool to be used.
- Identify what amendments can be needed to the 1115 waiver for Medicaid transformation or the Medicaid State Plan to provide more appropriate reimbursement for services provided to Medicaid recipients residing in adult care homes or other congregate settings.
- Propose any pilot program or new Medicaid demonstration waiver to support alternatives to nursing home placement for seniors.
- Design innovative payment and service delivery models, including Dual Eligible Special Needs Plans (D-SNPs) and Institutional Equivalent Special Needs Plans (IE-SNPs) for assisted living facilities and adult care homes.

No later than March 1, 2025, DHB must submit a report to the Joint Legislative Oversight Committee on Medicaid and the Fiscal Research Division on specified items as they relate to

requirements outlined under this section. The specified items that must be included in the report are as follows:

- The details of the request required to be submitted to CMS and the response to the request.
- A draft of the proposed changes to Clinical Coverage Policy 3L and the annual cost or savings to the State associated with the implementation of those changes.
- A draft of the proposed service definition for ACH CSS and the associated per diem rate methodology and assessment tool, including the annual cost or savings to the State associated with the implementation of any or all of these items.
- A draft of any 1115 waiver or State Plan amendments developed in accordance with this section, including the annual cost or savings to the State associated with the implementation of the waiver or State Plan amendments.
- Details on any pilot program or new Medicaid demonstration waiver being proposed and any annual cost or savings to the State associated with the implementation of each proposed pilot program or demonstration waiver.
- Details and a draft of any innovative payment and service delivery models developed, including Dual Eligible Special Needs Plans (D-SNPs) and Institutional Equivalent Special Needs Plans (IE-SNPs) for assisted living facilities and adult care homes.
- A description of the stakeholders involved in the development of any plan or proposal.
- Any recommended legislative changes.

This section became effective July 1, 2023.

### **Healthcare Access and Stabilization Program / Freestanding Psychiatric Hospitals – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.27

Section 9E.27 of S.L. 2023-134 requires the Division of Health Benefits (DHB), Department of Health and Human Services, to develop a proposal to allow freestanding psychiatric hospitals to receive reimbursements through the healthcare access and stabilization program (HASP) that are contingent upon the receipt of the nonfederal share of the reimbursements through hospital assessments in which those hospitals would participate. DHB must submit a report containing the proposal to the Joint Legislative Oversight Committee on Medicaid by March 1, 2024. DHB is prohibited from implementing the proposal without further authorization by the General Assembly.

This section became effective October 3, 2023.

## **Primary Care Payment Reform Task Force – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9E.28

Section 9E.28 of S.L. 2023-134 creates a new temporary Primary Care Payment Reform Task Force (Task Force) in the Division of Health Benefits (DHB), Department of Health and Human Services. This section of the act directs the Task Force to do the following:

- Define the term "primary care" for purposes of the Task Force.
- Conduct an actuarial evaluation of the current healthcare spend on primary care services, both as it relates to the North Carolina Medicaid program and the commercial market.
- Determine the adequacy of the primary care delivery system in North Carolina.
- Study the primary care payment landscape in other states, including states that have implemented a minimum primary care spend.
- Identify data collection and measurement systems to inform creation of a primary care investment target for the North Carolina Medicaid program, the State Health Plan, and commercial insurance.
- Evaluate the need for the Task Force to be permanent.

The Task Force must submit a report with findings and recommendations to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Oversight Committee on Medicaid by April 1, 2024.

This section became effective July 1, 2023, and expires on May 1, 2024.

## **Temporary Certificate of Need Exemption – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9F.1

Section 9F.1 of S.L. 2023-134 extends the deadline for a certificate of need waiver in the 2021 Appropriations Act for a new acute care hospital in a county that (i) has a population between 40,000 and 50,000, (ii) has an area under 460 square miles, (iii) has a city located in more than one county, and (iv) borders another state from December 31, 2024, to December 31, 2027.

This section became effective July 1, 2023.

## **Division of Health Service Regulation Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9F.10

Section 9F.10 of S.L. 2023-134 requires the Division of Health Service Regulation (DHSR), Department of Health and Human Services to report on the following to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division:

- For each facility type DHSR is legally required to inspect:
  - The number of facilities seeking initial licensure.
  - The number of facilities licensed and operating.

- The frequency of inspection required by law.
- Whether DHSR is current on inspection.
- For the Complaint Intake Unit:
  - The number of complaints for each facility type.
  - The timeline for investigating complaints.
  - Whether DHSR is current on complaint investigation.
- The total compensatory time accrued by staff.
- The total overtime worked by staff.
- The total amount of lapsed salary funds.
- An explanation of any problems DHSR is having with recruitment or retention of employees.

The initial report was due November 1, 2023, and subsequent reports must be made every six months thereafter.

This section became effective July 1, 2023.

### **New Rural Emergency Hospital Designation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9F.11

Section 9F.11 of S.L. 2023-134 amends the definition of "hospital" in the Hospital Licensure Act to include a rural emergency hospital as defined by the Centers for Medicare and Medicaid Services (CMS). Previously existing hospitals that seek CMS designation as rural emergency hospitals must notify the Department of Health and Human Services that they are seeking that designation.

This section became effective October 3, 2023

### **Single-Stream Funding for Division of Mental Health/Developmental Disabilities/Substance Use Services Community Services – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.1

Section 9G.1 of S.L. 2023-134 requires the Division of Mental Health/Developmental Disabilities/Substance Use Services (DMH/DD/SUS), Department of Health and Human Services, to distribute at least one-twelfth of a local management entity/managed care organization's (LME/MCO) base budget allocation at the beginning of the fiscal year to assist with mitigating LME/MCO cash flow problems. The remaining base budget allocation must be distributed evenly on the third working day of each month for the remainder of the fiscal year. If there is a Medicaid budget surplus, the Division of Health Benefits, Department of Health and Human Services, must transfer to DMH/DD/SUS the amount of the surplus or \$30 million, whichever is less.

This section became effective July 1, 2023.

## **Maximize Ability to Stabilize the Behavioral Health Workforce in State Facilities – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.1A

Section 9G.1A of S.L. 2023-134 allocates \$20 million in nonrecurring funds for the 2023-2024 fiscal year and \$20 million in nonrecurring funds for the 2024-2025 fiscal year from the ARPA Temporary Savings Fund to the Division of Mental Health, Developmental Disabilities, and Substance Use Services, Department of Health and Human Services to allocate to the Division of State Operated Healthcare Facilities to provide sign-on and retention bonuses to employees working at State facilities. The sign-on and retention bonuses cannot exceed 15% of the midpoint of the recipient employee's salary grade.

This section became effective July 1, 2023.

## **Local Inpatient Psychiatric Beds or Bed Days – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.2

Section 9G.2 of S.L. 2023-134 requires that funds appropriated in the 2023 Appropriations Act to the Division of Mental Health, Development Disabilities, and Substance Use Services, Department of Health and Human Services (DHHS) must continue to be used for the purchase of local inpatient psychiatric beds or bed days. DHHS will work to ensure local inpatient beds or bed days purchased in accordance with this section are utilized solely for medically indigent individuals, with one exception. DHHS will also work to ensure local inpatient psychiatric beds or bed days are distributed across the State in accordance with need and acuity levels.

If DHHS determines that a local management entity/managed care organization (LME/MCO) is not effectively managing the beds or bed days or fails to comply with the prompt payment provision of this section, DHHS can contract with another LME/MCO to manage the bed or bed days or can pay the hospital directly. LME/MCOs are required to report to DHHS on the utilization of beds or bed days.

This section requires DHHS to report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on (i) a uniform system for beds or bed days purchased during the preceding fiscal year, (ii) explanation of the process to ensure local inpatient psychiatric beds or bed days are utilized solely for medically indigent individuals and the number of those served, (iii) amount of funds used to pay for facility-based crisis services, the number and outcomes of those served, (iv) amount of funds used for detoxification services and the number and outcomes of those served, and (v) other DHHS initiatives to reduce State psychiatric hospital use.

This section became effective July 1, 2023.

## **Justice-Related Behavioral Health Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.2B

Section 9G.2B of S.L. 2023-134 allocates \$29 million in nonrecurring funds for the 2024-2025 fiscal year and \$70 million in nonrecurring funds for the 2024-2025 fiscal year from the ARPA Temporary Savings Fund to the Division of Mental Health, Developmental Disabilities, and Substance Use Services (MH/DD/SUS), Department of Health and Human Services. The funds must be used (i) for community-based pre-arrest diversion and reentry programs, (ii) to fund local partnerships between law enforcement, counties, and behavioral health providers, and (iii) for community-based and detention center-based restoration programs.

MH/DD/SUS must consult with the Department of Adult Correction (DAC) in developing or operating any of the programs detailed in this section. MH/DD/SUS may enter into a Memorandum of Understanding or Memorandum of Agreement with DAC if it would be the most effective use of funds or manner of implementation.

The section became effective July 1, 2023.

## **Funds for Hyperbaric Oxygen Therapy for Veterans Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.3

Section 9G.3 of S.L. 2023-134 provides that of the funds appropriated to the Division of Mental Health, Developmental Disabilities, and Substance Use Services, Department of Health and Human Services, \$500,000 in nonrecurring funds for the 2023-2024 fiscal year must be allocated as a direct grant to the Community Foundation of NC East, Inc., a nonprofit in Pitt County, to be used to support its hyperbaric oxygen therapy (HBOT) for Veterans Program.

This section became effective July 1, 2023.

## **Start-Up Funds for Wilkes Recovery Revolution, Inc. – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.5

Section 9G.5 of S.L. 2023-134 appropriates \$2.72 million in nonrecurring funds from the ARPA Temporary Savings Fund to the Division of Mental Health, Developmental Disabilities, and Substance Use Services, Department of Health and Human Services to allocate to Wilkes Recovery Revolution, Inc. to be used to build or purchase a new building, or to remodel an existing building, where services will be provided to individuals with substance use disorders. The funds can also be used for one-time startup costs associated with providing these services.

This section became effective July 1, 2023.

## **Workforce Development Funds for Adults with Intellectual and Developmental Disabilities – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.6

Section 9G.6 of S.L. 2023-134 appropriates \$2 million for the 2023-2024 fiscal year and \$2 million for the 2024-2025 fiscal year in nonrecurring funds from the ARPA Temporary Savings Fund to the Division of Mental Health, Developmental Disabilities, and Substance Use Services, Department of Health and Human Services, to allocate to UMAR Services, Inc., a nonprofit corporation, to provide services for adults with intellectual and developmental disabilities (IDD). At least 50% of the funds are to be used to provide workforce development opportunities and vocation services for adults with IDD.

This section became effective July 1, 2023.

## **Building A Safety Net Through an Accountable System of Care Focused on Substance Use and Mental Health Issues in the Workplace/Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.6A

Section 9G.6A of S.L. 2023-134 appropriates \$2 million in nonrecurring funds for the 2023-2024 fiscal year to the Division of Mental Health, Developmental Disabilities, and Substance Use Services (DMH/DD/SUS), Department of Health and Human Services, to allocate to Truusight Health Solutions, LLC, for a two-year public-private partnership pilot program in Cabarrus and Stanly Counties to address the needs of employees requiring access to behavioral health services and to support employers in this State to navigate the complex behavioral health system. The pilot program must do the following:

- Include the involvement of relevant stakeholders.
- Develop necessary requirements and protocols to operationalize a coordinated system of care.
- Develop and deploy technology capable of tracking and managing access to services that is compatible with NCCare 360.

Within a year to 18 months of the start date of the pilot program, DMH/DD/SUS in coordination with Truusight Health Solutions, LLC, are required to submit a report to the Joint Legislative Oversight Committee on Health and Human Services. The report must include (i) an assessment of the success of the pilot program, (ii) any challenges faced by the pilot program, (iii) outcomes for both employees and employers, (iv) impacts to the involved counties, and (v) recommendations and estimates for permanent implementation of the pilot program within Cabarrus and Stanly County, as well as statewide.

This section became effective July 1, 2023.

## **Agency Requested Changes / Behavioral Health – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.7A

Section 9G.7A of S.L. 2023-134 makes updates to various statutes governing the Department of Health and Human Services' (DHHS's) oversight of local management entity/managed care organizations (LME/MCOs), as follows:

- Requires the Secretary of DHHS (Secretary) to reduce the number of LME/MCOs from 6 to either 5 or 4 within 90 days after the budget becomes law, to achieve compliance with an increased minimum population threshold for LME/MCOs. The Secretary is authorized to achieve this reduction by the dissolution, merger, or consolidation of existing LME/MCOs. (Section 9G.7A(a20))
- Reorganizes and amends numerous laws pertaining to dissolutions of LME/MCOs and other mergers and consolidations of LME/MCOs. (Sections 9G.7A(a1)-(a19)) Under the amended statutes, this section of the act does the following:
  - Requires that, when a Tailored Plan contract with that LME/MCO is terminated, the Secretary must dissolve the LME/MCO and reassign the LME/MCO's Tailored Plan contract and State-funded services contract.
  - Requires that, when assigning an LME/MCO contract that has been terminated and when approving an LME/MCO merger or consolidation, the Secretary must consider specified factors including readiness, historical performance, statewide distribution of covered lives, network adequacy, county input, and geographical contiguity of counties.
  - Updates the statutory solvency standards for LME/MCOs by replacing the statutory formula with a requirement that LME/MCO contracts contain contractual solvency standards based on industry-standard financial accounting measures and require corrective action plans for noncompliant LME/MCOs.
- Limits the time period when counties can request the Secretary's approval of a realignment with another LME/MCO to the six-month period prior to each rebidding of the Tailored Plan contracts and create a statutory process for counties to formally raise performance concerns about their LME/MCO. DHHS must evaluate concerns raised through the formal process and, if the concern is valid, must take appropriate action under the terms of DHHS's contract with the LME/MCO, including imposing sanctions or terminating the contract. (Sections 9G.7A(b1)-(b4))
- Requires LME/MCOs to cancel subcontracts, or direct the removal of staff from subcontracts, when directed by DHHS to achieve compliance with contractual or legal requirements. (Sections 9G.7A(c1)-(c6))
- Enables the Secretary to discharge, without being subject to appeal at the Office of Administrative Hearings, key personnel of an LME/MCO for failure to substantially comply with the role description for the key personnel in the LME/MCO's contract with DHHS. (Sections 9G.7A(d1)-(d4))

This section of the act became effective October 3, 2023.



## **Use of Opioid Settlement Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.8

Section 9G.8 of S.L. 2023-134 directs the State Controller to transfer \$5.5 million in nonrecurring funds for the 2023-2024 fiscal year and \$5.5 million in nonrecurring funds for the 2024-2025 fiscal year from the Opioid Abatement Reserve to the Board of Governors of The University of North Carolina. For the 2023-2024 fiscal year, \$300,000 of the funds are to conduct a study on judicially managed accountability and recovery courts. The remaining amount of the funds are to make grants available to each campus of the constituent institutions of The University of North Carolina for opioid abatement research and development projects.

Section 9G.8 of S.L. 2023-134 instructs the State Controller to transfer \$3,692,461 in nonrecurring funds for the 2023-2024 fiscal year and \$4,478,462 in nonrecurring funds for the 2024-2025 fiscal year from the Opioid Abatement Reserve to the Opioid Abatement Fund to the Division of Mental Health, Developmental Disabilities, and Substance Use Services (DMH/DD/SUS), Department of Health and Human Services (DHHS), to be allocated as grants to specified recipients. Fund recipients must use the grants to fund opioid remediation programs, services, and activities within the State.

Recipients of funds under this section are required to report by September 1, 2024, and by September 1, 2025, to DMH/DD/SUS, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division with (i) an itemized list of expenditures and (ii) the types of opioid remediation programs funded and number of people served, broken down by geographic location.

This section became effective July 1, 2023.

## **Report on Implementation Status of New Electronic Health Records System at State Psychiatric Hospitals – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9G.9

Section 9G.9 of S.L. 2023-134 requires the Division of State-Operated Healthcare Facilities, Department of Health and Human Services, to submit a report to the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2023, and December 1, 2024, on the status of (i) the execution of a contract providing full implementation of a new electronic health records system within State psychiatric hospitals, (ii) full implementation of a new electronic health records system within each State psychiatric hospital, and (iii) training of staff on the use of the new electronic health records system.

This section became effective July 1, 2023.

## **Local Health Departments/Competitive Grant Process to Improve Maternal and Child Health – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.1

Section 9H.1 of S.L. 2023-134 requires that funds appropriated to the Division of Public Health (DPH), Department of Health and Human Services (DHHS), for each year of the 2023-2025 fiscal biennium to award competitive grants to local health departments for the improvement of maternal and child health must be used to continue administering a competitive grant process for local health departments based on maternal and infant health indicators and the county's detailed proposal to invest in evidence based programs to achieve the following goals:

1. Improve North Carolina's birth outcomes.
2. Improve the overall health status of children in this State from birth to age five.
3. Lower the State's infant mortality rate.
4. Plan for Administering Grants - The plan for administering the competitive grant process must include specified components. These components include the following:
  - A request for application (RFA) process to allow local health departments to apply for and receive State funds on a competitive basis. DHHS must require local health departments to include specified information in the application.
  - A requirement that the Secretary of DHHS (Secretary) prioritize grant awards to those local health departments that are able to leverage non-State funds in addition to the grant award.
  - Assurances that funds received by DHHS to implement the plan supplement and do not supplant existing funds for maternal and child health initiatives.
  - Grants may be awarded to local health departments for up to two years.
5. Awarding the Grants and Reporting - The Secretary must announce the recipients of the competitive grant awards and allocate fund to recipients no later than July 1 each year. Then the Secretary is required to submit a report to the Joint Legislative Oversight Committee on Health and Human Services that specifies the following for each grant award: the identity and a brief description of each grantee and each program or initiative offered by the grantee; the amount of funding awarded; and the number of persons served by each grantee, broken down by program or initiative.
6. Local Public Health Department Reports on Grant Activities – No later than February 1 of each year, each local health department receiving funding pursuant to the section in the respective fiscal year must submit to DPH a written report of all activities funded by State appropriations. The report must include the following specific information about the fiscal year preceding the year in which the report is due:
  - 7. A description of the types of programs, services, and activities funded by State appropriations.
  - 8. Statistical and demographic information on the number of persons served by these programs, services, and activities, including the counties in which services are provided.
  - 9. Outcome measures that demonstrate the impact and effectiveness of the programs, services, and activities based on the evaluation protocols developed by DPH, in collaboration with the University of North Carolina Gillings School of Global Public Health,

pursuant to Section 12E.11(e) of S.L. 2015-241, and reported to the Joint Legislative Oversight Committee on Health and Human Services on April 1, 2016.

10. A detailed program budget and list of expenditures, including all positions funded, matching expenditures, and funding sources.

This section became effective July 1, 2023.

### **Report on Premium Assistance Program with AIDS Drug Assistance Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.2

Section 9H.2 of S.L. 2023-134 provides that if the Division of Public Health, Department of Health and Human Services, determines that in six months or less, it will no longer be feasible to operate the health insurance premium assistance program, implemented within the North Carolina AIDS Drug Assistance Program (ADAP), on a cost-neutral basis or in a manner that achieves savings to the State, the Department must submit a report to the Joint Legislative Oversight Committee on Health and Human Services notifying the Committee of this determination along with supporting documentation and a proposed course of action with respect to health insurance premium assistance program participants.

This section became effective July 1, 2023.

### **Limitation on Use of State Funds for Abortion – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.3

Section 9H.3 of S.L. 2023-134 amends the statute (G.S. 143C-6-5.5) pertaining to the limitation on State funds for abortions to specify that no State funds may be used by a State agency to renew or extend existing contracts or enter into new contracts for the provision of family planning services, pregnancy prevention activities, or adolescent parenting programs with any provider that performs abortions. This language is not intended to prevent a State agency from paying any healthcare provider for services authorized under the State Health Plan for Teachers and State Employees or the Medicaid program.

This section became effective July 1, 2023.

### **Use of Juul Settlement Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.4

Section 9H.4 of S.L. 2023-134 appropriates \$11.25 million in nonrecurring funds for the 2023-2024 fiscal year, and \$11.25 in nonrecurring funds for the 2024-2025 fiscal year, from the Youth Electronic Nicotine Dependence Abatement Fund to the Division of Public Health, Department of Health and Human Services (DHHS).

For the 2023-2024 fiscal year, \$750,000 must be used to support data monitoring to track tobacco/nicotine use and exposure among youth, young adults, and populations at risk and for independent evaluation of the State's evidence-based programs designed to help youth addicted through electronic cigarettes and other emerging products to quit.

This section directs DHHS to annually report an itemized list of expenditures, and an evaluation of the reach, effectiveness, and outcomes of funded activities, to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by November 1, 2023.

This section became effective July 1, 2023.

### **Requirement and Funding for the Office of the Chief Medical Examiner to Conduct Toxicology Screening in all Child Death Cases Under the Jurisdiction of a Medical Examiner – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.7

Section 9H.7 of S.L. 2023-134 amends the duties of the medical examiner (G.S. 130A-385) to include conducting a comprehensive toxicology screening in all child death cases under the jurisdiction of the medical examiner.

This section provides that of the funds appropriated to the Office of the Chief Medical Examiner (OCME), Division of Public Health, Department of Health and Human Services, the recurring sum of \$164,696 for each year of the 2023-2023 fiscal biennium and the nonrecurring sum of \$550,000 for the 2023-2024 fiscal year must be allocated and used to comply with the toxicology screening requirements required by law (G.S. 130A-385(a1)). OCME may also use allocated funds to create permanent, full-time positions to enable comprehensive toxicology screening in all child deaths that fall within the jurisdiction of the medical examiner.

This section also instructs the OCME to report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by December 30, 2024, and December 30, 2025, on (i) the number of child deaths that fell within the medical examiner's jurisdiction, (ii) the number of child deaths reported for which the toxicology screening under this section was performed, and (iii) an explanation for any delay or failure to comply with the toxicology screening required by this section.

The addition of toxicology screening in all child death cases to the duties of the medical examiner becomes effective January 1, 2024, and applies to child death cases pending or initiated after that date. The remainder of this section became effective July 1, 2023.

**Autopsy Requirement in Suspected Death by Distribution Cases; Increased Autopsy Fees; Funding to Increase the Autopsy Capacity of the Medical Examiner System; Strategic Plan for Improving the Medical Examiner System; Annual Autopsy Centers Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.8

Section 9H.8(a) of S.L. 2023-134 repeals the autopsy law changes (G.S. 130A-389) enacted by Section 5 of S.L. 2023-123 (SB 189).

Section 9H.8(b) amends the autopsy law (G.S. 130A-389) to add a requirement for the Chief Medical Examiner, or designee, to perform an autopsy or other study in any case in which the district attorney of the county asserts there is a probable cause to believe a violation the death by distribution law (G.S.14-18.4) has occurred. This section became effective December 1, 2023, and applies to medical examiner cases arising on or after that date.

Section 9H.8(c) amends the law (G.S. 130A-389) to increase the autopsy fees from \$2,800 to \$5,800, with the county where the deceased resided to pay \$3,625, and the State paying the remaining \$2,175, unless the death occurred outside the deceased's county, in which case the State pays the entire fee of \$5,800. This section became effective July 1, 2024.

Section 9H.8(d) allocates \$2 million in recurring funds for the 2023-2024 fiscal year and \$2 million in recurring funds for the 2024-2025 fiscal from the funds appropriated to the Office of the Chief Medical Examiner (OCME), Division of Public Health (DPH), Department of Health and Human Services (DHHS), to be used to increase the capacity of the medical examiner system to perform autopsies.

Section 9H.8(e)-(f) requires OCME to develop and submit a strategic plan for improving the operation and efficiency of the State's medical examiner system. The report must be submitted by March 1, 2024, to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. The strategic plan must include an evaluation and recommendations for any proposed reorganization of the medical examiner system, necessary legislative changes, an explanation of obstacles, a long-term plan for the establishment of additional regional autopsy centers, and recruitment strategies. OCME must collaborate with industry representatives in developing the strategic plan.

Section 9H.8(g) directs OCME to submit an annual report with specified information beginning February 1, 2024, to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the autopsy centers and regional autopsy centers within the North Carolina medical examiner system. The report must include:

1. The total number of death investigation toxicology screenings and autopsies, by center.
2. The number of death investigation toxicology screening and autopsies performed by the center as a result of a district attorney request.
3. The total number of outstanding autopsies to be completed by the center on the report date.

4. Beginning with the February 1, 2025, report, an analysis of the newly established autopsy fee.

Except as otherwise provided, this section became effective July 1, 2023.

### **South Piedmont Regional Autopsy Center Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.10

Section 9H.10 of S.L. 2023-134 provides that of the funds appropriated to the Office of the Chief Medical Examiner (OCME), Division of Public Health, Department of Health and Human Services (DHHS), \$2 million in recurring funds for the 2023-2024 fiscal year, and \$2 million in recurring funds for the 2024-2025 fiscal year, must be allocated to Union County for operational costs and equipment associated with the establishment of a county-operated regional autopsy center. There are nine counties, including Union, specified to be served by the autopsy center.

Union County must notify DHHS, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division when the autopsy center funded by this section is operational. OCME is required to enter into a contract with Union County with specified terms.

The section also requires Union County to submit progress reports by February 1, 2024, and December 1, 2024, to DHHS, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division on the status and operation of the regional autopsy center.

This section became effective July 1, 2023.

### **East Carolina University Regional Autopsy Center – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.10A

Section 9H.10A of S.L. 2023-134 directs the Office of the Chief Medical Examiner (OCME), Division of Public Health, Department of Health and Human Services (DHHS) to ensure any contract for the performance of pathology services with East Carolina University (ECU) includes the following requirements: (i) ECU is reimbursed for each completed autopsy; (ii) ECU, at the request of the OCME, serves as a backup for performing autopsies for other areas of the State in certain circumstances; (iii) ECU is available for critical medical examiner surge capacity; and (iv) the authority of the Chief Medical Examiner to contract with qualified persons to perform or provide support services for autopsies and other investigations is preserved.

This section requires ECU to do the following:

- Notify DHHS, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division when the new ECU Medical Examiner's Office is completed and has started operating.

- Annually submit a progress report starting February 1, 2024, to DHHS, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division on the status of relocating the regional autopsy center serving the State's eastern counties.

This section became effective October 3, 2023, and applies to contracts entered into, extended, or renewed on or after that date.

### **Carolina Pregnancy Care Fellowship – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.11

Section 9H.11 of S.L. 2023-134 requires the Department of Health and Human Services to allocate \$6.25 million in recurring funds for the 2023-2024 fiscal year, and \$6.25 million in recurring funds for the 2024-2025 fiscal year, to the Carolina Pregnancy Care Fellowship (CPCF), a nonprofit corporation. The recurring funds are to be allocated as follows:

- \$2.9 million to provide grants for services to pregnancy centers located in the State.
- \$1 million to provide grants to purchase durable medical equipment and to provide training on the use of the durable medical equipment and pregnancy centers.
- \$250,000 to provide grants to cover the cost of nonreligious, nonsectarian educational training and resources about pregnancy.
- \$2.1 million to fund the operation of the CPCF Circle of Care Program.

This section directs the CPCF to establish an application process for the grants authorized under this section, and the CPCF cannot use more than 10% of the funds allocated for administrative purposes. The funds allocated under this section are to be used for nonsectarian, nonreligious purposes only.

The CPCF is required to report by July 1, 2025, and each July 1st of odd-numbered years thereafter, to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the identity of each grantee and the amount of funding awarded, the number of persons served by each grantee, and the number of persons served by the Circle of Care Program.

This section became effective July 1, 2023.

### **Statewide Continuum of Care Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.12

Section 9H.12 of S.L. 2023-134 provides that of the funds appropriated by the act from the ARPA Temporary Savings Fund to the Division of Public Health, Department of Health and Human Services (DHHS), \$1.5 million in nonrecurring funds for the 2023-2024 fiscal year, and \$1.5 million in nonrecurring funds for the 2024-2025 fiscal year, must be allocated to the Human Coalition, a nonprofit organization, to fund operation of the Human Coalition's statewide Continuum of Care Program, as expanded pursuant to Section 9G.6 of S.L. 2021-180. The funds must be used for

nonreligious, nonsectarian purposes only and the Human Coalition can use up to 10% of the funds allocated for the statewide Continuum of Care Program for each year of the 2023-2025 fiscal biennium for administrative purposes.

- Human Coalition Report to DHHS - Beginning December 1, 2023, and every six months after until December 1, 2026, the Human Coalition must report to DHHS on the status and operation of the statewide Continuum of Care Program. The report must include at least all of the following: (i) a detailed breakdown of expenditures for the program; (ii) the number of individuals served by the program and, for the individuals served, the types of services provided to each; and (iii) any other information requested by DHHS that is necessary for evaluating the success of the program.
- DHHS Report - By February 1, 2025, and February 1, 2026, DHHS must report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the status and operation of the statewide Continuum of Care Program. At a minimum, the report must include the information specified above in the Human Coalition report to DHHS.

This section became effective July 1, 2023.

### **Establishment and Funding of the State Office of Child Fatality Prevention within the Department of Health and Human Services, Division of Public Health – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.15(a)-(d)

Section 9H.15(a)-(d) of S.L. 2023-134 creates the State Office of Child Fatality Prevention by creating several new statutes (Part 4C in Article 3 of Chapter 143B). There is a new definition section (G.S. 143B-150.25) that defines the Child Fatality Prevention System as being comprised of: Local Teams, the NC Child Fatality Task Force (G.S. 7B-142), the State Office of Child Fatality Prevention, and staff within the Office of the Chief Medical Examiner whose primary responsibilities involve death investigations into child fatalities. The State Office of Child Fatality Prevention is established within the Division of Public Health (DPH), Department of Health and Human Services (DHHS), and will serve as the lead agency for child fatality prevention and coordinate State level support functions in a manner that maximizes efficiency and effectiveness and expands system capacity (G.S. 143B-150.26).

Powers and Duties - The powers and duties (G.S. 143B-150.27) of the State Office are as follows:

- Coordinate the work of the statewide Child Fatality Prevention System.
- Implement and manage a centralized data and information system capable of gathering, analyzing, and reporting aggregate information from child death review teams with appropriate protocols for sharing information and protecting confidentiality.
- Create and implement tools, guidelines, resources, and training, and provide technical assistance for Local Teams to enable the teams to do the following:
  - Conduct effective reviews tailored to the type of death being reviewed.



- Make effective recommendations about child fatality prevention.
- Gather, analyze, and appropriately report on case data and findings while protecting confidentiality.
- Facilitate the implementation of prevention strategies in their communities.
- Work with medical examiner child fatality staff and the State Center for Health Statistics to provide Local Teams initial information about child deaths in their respective counties.
- Perform research, consult with stakeholders and experts, and collaborate with others to understand the causes of child deaths and strategies, programs, and policies to prevent child deaths, abuse, and neglect in order to inform the work of the Child Fatality Prevention System or as requested by the Child Fatality Task Force.
- Educate State and local leaders, including the General Assembly, and others about the Child Fatality Prevention System and issues and prevention strategies addressed by the system.
- Collaborate with State and local agencies, nonprofit organizations, academia, advocacy organizations, and others to facilitate the implementation of evidence driven initiatives to prevent child abuse, neglect, and death, such as education and awareness initiatives.
- Create and implement processes for evaluating the ability of the Child Fatality Prevention System to achieve outcomes and to report to the Child Fatality Task Force.
- Consider opportunities to seek and administer grant and other non-State funding sources to support State or local efforts.
- Develop guidance, including a model agreement to be used by counties, to inform local decisions about the formation and implementation of single versus multicounty Local Teams.

Funding - Of the funds appropriated by the act to DPH, the recurring sum of \$569,885, and the nonrecurring sum \$18,115 for the 2023-2024 fiscal year; and the recurring sum of \$758,885 for the 2024-2025 fiscal year must be allocated and used as follows:

- \$554,885 in recurring funds for each year of the 2023-2025 fiscal biennium for operational costs to establish the State Office. DHHS may use up to \$514,735 of these recurring funds for each year of the 2023-2025 fiscal biennium to establish up to five full time positions within the State Office.
- \$18,115 in nonrecurring funds for the 2023-2024 fiscal year for nonrecurring costs associated with establishing the State Office.
- Up to \$15,000 in recurring funds for each year of the 2023-2025 fiscal biennium to support the work of the Child Fatality Task Force and to pay its members, staff, and consultants in accordance with statutes (G.S. 7B-1414), as amended by this act.

DHHS is prohibited from using the funds listed above for any purpose other than those specified.

\$189,000 in recurring funds for the 2024-2025 fiscal year must be distributed among the State's 100 counties, as determined by DHHS, to support implementation of the changes authorized by this act to restructure child death reviews by Local Teams and to offset the costs associated with Local Team participation in the National Fatality Review Case Reporting System. Counties are prohibited from using these funds for any purpose other than specified.

This portion of this section that makes statutory changes creating the State Office of Child Fatality Prevention became effective October 3, 2023, the funding portions became effective July 1, 2023.

**Transition Plan for Shifting State Support of the Child Fatality Prevention System to the State Office of Child Fatality Prevention, Creating and Supporting a Centralized Data and Reporting System, and Restructuring Existing Child Death Review Teams – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.15(e)

Section 9H.15(e) of S.L. 2023-134 establishes requirements for a plan to transition support of the Child Fatality Prevention System to the State Office of Child Fatality Prevention (Office), as established in Section 9H.15(a) of S.L. 2023-134. As part of that transition plan, DHHS is directed to do the following:

- Report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. This report must include status of preparing Local Teams for the transition and participation in the National Fatality Review Case Reporting System (NFR-CRS). The report must be made by July 1, 2024.
- Ensure Local Teams continue to receive state level support.
- Ensure that the Office is fully staffed, able to carry out its functions, and has entered into all contractual agreements necessary for participation in NFR-CRS. This must be accomplished by January 1, 2025.
- Through the Office, ensure all Local Teams have been provided guidelines and training addressing participation in NFR-CRS. This must be accomplished by July 1, 2025.

This section became effective October 3, 2023.

**Modifications and Additions to Child Fatality System Statutes to Restructure Child Death Review Teams, Implement Participation in the National Fatality Review Case Reporting System, and Clarify the Functions of the North Carolina Child Fatality Task Force – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.15(f)-(i)

Section 9H.15(f)-(i) of S.L. 2023-134 amends Article 14, North Carolina Child Fatality Prevention System, of Chapter 7B of the General Statutes, by amending current statutes and creating new statutes pertaining to (i) the North Carolina Child Fatality Task Force; (ii) the responsibilities for the Local Team for each County or the Multicounty Local Team; (iii) the review of child maltreatment deaths; (iv) the review of infant deaths; (v) Team findings and reporting; (vi) the duties of the medical examiner child fatality staff; (vii) the duties of the director of the local department of health, director of county department of social services, or consolidated health and human services director; (viii) records access; (ix) participation in the National Fatality Review Case Reporting System; and (x) administration and funding.

The Child Fatality Prevention System is a statewide system that includes: Local Teams, the North Carolina Child Fatality Task Force (Task Force), the State Office, and the medical examiner child fatality staff. The following terms are defined as follows (G.S. 7B-1401):

- Local Team – A multidisciplinary child death review team that is either a single or multicounty team responsible for performing any type of review required by law (Article 14, Chapter 7B).
- Medical Examiner child fatality staff – Staff within the Office of Chief Medical Examiner whose primary responsibilities involving reviewing, investigating, training, educating, or supporting death investigations of child fatalities falling under the medical examiner's jurisdiction.
- National Fatality Review Case Reporting System (NFR-CRS) – The web-based system used by a majority of states to provide child death teams with a method of capturing, analyzing, and reporting a full set of information provided at the review.
- State Office – The State Office of Child Fatality Prevention (as established in Section 9H.15(a) of S.L. 2023-134.)

The North Carolina Child Fatality Task Force (G.S. 7B-1402.5) will receive recommendations from three new committees: a Perinatal Health Committee, an Unintentional Death Prevention Committee, and an Intentional Death Prevention Committee. The recommendations developed by the committees and submitted to the Task Force become effective upon majority vote of the Task Force. The Task Force chair or cochairs will work with the Secretary of the Department of Health and Human Services to hire or designate staff to coordinate the work of the Task Force. Task Force duties (G.S. 7B-1403) are outlined below.

- Study the incidences and causes of child deaths in the State and evidence-driven strategies for prevention of future deaths, abuse, and neglect. The minimum study requirements include:
  - Aggregate information from child death reviews compiled by the State Office addressing data on child deaths, systemic problems, and Local Team recommendations for prevention or changes in law or policy.
  - A data analysis of all child deaths by age, cause, race and ethnicity, socioeconomic status, and geographic distribution.
  - Information from subject matter experts to aid in understanding the cause of child deaths, strategies to prevent child deaths, abuse, and neglect, or a combination of these.
- Advise the State Office regarding an effective statewide system for multidisciplinary review of child deaths and implementation of evidence-driven strategies to prevent child deaths, abuse, and neglect.
- Receive reports from the State Office addressing aggregate data, information, findings, and recommendations resulting from Local Team reviews of child deaths, the functioning of the statewide system, and any other information the Task Force deems relevant to carrying out its duties.
- Recommend changes in law, policy, rules, or implementation of evidence-driven prevention strategies.

- Any other study, evaluation, or determination the Task Force considers necessary to carry out its duties.

Reports -The Task Force is required (G.S. 7B-1412) to report annually within the first week of the convening or reconvening of the General Assembly. The reports must be made to the General Assembly, the Governor, the Secretary of Health and Human Services, and the Chairs of the House and Senate Appropriations Committees on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight Committee on Justice and Public Safety, and the Joint Legislative Education Oversight Committee. At a minimum, the report must contain: a summary of the conclusions and recommendations for each of the Task Force's duties, a summary of activities and functioning of the Child Fatality Prevention System as a whole, and any other recommendations for changes to any law, rule, policy, or for the implementation of evidence-driven strategies that will promote the safety and well-being of children including specific legislative policies or proposals. The Task Force may seek assistance from the Fiscal Research Division of the General Assembly in the development of fiscal notes or other fiscal information to accompany the recommendations.

Administration – Current law (G.S. 7B-1414) is amended to require the Task Force to work with the Secretary of Health and Human Services to hire or designate staff consultants to assist the Task Force and its committees. The amendments also clarify travel and subsistence expense payment for Task Force members.

Local Teams (G.S. 7B-1406.5) – Each county's local board of commissioners must determine whether the county will have its own Local Team or participate in a multicounty Local Team. The board of commissioners will make the determination based on a consultation with the local health department director, the local department of social services director or the consolidated human services director, and guidance created by the State Office. Local Teams must participate in periodic training provided by the State Office and must employ best practices in conducting child death reviews.

Local Team Mandatory and Permissive Review of Deaths - Each Local Team must conduct a mandatory review (G.S. 1406.5(c)) for all child deaths of resident children under age 18 in the county or counties comprising the Local Team that fall under the following categories: (i) undetermined cause of death, (ii) unintentional injury, (iii) violence, (iv) motor vehicle incidents, (v) deaths related to child maltreatment or where the child or the child's family was reported to child protective services, (vi) sudden unexpected infant death, (vii) suicide, (viii) deaths not expected in the next six months, and (ix) infant deaths related to low birth weight, short gestation, perinatal complications, etc (G.S. 7B-1407.6). A review of fatalities outside of the nine required categories is permitted. The Local Team would also review an active case or cases if requested by the director of the local department of social services. Under these circumstances, the Local Team is not required to make findings or create reports of such reviews but may develop recommendations.

Local Team Composition (G.S. 7B-1407) – Local Teams must consist of representatives of public and nonpublic agencies that provide services to children and their families and other individuals

who represent the community. The required membership for the Local Team was increased from 10 to 15 members with the following representatives added: an emergency medical services provider or firefighter, a district court judge, a county medical examiner, a representative of a local childcare facility or Head Start program, and a parent of a child who died before reaching the child's eighteenth birthday. Previously, these five additional individuals were included under limited certain circumstances. The chair of the Local Team may appoint up to an additional five ad hoc members on a case-by-case basis if the chair believes the individual's area of expertise will aid in the evaluation of a specific case. An ad hoc member may be selected from outside of the area served by the Local Team and must sign the same confidentiality agreement as the permanent members.

Review of child maltreatment deaths and deaths of children known to child protective services (CPS) (G.S. 7B-1407.5) – The provisions of this law apply when, in addition to other requirements, the following criteria are met: the decedent was reported as being abused or neglected regardless of the final disposition of that report; there was a report of abuse or neglect involving the child's family within three years of the child's death regardless of the disposition; the decedent or the decedent's family was involved with CPS within three years of the child's death; available information indicates that possible abuse or neglect may be a direct or contributing cause of the child's death.

Under this new law, the State Office is required to perform the steps below for child death reviews when the criteria outlined above is met.

- Develop policies, procedures, and tools to address effective reviews of these types of deaths based on best practices and available resources.
- Provide technical assistance to the Local Teams which may include assistance coordinating the review, gathering information, determining participants, following procedures, developing recommendations, and drafting reports.
- Create a proper process that complies with federal and State laws for the creation and release of reports resulting from Local Teams' review of deaths under these categories. and addresses the following: findings and recommendations related to improving coordination between State and local entities regarding child deaths in these categories; disclosure of information in child fatality or near fatality cases (G.S. 7B-2902); and information the State is required to disclose under federal law.
- Develop and implement a process to follow up with an agency on the implementation of recommendations. If feasible, the State Office should work with the agency to assist in implementation of the recommendations.
- Work with the Division of Social Services, the Office of the Chief Medical Examiner, the State Center for Health Statistics, and other relevant experts and agencies in the development of a system for the State Office to identify these categories of child fatalities and a system for defining, identifying, and including the child fatality data North Carolina is required to report to the federal government.
- Work with the Division of Social Services (DSS) to determine the manner in which information from internal fatality reviews by DSS can appropriately inform Local Team reviews of these cases.

- Work with DSS to determine the manner in which information from a review of child maltreatment deaths and deaths of children known to CPS can be shared with citizen review panels (established under G.S. 108A-15.20).

When reviewing child maltreatment deaths and deaths of children known to CPS, Local Teams have the following powers and duties regarding their review:

- Conduct reviews within the policies and procedures established by the State Office and seek technical assistance from the State Office when necessary.
- When the Local Team determines it is necessary, the Team may conduct interviews of individuals who are determined to have pertinent information regarding the death under review and may examine pertinent written documentation. The Local Team may not contact or interview family members of the decedent or conduct an interview or take other action which would interfere with a law enforcement investigation or the duties of the district attorney.
- Work with the State Office to produce a report appropriate for public release addressing the findings and recommendations within the limitations of State and federal law. Consultation with the district attorney must occur prior to the release of this report. The findings of this report are not admissible as evidence in any civil or administrative hearing against individuals or entities participating in a review required under these circumstances.

Review of infant deaths (G.S. 7B-1407.6) – The State Office is required to consult with perinatal health experts and participants in reviews of infant deaths, to develop criteria Local Teams must use to identify a subset of additional infant deaths subject to review that fall outside of the nine categories for mandatory review of deaths (G.S. 7B-1406(c)) taking into account the leading causes of infant death such as short gestation, low birthweight, and perinatal complications. These criteria must be updated at least biannually.

Team Findings and Reporting (G.S. 7B-1407.10) - The Local Team must make findings addressing at least the following for each child death reviewed: significant challenges faced by the child or family, the systems with which they interacted, and the outcomes of those interactions; notable positive elements that may have promoted resiliency in the child or family, the systems with which they interacted and the outcome, recommendations and initiatives that could be implemented to prevent future deaths, and whether the cause or a contributing cause of death was related to child abuse or neglect. There are reporting requirements for required reviews, permissive reviews, and to the county commissioners:

- For each required review (G.S. 7B-1406(c)) information about the case, the circumstances surrounding the death, and the Local Team's finding must be entered into the National Fatality Review Case Reporting System (NFS-CRS) in accordance with required law (G.S. 7B-1413.5).
- For each permissive review (G.S. 7B-1406.5(d)), the Local Team may enter case information into the (NFS-CRS).

- Local Teams must submit an annual report to the board of county commissioners that includes recommendations, if any, for systemic improvements and resources needed to fill gaps or deficiencies. The report must be simultaneously provided to the State Office.

Duties of the medical examiner child fatality staff (G.S. 7B-1407.15) - Medical examiner child fatality staff must work collaboratively with the State Office and Local Teams and provide Local Teams with access to completed reports for review, enter relevant information into NFR-CRS, respond to State Office or Task Force request for data, serve as subject matter experts, and offer training to law enforcement related to child death investigation.

Duties of the director of the local department of health; director of the county department of social services; or consolidated health and human services director for counties with consolidated human services (G.S. 7B-1410) – Current law is amended to add a duty for the director of the local department of health to serve alongside the Local Team as a liaison between the State Office and the Local Team. Additionally, the following duties for the local department of social services director as a member of the Local Team are added: serve along with the Local Team Chair as a liaison between the State Office and the Local Team; provide staff support for cases reviewed under the permissive review of active CPS cases (G.S. 7B-1405.5(e)) or review of child maltreatment deaths or deaths of children known to CPS (G.S. 7B-1407.5); report on Team activities quarterly to the county board of social services, or as required by the board; determine whether and when to request the Local Team, or citizen review panel, to review an active CPS case as required by law (G.S. 7B-1406.5(e) and G.S. 108A-15.20).

Participation in the National Fatality Review Case Reporting System (NFR-CRS) (G.S. 7B-1413.5) – A new law is created that requires Local Teams, the State Office, and medical examiner child fatality staff to utilize the NFR-CRS to collect, analyze, and report information on child death reviews. The State Office is required to provide coordination, training, management, and technical assistance to support the State's full and effective participation in NFR-CRS. The State Office is also required to provide policies, guidelines, and training for Local Teams for NFR-CRS use including the protection of information and authorized access.

Section 9H.15(i) of S.L. 2023-134 provides that participation in the NFR-CRS, as contained in G.S. 7B-1413.5, becomes effective July 1, 2025.

Access to records and Disclosure in child fatality or near fatality cases - Current law (G.S. 7B-1413) is amended to make conforming changes using the new process and terminology previously outlined above. With regard to record access, the law clarifies that subject to all State and federal laws, the Local Teams, Task Force, and State Office have access to all medical records, hospital records, and records maintained by the State, any county, or any local agency deemed necessary to carry out the law (Article 14, Chapter 7B). If requested information is not received within 30 days from making the request, the requesting entity may file an application in district court of the county where the review is taking place seeking a court order compelling disclosure of the records. The district court must schedule the matter for immediate hearing and appellate courts must give priority to appeal of those orders. Additionally, citizen review panels are given access

to information obtained or created under these provisions when the information is relevant to the purposes of the citizen review panels.

Disclosure in child fatality or near fatality cases - Current law (G.S. 7B-2902) is amended to make conforming changes using the new process and terminology previously outlined above.

Effective Dates - Except as otherwise provided, Section 9H.15 (f) and(g) summarized above became effective October 3, 2023.

Section 9H.15(h) of S.L. 2023-134 repeals the following laws effective January 1, 2025: State Team creation, membership, duties (G.S. 7B-1404); State Team duties (G.S. 7B-1405), Community Child Protection Teams: Child Fatality Prevention Teams; creation and duties (G.S. 7B-1406), Child Fatality Prevention Team Coordinator; duties (G.S. 7B-1408), Community Child Protection Teams; duties of the director of the county department of social services (G.S. 7B-1409), Community Child Protection Teams; responsibility for training of team members (G.S. 7B-1411), State Child Fatality Review Team; establishment; purpose; powers; duties; report by Division of Social Services (G.S. 143B-150.20).

### **Establishment of North Carolina Citizen Review Panels – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9H.15(j)

Section 9H.15(j) of S.L. 2023-134 establishes at least three citizen review panels as required by the federal Child Abuse Prevention and Treatment Act (CAPTA). These panels must be operated and managed by a qualified organization independent from any State or county department of social services. Each panel will consist of volunteer members broadly representing the community including members with expertise in the prevention and treatment of child abuse and neglect and can include adult former victims of child abuse or neglect. The panels will evaluate the extent to which the State is meeting its responsibilities under its CAPTA State Plan, review policies, procedures, and practices of State and local child protection agencies, and can review any other criteria it determines important to the safety of children, including review of child fatalities and near fatalities, and the extent to which the State and local child protective services are coordinated with Title IV-E foster care and adoption assistance programs of the Social Security Act. The panels must include public outreach and comment to assess the impact of current procedures and practices on children and families. The panels must prepare an annual report available to the State and public summarizing the panel's activities and recommendations for improving child protection at the State and local level. The Division of Social Services must prepare a response to the review panels' report describing whether or how the recommendations will be incorporated to make measurable progress in improving State and local child protective services.

This section becomes effective January 1, 2025.



## **Temporary Assistance for Needy Families Benefit Implementation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.1

Section 9J.1 of S.L. 2023-134 expresses the General Assembly's approval of the plan titled "North Carolina Temporary Assistance for Needy Families State Plan FY 2022-25" (Plan). The Plan was prepared by the Department of Health and Human Services (DHHS), presented to the General Assembly, and covers the period of October 1, 2022, through September 30, 2025. DHHS is authorized to submit the plan to the US Department of Health and Human Services. The section also specifies the following:

- The following counties are approved as Electing Counties: Beaufort, Caldwell, Catawba, Lenoir, Lincoln, Macon, and Wilson.
- Counties that submitted the letter of intent to remain as an Electing County, or to be redesignated as an Electing County and the accompanying county plan for years 2022-2025, must operate under the Electing County budget requirements effective July 1, 2022. For programmatic purposes, these referenced counties must remain under their current county designation through September 30, 2025.
- For each year of the 2023-2025 fiscal biennium, Electing Counties will be held harmless to their Work First Family Assistance allocations for the 2022-2023 fiscal year, provided that remaining funds allocated for Work First Family Assistance and Work First Diversion Assistance are sufficient for payments made by DHHS on behalf of Standard Counties pursuant to the statute (G.S. 108A 27.11(b)).
- If the projections of Work First Family Assistance and Work First Diversion Assistance for the 2023-2024 fiscal year, or the 2024-2025 fiscal year, indicate that remaining funds are insufficient for Work First Family Assistance and Work First Diversion Assistance payments to be made on behalf of Standard Counties, DHHS is authorized to deallocate funds, of those allocated to Electing Counties for Work First Family Assistance in excess of the sums set forth in the law (G.S. 108A 27.11), up to the requisite amount for payments in Standard Counties. Prior to deallocation, DHHS must obtain approval by the Office of State Budget and Management. If DHHS adjusts the allocation, then a report must be made to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division.

This section became effective July 1, 2023.

## **Intensive Family Preservation Services Funding, Performance Enhancements, and Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.2

Section 9J.2 of S.L. 2023-134 requires the Intensive Family Preservation Services (IFPS) Program to provide intensive services to (i) children and families in cases of abuse, neglect, and dependency where a child is at imminent risk of removal from the home and (ii) children and families in cases of abuse where a child is not at imminent risk of removal. The Program must be

implemented statewide on a regional basis. Any program that receives funding under IFPS must provide data that shows the following:

- An established follow-up system with a minimum of six months of follow-up services.
- Detailed information on the specific interventions applied, including utilization indicators and performance measurement.
- Cost-benefit data.
- Data on long-term benefits associated with IFPS.
- The number of families remaining intact and the associated interventions while in IFPS and 12 months thereafter.
- The number and percentage, by race, of children who received IFPS compared to the ratio of their distribution in the general population involved with Child Protective Services.

The Department of Health and Human Services must report annually to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the data provided by the programs that receive funding. This report must be made by December 1 of each year.

This section became effective July 1, 2023.

### **Child Caring Institutions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.3

Section 9J.3 of S.L. 2023-134 requires the maximum reimbursement for child caring institutions to not exceed the rate established by the Office of the Controller, Department of Health and Human Services, until the Social Services Commission adopts rules setting standardized rates.

This section became effective July 1, 2023.

### **Use of Foster Care Budget for Guardian Assistance Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.4

Section 9J.4 of S.L. 2023-134 allows the Department of Health and Human Services to use funds available for foster care to provide for financial support for children who are (i) in a permanent family placement setting, (ii) eligible for legal guardianship, and (iii) otherwise unlikely to receive permanency. No additional expenses can be incurred beyond the funds budgeted for foster care for the Guardianship Assistance Program (GAP). This amount will include provisions for extending guardianship services for individuals and youth who exited foster care through GAP after 14 years of age or who have attained the age of 18 years and opt to continue to receive guardianship services until reaching 21 years of age, provided the individual is (i) completing secondary education or a program leading to an equivalent credential, (ii) enrolled in an institution that provides postsecondary or vocational education, (iii) participating in a program or activity designed to promote, or remove barriers to, employment, (iv) employed for at least 80 hours per

month, or (v) incapable of completing the educational or employment requirements due to a medical condition or disability.

This section became effective July 1, 2023.

### **Child Welfare Postsecondary Support Program (NC Reach) – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.5

Section 9J.5 of S.L. 2023-134 requires that funds appropriated by the act from the General Fund to the Department of Health and Human Services (DHHS) for the child welfare postsecondary support program be used to continue providing assistance with the cost of attendance as defined in federal law (20 U.S.C. 1087II) for the needs of (i) foster youth aging out of the foster care system, (ii) foster youth who exit foster care to a permanent home through the Guardianship Assistance Program, or (iii) special needs children adopted from foster care after the age of 12. These funds must be allocated by the State Education Assistance Authority.

This section also allocates \$50,000 of the funds appropriated from the General Fund to DHHS for each year of the 2023-2025 fiscal biennium to the State Education Assistance Authority (SEAA). The SEAA must only use these funds to perform the administrative functions necessary to manage and distribute the scholarships under the section.

Additionally, this section requires that \$339,493 of the funds appropriated from the General Fund to DHHS for each year of the 2023-2025 fiscal biennium be used to contract with an organization to administer the child welfare education program inclusive of case management services.

The funds appropriated in the act to DHHS for the child welfare postsecondary support program must only be used for students attending in State public institutions of higher education.

This section became effective July 1, 2023.

### **Federal Child Support Incentive Payments – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.6

Section 9J.6 of S.L. 2023-134 requires the North Carolina Child Support Services Section (NCCSS), Division of Social Services, Department of Health and Human Services, to retain up to 15% of the annual federal incentive payments received to enhance centralized child support services. To meet this requirement, NCCSS must do the following:

- Consult with county child support services representatives to identify how federal incentive funding can improve centralized services.
- Use federal incentive funds to improve centralized services to supplement the State's funding.

- Continue development and implementation of rules explaining the State's process for calculating and distributing federal incentive funds to the county child support services programs.

This section also requires NCCSS to allocate no less than 85% of the annual federal incentive payments to the county child support services programs and to improve effectiveness and efficiency using federal performance measures. To meet this requirement, NCCSS must:

- Consult with county child support services programs to examine the current method of distributing these federal funds to the county programs and determine whether an alternative method is needed.
- Develop a process to phase if an alternative method of distribution upon adoption of an alternate formula.

This section further requires NCCSS to continue implementing guidelines identifying appropriate uses for the federal incentive funding. Each county child support services program must do the following:

- Submit an annual plan describing how receipt of federal incentive funds will improve efficiency and effectiveness.
- Provide an annual report which must include the following:
  - How the federal incentive funding improved efficiency and effectiveness and how that was reinvested into their program.
  - Documentation showing the funds were spent according to the annual plan.
  - Explanation for any deviation from the annual plan.

NCCSS must submit a report by November 1 of each year to the Joint Legislative Oversight Committee of the Department of Health and Human Services and the Fiscal Research Division on the federal child support incentive funding, describing how federal incentive funding enhanced centralized services to benefit the county services and improved the effectiveness and efficiency of the county services, any changes to the State process used by NCCSS to calculate and distribute these funds to the county programs, and any recommendations for additional changes.

This section became effective July 1, 2023.

### **Successful Transition/Foster Care Youth – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.7

Section 9J.7 of S.L. 2023-134 provides for the continuation of the Foster Care Transitional Living Initiative Fund. This Fund must continue to fund and support transitional living services that demonstrate positive outcomes for the youth, attract significant private funding, and lead to evidence-based programs to serve the at-risk population described in this section.

This section became effective July 1, 2023.

## **Permanency Innovation Initiative/Codify Supplementation of Federal Funds Requirements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.8

Section 9J.8 of S.L. 2023-134 adds a new subsection to the law (G.S. 131D-10.9B) to clarify that the funds provided for the Permanency Innovation Initiative Fund are to supplement all available federal matching funds.

This section became effective July 1, 2023.

## **Report on Certain Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families Expenditures – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.9

Section 9J.9 of S.L. 2023-134 provides that funds appropriated by the act to the Department of Health and Human Services (DHHS) for each year of the 2023-2025 fiscal biennium for a report on Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) expenditures must be allocated for vendor costs to generate the data regarding program expenditures. The section outlines the data that must be generated by the vendor and submitted to the DHHS. Upon receiving the expenditure data from the vendor, the Division of Social Services (DSS), DHHS, must evaluate the data and submit a report on the analysis to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. DSS must also post the report on its website by June 30 and December 31 each year. DSS is required to maintain confidentiality and to properly redact any information subject to reporting to prevent identification of individuals in receipt of SNAP or TANF benefits.

This section became effective July 1, 2023.

## **Child Advocacy Center Funds – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.11

Section 9J.11 of S.L. 2023-134 requires that \$3 million in recurring funds for each year of the 2023-2025 fiscal biennium of the funds appropriated by the act to the Division of Social Services, Department of Health and Human Services, be allocated to the Children's Advocacy Centers of North Carolina, Inc. (CACNC). At least 75% of these funds must be distributed to child advocacy centers in the State in good standing with CACNC in accordance with the requirements of G.S. 108A-75.2, as enacted in Section 1(a) of S.L. 2023-96.

This section became effective July 1, 2023.

## **Foster Care Trauma-Informed Assessment – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.12

Section 9J.12 of S.L. 2023-134 allocates \$750,000 in nonrecurring funds for each year of the 2023-2025 fiscal biennium of the funds appropriated to the Division of Social Services (DSS), Department of Health and Human Services (DHHS), for the development of a foster care, trauma-informed, standardized assessment. The purpose of the assessment is to assist children who are at risk of entry into the foster care system or are already in the foster care system and have experienced trauma warranting involvement of the Division and other agencies and who, because of the trauma, are at a higher risk of needing behavioral health, intellectual, or developmental disability services.

The assessment must be developed by the following organizations or individuals:

- Representatives from the following divisions of DHHS:
  - Division of Social Services
  - Division of Health Benefits
  - Division of Mental Health, Developmental Disabilities, and Substance Use Services
  - Division of Family and Child Well-Being
- Prepaid health plans and primary care case management entities that serve children at risk of entry into the foster care system or who are in the foster care system.
- Representatives from county departments of social services.
- Benchmarks.
- Individuals with lived experiences.
- Others identified by the groups above based upon areas of expertise.

This section also includes requirements for the assessment's development which must include a rollout plan with a goal of implementation in all 100 counties. The rollout plan must include:

- Development of the assessment's template by March 31, 2024.
- A finalized template by September 30, 2024, inclusive of training curriculum and methodology, vendor selection to manage and conduct the training and determine the statewide rollout, and coordination with tribal jurisdictions.
- The phased-in approach to begin on October 1, 2024, and have the assessment functional statewide by September 30, 2025.
- Establishment of a base rate for the assessment which supports the oversight, training, and monitoring of the fidelity to the assessment.
- Establishment of standardized workflow of notifications to payers and child welfare agencies.
- Identification of core outcomes.
- Establishment of a statewide training plan.

At a minimum, the assessment must do the following:

- Juveniles between 4 and 17 years of age being placed into foster care receive the assessment within 10 working days of the referral.
- Each juvenile who is included in the Medicaid children and families specialty plan receives an assessment.
- Each assessment can be administered in person or by telehealth.
- A county department of social services must make the referral for an assessment within five working days of a determination the juvenile was abused or neglected in accordance with G.S. 7B-302.
- A juvenile can receive an assessment with parental consent if the county department of social services determines that the juvenile is at imminent risk of entry into foster care.
- If necessary, an individual from 18 to 21 years old can receive an assessment.
- Provide an evidence-informed and standardized template and content for the assessment.
- If the juvenile has an assigned case manager under the Medicaid program, the responsible care management entity is informed of the assessment referral and to whom.

DHHS must do all of the following for implementation and rollout:

- Leverage the expertise and lessons learned from the entities who have successfully implemented these assessments and training venues.
- Complete required documentation and, if applicable, leverage all available federal revenues for such activities.
- Amend existing contracts between DHHS and entities who have the expertise to manage the assessment and rollout plan.
- Create a Division of Social Services Statewide Dashboard with the assessment implementation and rollout plan status which must be updated monthly. The dashboard must contain:
  - Referrals.
  - Case management.
  - Assessments.
  - Lag between referrals, assessments, and service initiation.
  - Youth personal outcomes focused on supporting permanency.
  - Any other elements identified by the partnership.

This section became effective July 1, 2023.

### **Transportation of High-Risk Juveniles – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9J.13

Section 9J.13 of S.L. 2023-134 creates a new statute (G.S. 7B-905.2) to address transportation of high-risk juveniles when the county department of social services has obtained custody of the juvenile after filing a petition alleging abuse or neglect.

A high-risk juvenile is defined as a juvenile under 18 years old who has been abused or neglected, who has serious emotional, mental, or behavioral disturbances which pose a risk to the juvenile

or others, and who resides outside of a residential placement due to the serious emotional, mental, or behavioral disturbances.

A high-risk juvenile transporter is a law enforcement agency, the Division of Juvenile Justice of the Department of Public Safety, or the Department of Adult Corrections, including designated staff of those agencies.

When providing transportation required by this statute, the high-risk juvenile transporter can use reasonable force if it appears necessary to protect the transporter or others. The transporter can determine reasonable restraints necessary for the safety of the juvenile, the transporter, or others.

A high-risk juvenile transporter cannot be held criminally or civilly liable because of reasonable measures taken under this statute. The immunity does not extend to gross negligence, wanton conduct, or intentional wrongdoing that is otherwise actionable.

The county department of social services director can enter into a transportation agreement with a high-risk juvenile transporter establishing procedures, requirements, and guidelines for the transport. The county with custody of the juvenile is responsible for the expense and cost of transporting the juvenile.

This section became effective July 1, 2023.

### **Conform Privilege Exemptions for Psychiatrists, Licensed Marriage and Family Therapists, Social Workers, Clinical Mental Health Counselors, and Psychologists – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 9L.1

Section 9L.1 of S.L. 2023-134 amends the statute requiring mandatory reporting of crimes against juveniles to prevent psychiatrists and licensed marriage and family therapists from being required to report those crimes if a patient-therapist privilege exists.

This section became effective July 1, 2023.

### **Proposal for State-Based Health Benefits Exchange – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 30.9

[For a detailed summary of the provisions of this act, please see the INSURANCE subject area.]



## **Require Report/Protection and Advocacy Agency.**

SL 2023-135 (H361)

S.L. 2023-135 requires the designated Protection and Advocacy Agency (Agency) for the State to submit a report twice a year on the actions the Agency has taken to advocate for persons with disabilities to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Education Oversight Committee during the interim, and the chairs of the House and Senate Appropriations Committees on Health and Human Services during session.

The Agency is required to submit a report by December 1, 2023, to the Joint Legislative Committee on Health and Human Services and the Joint Legislative Education Oversight Committee with specific examples of how the Agency has reduced barriers to employment, enabled independent living, and increased postsecondary educational opportunities for persons with disabilities.

The Agency is also encouraged to annually hold six meetings with the public throughout the State to share the reports.

This act became effective October 3, 2023.

## **Direct Department of Environmental Quality to Prepare a Human Health Risk Assessment for 1,4-Dioxane in Drinking Water and Evaluate Commercially Available Technology to Remove 1,4-Dioxane from Wastewater Effluent – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 9

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Modify the Rules Related to the Inspection of Establishments that Prepare or Serve Food – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 29.1-29.3

Sections 29.1, 29.2, and 29.3 of S.L. 2023-137 direct the Commission for Public Health to implement certain food establishment rules regarding inspection and education, as provided in these sections.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Codify Existing Stroke Center Designations and Add a Thrombectomy-Capable Stroke Center Designation – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 30

Section 30 of S.L. 2023-137 codifies existing stroke center designations, creates a new designation for thrombectomy-capable stroke centers, and requires stroke-certified hospitals to report their certifications to the Department of Health and Human Services within 90 days of receiving the certification.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **State Ownership of Health Information Exchange Network Data – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 31

Section 31 of S.L. 2023-137 provides that patient identifiers created by the Health Information Exchange Authority must be released to the Government Data Analytics Center and the Department of Health and Human Services, and that those identifiers are State-owned data and not public records.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Voluntary Connection to North Carolina Health Information Exchange Network for Chiropractors – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 32

Section 32 of S.L. 2023-137 allows chiropractors to voluntarily submit data to the Health Information Exchange Network.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Expansion of the Homeschool Cooperative Exemption to the Definition of Child Care – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 33

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

## **Revisions Regarding the Lease or Sale of Hospital Facilities to or from For-Profit or Nonprofit Corporations or Other Business Entities by Municipalities and Hospital Authorities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 53

Section 53 of S.L. 2023-137 exempts from sale and leasing requirements any leases in which the same tenant has continuously held possession of a hospital facility, or part of a hospital facility, since at least June 30, 1984.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on January 1, 2024.

## **Stop Addiction Fraud Ethics Act of 2023.**

SL 2023-141 (H415)

S.L. 2023-141 creates the Stop Addition Fraud Ethics Act of 2023 (SAFE Act of 2023 - Article 5H of Chapter 90), which provides new laws for substance use disorder treatment providers and facilities related to truth in marketing and patient brokering and kickbacks. The new law would not apply to a hospital or a hospital authority.

The act defines the following terms: patient, referral, recovery residence, treatment facility, and treatment provider. It establishes laws for advertising and marketing materials; the operation of a recovery residence or treatment facility while also providing outpatient services; and prohibited actions and consequences for violation. A violation of the prohibited acts outlined above constitutes an unfair or deceptive trade practice (under G.S. 75-1.1) and a person or entity in violation will be guilty of a Class G felony and each violation will be a separate offense.

The act makes it unlawful for a person, entity, treatment provider, treatment facility, recovery residence, or third party providing service, to knowingly offer to pay anything of value or engage in a split-fee arrangement: (i) to induce the referral of a patient or patronage to or from a treatment provider or laboratory; (ii) in return for referring a patient or patronage to or from a treatment provider or laboratory; (iii) in return for the acceptance or acknowledgement of treatment from a health care provider or any health care facility, or aiding or abetting conduct that violates these items. This section would not apply to a discount; payment; waiver of payment practice authorized by, or regulation adopted in accordance with federal law, (42 USC § 1320-7b(b)(3)); or a reasonable contingency management technique or motivational incentive that is part of a treatment provided by a treatment provider. A person who violates this section is guilty of a Class G felony.

The act also amends the law regarding ear wax removal by audiologists. This change is reflected in the audiology updates section of the summary of S.L. 2023-129.

The act became effective January 1, 2024, and applies to offenses committed on or after that date.

**Senior Care Options.**

SL 2023-150 (S274)

S.L. 2023-150 establishes licensure requirements for home assistance services providers.

This act became effective November 9, 2023.

# Information Technology

**See full summary documents for additional detail**

## **Cybersecurity Support Requests – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19I.3

Section 19I.3 of S.L. 2023-134 requires that requests by local governments, State agencies, or critical infrastructure partners for operational support from or access to cyber resources be sent to the North Carolina Emergency Management 24-Hour Watch for intake and activation.

This section became effective October 3, 2023.

## **Statewide Elections Information Management System – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 26.7

[For a detailed summary of the provisions of this act, please see the CONSTITUTION AND ELECTIONS subject area.]

## **Department of Public Safety - Information Technology Pilot Project – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 38.4

Section 38.4 of S.L. 2023-134 directs the State Highway Patrol, the State Bureau of Investigation, and the Division of Emergency Management to initiate a pilot project where those divisions are deemed separate, stand-alone entities in all matters related to information technology.

Section 38.4 of S.L. 2023-134 became effective July 1, 2023, and expires on June 30, 2025.

## **Cybersecurity Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 38.5

Section 38.5 of S.L. 2023-134 requires the Information Technology Innovation Center to reopen the proposal period for the program and project management improvement pilot program, established in S.L. 2020-81, to allow for additional offerings not awarded in the original pilot program and must select additional vendors to enhance the pilot program. The first selection must be completed by December 31, 2023. The Information Technology Innovation Center must submit a report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the proposal process and the selection of participating vendors on or before January 31, 2024.

This section became effective July 1, 2023.

## **Completing Access to Broadband Eligibility Expansion – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 38.7

Section 38.7 of S.L. 2023-134 provides that a county is ineligible to receive a grant from the Completing Access to Broadband (CAB) Fund if it: 1) is designated as a Tier 3 area by the Department of Commerce for the 2023 calendar year; and 2) has utilized federal funds for broadband infrastructure projects on or after May 1, 2021.

This section became effective July 1, 2023.

## **Broadband Changes – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 38.8

Section 38.8 of S.L. 2023-134 makes various changes to the laws that relate to broadband deployment and the Department of Information Technology (DIT), which include:

- Broadening the stated purpose of the Broadband Stop Gap Solutions grant program to include expanding broadband service to unserved and underserved businesses, State facilities, and community anchor institutions.
- Revising provisions related to the amount of federal funds received under the Broadband Equity, Access, and Deployment (BEAD) Program from the Infrastructure Investment and Jobs Act (P.L. 117-58) that DIT can use for administrative and planning purposes.
- Allowing the Information Technology Strategy Board to elect the chair from among its membership for one-year terms.
- Directing DIT to develop a formal challenge process for broadband grant programs it administers, and to report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the challenge process no later than December 1, 2023.

This section became effective July 1, 2023.

## **Department of Information Technology Procurement Changes – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 34

Section 34 allows the Department of Information Technology's procurement activities, including but not limited to the Statewide Information technology Procurement Office, to be funded through a combination of administrative fees as part of the IT Supplemental Staffing contract, as well as fees charged to agencies using their services.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Commercial Mobile Radio Service Changes – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 49

Section 49 of S.L. 2023-137 eliminates an alternative criteria triggering a requirement that commercial mobile radio service providers receive prior approval from the 911 Board for invoices for reimbursement, and makes some technical changes.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023. The technical changes will become effective July 1, 2024.

# Insurance

**See full summary documents for additional detail**

## **Reorganization and Economic Development Act.**

SL 2023-33 (H346)

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

## **Insurance Law Amendments – Insurance Law Amendments/Revise High School Athletics.**

SL 2023-133 (S452), Sec. 1-16

Sections 1-16 of S.L. 2023-133 make various changes to the insurance laws of North Carolina, including raising motor vehicle liability coverage minimums.

This act has various effective dates. Please see the full summary for more detail.

## **Office of State Fire Marshal Established – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 30.8

Section 30.8(a) of S.L. 2023-134, as amended by Section 10.1(a) of S.L. 2023-151, does the following:

- Creates the Office of the State Fire Marshal (OSFM) within the Department of Insurance (DOI) and requires OSFM to exercise its powers and duties independently of DOI.
- Requires DOI to provide clerical and professional services to OSFM.
- Sets out several laws OSFM is responsible for administering.
- Names the State Fire Marshal as the head of OSFM and requires that person be appointed by the Commissioner of the Department of Insurance (Commissioner) subject to confirmation by the General Assembly by joint resolution.
- Requires that the State Fire Marshal be a person other than the Commissioner and serve a three-year term.
- Allows the Commissioner to appoint a State Fire Marshal to serve on an interim basis pending confirmation by the General Assembly, if a vacancy arises when the General Assembly is not in session.
- Provides for the compensation of the State Fire Marshal.
- Requires the State Fire Marshal to faithfully execute all laws that office is responsible for administering and authorizes the State Fire Marshal to adopt rules to enforce those laws.
- Declares that OSFM is a public office and requires, outside of a few exceptions, that the records of OSFM be accessible to the public for inspection.
- States the procedures OSFM must follow when conducting required hearings and investigations.



- Authorizes the State Fire Marshal to designate a member of staff to serve as a hearing officer in any contested case involving OSFM.
- Permits the State Fire Marshal to impose civil penalties and/or petition the court for an order to pay restitution, if the State Fire Marshal finds that a person licensed by OSFM has violated any provision of the Office of the State Fire Marshal statutes.
- Allows for court review of the State Fire Marshal's orders and decisions.
- Permits every document executed by the State Fire Marshal to be used as evidence and recorded, in the same manner and with the same effect as a deed regularly acknowledged or proved before an officer authorized to take probate. All copies of papers in OSFM certified by the State Fire Marshal and authenticated by that office's seal are evidence of the original documents.
- Requires a party that requests or files a subpoena for the State Fire Marshal or any employee of OSFM to testify as an expert witness in any civil or administrative action on that party's behalf to, upon receiving a statement of the cost from the State Fire Marshal, reimburse OSFM for the actual time and expenses incurred by OSFM in connection with the testimony.
- Instructs the State Fire Marshal, with the approval of the Governor, to (i) create a seal, with suitable inscription, for that office and (ii) file a description of the seal, along with the certificate of approval by the Governor, with the Office of the Secretary of State.
- Directs the State Fire Marshal (or designee in OSFM) to administer all oaths required in the discharge of the State Fire Marshal's official duty.
- Allows the State Fire Marshal to petition the court for a restraining order and injunction, if the State Fire Marshal determines any person has violated, is violating, or threatens to violate any provision of the North Carolina Manufactured Housing Board – Manufactured Home Warranties statutes.
- States that the conviction in court of any person licensed under the North Carolina Manufactured Housing Board – Manufactured Home Warranties statutes for any criminal violation of those statutes automatically has the effect of suspending the license of that person until the license is reinstated by the North Carolina Manufactured Housing Board.
- Allows a person or entity licensed under the North Carolina Manufactured Housing Board – Manufactured Home Warranties statutes, with the consent of the State Fire Marshal, to surrender the license for a period of time established by the State Fire Marshal, if the licensee is accused of any act, omission, or misconduct that will subject the license to suspension or revocation.
- Requires applicants for an OSFM-issued license to notify the State Fire Marshal of changes of address and criminal convictions within certain time frames, and permits the State Fire Marshal to give notice to licensees personally or by first-class mail.
- Allows the State Fire Marshal to create and appoint advisory committees.

Section 30.8(e) of S.L. 2023-134, as amended by Section 10.2(a) of S.L. 2023-151, requires the Chief State Fire Marshal (position number 60013729), serving on October 1, 2023, notwithstanding any provision of law, to serve as the State Fire Marshal until the General Assembly confirms an independent State Fire Marshal.

The remainder of Section 30.8 of S.L. 2023-134 requires DOI to eliminate one or more vacant positions and use the funds made available as a result to fund the new position of State Fire Marshal.

The remainder of Section 10 of S.L. 2023-151 does the following:

- Removes the authority of the Commissioner to exercise general supervision over local fire investigators and fire prevention inspectors, and grants that authority solely to the State Fire Marshal.
- Removes the authority of the Commissioner to inspect State property and determine its protection from fire, and grants that authority solely to the State Fire Marshal.
- Clarifies that OSFM must report certain information about various relief funds to specific legislative committees and the Fiscal Research Division.
- Requires the individual serving as the legislative liaison for OSFM (position number 60013560) on October 1, 2023, to continue to serve in that capacity at the individual's option or until further action is taken by OSFM in accordance with law.
- Requires all employees of OSFM on October 1, 2023, to continue as employees of OSFM at their option or until further action is taken by OSFM in accordance with law. All positions in OSFM on October 1, 2023, must remain in OSFM unless changed by the General Assembly. All programs and functions conducted by OSFM on October 1, 2023, must continue without any reduction in funds, responsibilities, or administrative support, including, but not limited to, budgetary, human resources, information technology, and legal, unless expressly authorized by the General Assembly.

Section 30.8 of S.L. 2023-134 and Section 10.1 of S.L. 2023-151 become effective January 1, 2024. The remainder of Section 10 of S.L. 2023-151 became effective November 9, 2023.

### **Proposal for State-Based Health Benefits Exchange – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 30.9

Section 30.9 of S.L. 2023-134 directs the Commissioner (Commissioner) of the Department of Insurance, in consultation with the Secretary (Secretary) of the Department of Health and Human Services to create a plan to develop a state-based health benefits exchange in compliance with the Affordable Care Act (ACA). The Commissioner must also seek a waiver under section 1332 of the ACA.

This section became effective July 1, 2023.

## **Pharmacy Insurance Benefits/Coupon Accumulator – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 30.10

Section 30.10 of S.L. 2023-134 prevents the coupon accumulator provisions in the Consumer Benefits section of the Pharmacy Benefits Management article of Chapter 58 (Insurance) from applying to high-deductible healthcare plans in most circumstances.

This section became effective July 1, 2023.

## **Limit Tort Liability for State Employees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 31.1

[For a detailed summary of the provisions of this act, please see the CIVIL LAW AND PROCEDURE subject area.]

## **Industrial Commission/Extended Compensation/Clarify Meaning of Total Loss of Wage-Earning Capacity. – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 31.3

Section 31.3 of S.L. 2023-134 does the following:

- Clarifies the meaning of the term "total loss of wage-earning capacity" for purposes of determining an employee's entitlement to extended compensation.
- Allows the North Carolina Industrial Commission (Commission) to consider various factors in determining whether an employee has sustained a total loss of wage-earning capacity.
- States the intent of the General Assembly when it enacted G.S. 97-29(c).

This section became effective July 1, 2023, and applies to claims accrued or pending prior to, on, or after that date.

## **Unfunded Liability Solvency Reserve – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 39.28

[For a detailed summary of the provisions of this act, please see the RETIREMENT subject area.]

## **Authorize State Treasurer to Pay Premiums to Purchase Alternative Coverage in Lieu of State Health Plan – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 39.29

Section 39.29 of S.L. 2023-134 allows the State Treasurer to purchase alternative health insurance coverage for retired state employees in lieu of providing them coverage under the

State Health Plan. The Treasurer is authorized to adopt the rules necessary to implement the provisions of this section.

The section becomes effective January 1, 2023.

### **Preserve Existing North Carolina Building Code Limitation on the Use of Plastic Pipe in Certain Buildings – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 36

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Powers and Duties of State Fire Marshal and Miscellaneous. – Various Changes to Criminal and Civil Laws.**

SL 2023-151 (S409), Sec. 11-12

Sections 11-12 of S.L. 2023-151 do the following:

- Make conforming and clarifying changes to the statutes so that the powers and duties of the State Fire Marshal and the Commissioner of the Department of Insurance (Commissioner) are clearly distinguishable.
- Require the State Fire Marshal to serve as the State Fire Training Director.
- Require the State Fire Marshal to submit a written report on certain information to the Joint Legislative Oversight Committee on General Government and the Fiscal Research Division within 60 days after grants from the Volunteer Fire Department Fund or the Volunteer Rescue/EMS Fund have been made.
- Remove the requirement that the Office of State Fire Marshal (OSFM) include a clause explicitly stating that no commissions of any kind may be paid to any agent, broker, or other person from the Workers' Compensation Fund in its contracts with third-party administrators.
- Allow the State Fire Marshal to fix and collect reasonable fees for services performed by qualified Code-enforcement officials, when these officials assist the State Fire Marshal with the supervision, administration, and enforcement of the North Carolina State Building Code. "Code" in the phrase "Code-enforcement" consists of all of the following: (i) the North Carolina State Building Code adopted by the Building Code Council, (ii) local building rules approved by the Building Code Council, (iii) any resolution adopted by a federally recognized Indian Tribe in which the Tribe adopts the North Carolina State Building Code and related local building rules, and (iv) the manufactured homes standards adopted by the Commissioner.
- Permit the State Fire Marshal to collect reimbursement, at the rate established under the Travel Allowances of State Officers and Employees statute, for mileage costs incurred by qualified Code-enforcement officials traveling to and from inspections.

- Prohibit the State Fire Marshal from fixing or collecting fees incurred by local inspection departments when requests for assistance with Code-enforcement are made by local inspection departments.
- Authorize OSFM to administer the firefighter cancer health benefit pilot program extension, Fund Code 2510, by contracting with a third-party administrator. The contracting procedure is not subject to the Contracts to Obtain Consultant Services statutes. This takes effect January 1, 2024. OSFM can use up to 10% of the \$5 million appropriated for the pilot program to pay for (i) reasonable and necessary expenses incurred by the administration of the program and (ii) an independent audit of the program.
- Clarify that a firefighter with a diagnosis of cancer prior to January 1, 2022, is not eligible for benefits in the firefighter cancer health benefit pilot program for that previously diagnosed cancer type but remains eligible for benefits in the program upon the diagnosis of any other cancer type, even if the cancer type diagnosed on or after January 1, 2022, metastasized from a cancer diagnosed before January 1, 2022.

Section 11.55 becomes effective January 1, 2025. The remainder of Sections 11-12 became effective November 9, 2023.

# Labor and Employment

**See full summary documents for additional detail**

## **Access to Healthcare Options.**

SL 2023-7 (H76)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Nondiscrimination and Dignity in State Work.**

SL 2023-62 (S364)

S.L. 2023-62 adds two new sections to the North Carolina Human Resources Act (the Act).

This bill was vetoed by the Governor on June 16, 2023, and that veto was overridden by the General Assembly on June 27, 2023. This act became effective December 1, 2023.

## **Address ESG Factors.**

SL 2023-64 (H750)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **UNC Omnibus.**

SL 2023-102 (S195)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **Firefighters Criminal History Record Checks.**

SL 2023-104 (H378)

S.L. 2023-104 allows an alternative statewide criminal history record check for applicants being offered a position with a fire department to be conducted through the North Carolina Department of Public Safety, a third-party vendor, or the clerk of court, if the applicant meets certain requirements. Applicants for junior membership and current junior members in a fire department under 18 years old are exempt from the criminal history record check. The criminal history record check is only required when a position is being offered.

## **Preemption of Certain Local Government Actions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 5.9

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

## **Employee Classification and Compensation Exemptions for Utilities Commission and Public Staff – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.16

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

## **Magistrate-Clerk Staffing Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.2

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

## **Use of Temporary Solutions Program by Cabinet and Council of State Agencies For Hiring Temporary Employees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 29A.2

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Exempt Minor League Baseball Players Employed under a Collective Bargaining Agreement from State Minimum Wage, Overtime, and Record Keeping Requirements – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 28

Section 28 of S.L. 2023-137 exempts minor league baseball players employed under a collective bargaining agreement from State minimum wage, overtime, and record keeping requirements.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on January 1, 2024.

### **Prohibit Discrimination or Retaliation in Employment for Absences of Members of the Civil Air Patrol Performing Authorized Duties – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 46

Section 46 of S.L. 2023-137 prevents employers from discriminating against any employee that is a member of the North Carolina Wing-Civil Air Patrol based on that membership or any absence from work required to perform duties with the Civil Air Patrol if certain conditions apply.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on December 1, 2023, and applies to absences occurring on or after that date.

### **Clarify that Inflatable Devices are not Amusement Devices – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 48

Section 48 of S.L. 2023-137 clarifies that inflatable devices, including air supported devices made of flexible fabric, inflated by one or more blowers, that relies upon air pressure to maintain its shape, are not considered amusement devices subject to Department of Labor regulation. This section also makes technical and conforming changes to the Amusement Device Safety Act.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.



# **Local Government**

**See full summary documents for additional detail**

## **Limited Shark Fishing Tournament Moratorium.**

SL 2023-26 (H544)

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Cities/Remove and Dispose of Abandoned Vessels.**

SL 2023-27 (S465)

S.L. 2023-27 expands authority over the removal and disposal of abandoned vessels from coastal counties to all counties and grants that same authority to cities.

This act became effective June 2, 2023, and does not invalidate any local acts authorizing ordinances regulating the removal and disposal of vessels from navigable waters or any ordinances that were adopted under that authority before this act became law.

## **Probation Modifications/Sheriff Authority.**

SL 2023-45 (H87)

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

## **Civilian Traffic Investigators.**

SL 2023-52 (H140)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Permit Choice/Certain Airport Authorities.**

SL 2023-53 (S240)

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Wastewater Regulatory Relief Act.**

SL 2023-55 (S673)

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Energy Choice/Solar Decommissioning Requirements.**

SL 2023-58 (H130)

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

**Reimburse Late Audit Costs with Sales Tax Rev.**

SL 2023-59 (S299)

[For a detailed summary of the provisions of this act, please see the FINANCE subject area.]

**On-Site Wastewater Rules Implementation.**

SL 2023-77 (H627)

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Medal of Valor Award for First Responders.**

SL 2023-94 (H387)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Amend Rule 4/Acceptance of Service - Part IV.**

SL 2023-97 (S91)

[For a detailed summary of the provisions of this act, please see the CONSTITUTION AND ELECTIONS subject area.]

**Code Council Reorganization and Various Code Amendments.**

SL 2023-108 (H488)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Permit Multistate Water/Sewer Authority.**

SL 2023-126 (S211)

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

## **Preemption of Certain Local Government Actions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 5.9

Section 5.9 of S.L. 2023-134 provides that the North Carolina Wage and Hour Act supersedes and preempts any ordinance, regulation, or policy of a unit of local government or other political subdivision of the State that imposes requirements upon employers pertaining to compensation, including wage levels, hours of labor, payment of wages, benefits, leave, or well-being of minors in the workforce. This does not apply to: a local government regulating, compensating, or controlling its own employees, certain economic development incentives, a requirement of federal community development block grants, and programs established under the statute dealing with community development programs and activities.

This section also restricts counties and cities from adopting ordinances and rules to: (i) restrict, tax, charge a fee, prohibit, or otherwise regulate the use, disposition, or sale of an auxiliary container (e.g. bags, containers, bottles, merchandise containers, etc.), and (ii) regulate the use of shopping carts, including the imposition of a fee or fine on a business for failure to take possession of a shopping cart that was removed from the premises of the business. This section allows counties and cities to operate recycling programs, composting programs, and solid waste disposal programs and to regulate the use of auxiliary containers on property owned or maintained by the county or city. This section became effective July 1, 2023.

## **Selectsite Readiness Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.12

[For a detailed summary of the provisions of this act, please see the FINANCE subject area.]

## **Expand Minority Business and Historically Underutilized Business Definitions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 20.4

Section 20.4 of S.L. 2023-134 expands the definitions of the terms "minority business" and "historically underutilized business" for public contracting purposes.

This section became effective October 3, 2023, and applies to contracts awarded on or after that date.

### **Bond Referendum Transparency – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 36.3

[For a detailed summary of the provisions of this act, please see the CONSTITUTION AND ELECTIONS subject area.]

### **Modify Certain Rules Related to Development Density in Water Supply Watersheds, as Applicable in Iredell County and the Town of Mooresville – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 5

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Prohibit Sale of Nutrient Offsets from Municipal Nutrient Offset Banks to any Entity other than a Government Entity or a Unit of Local Government – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 16

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Clarify Brownfield Program Construction – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 20

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Limit Local Government Zoning Authority to Require Fire Access Roads in Excess of the Fire Code of the North Carolina Residential Code for One- and Two-Family Dwellings – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 26

Section 26 of S.L. 2023-137 prohibits local government zoning and development regulations from requiring additional entrances into a residential subdivision that are not in compliance with the number of entrance requirements into a residential subdivision set forth in the Fire Code of the North Carolina Residential Code for One- and Two-Family Dwellings.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective October 10, 2023, and applies to existing municipal or county ordinances. Any municipal or county ordinance inconsistent with this section is void and unenforceable.

## **Prohibit Counties and Cities from Regulating Certain Online Marketplaces – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 27

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

## **Emergency Supply Chain Declaration for Local Governments – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 39

Section 39 of S.L. 2023-137 expands the definition of "emergency" in the Emergency Management Act to allow local governments to more easily obtain certain apparatus, supplies, materials, or equipment, or construction or repair work requiring those items, when a supply chain emergency has occurred and other criteria are met.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Prohibit Counties and Cities from Adopting Certain Ordinances, Rules, and Regulations Related to Battery-Charged Security Fences and to Define and Establish Requirements for Those Battery-Charged Security Fences – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 44

Section 44 prohibits counties and cities from requiring any permit, fee, review, or approval for the installation or use of a battery-charged security fence in excess of any requirements adopted pursuant to the State law concerning the regulation of alarm system businesses.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Delete Conflicting Water/Sewer Provision in Session Law 2023-108 – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 50

Section 50 of S.L. 2023-108 makes a technical change to S.L. 2023-108 to delete language regarding forced water/sewer connections that conflicts with S.L. 2023-90.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Surveyors Right of Entry/Expedite Commercial and Multifamily Building Projects.**

SL 2023-142 (S677)

[For a detailed summary of the provisions of this act, please see the CIVIL LAW AND PROCEDURE subject area.]

# **Military, Veterans, and Indian Affairs**

**See full summary documents for additional detail**

## **Add Admissions Preferences for Graduates of Certain Pre-K Programs and for Children of Military Families – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 4

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **Clarify Definition of Eligible Private Institutions for Patriot Scholarship Programs – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.22

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **Conform In-State Tuition for Military-Related Individuals to Federal Law – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8A.10

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **Veterans Life Center Challenge Grant – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 33.3

Section 33.3 of S.L. 2023-134 establishes a challenge grant program in the Department of Military and Veterans Affairs (DMVA) for the Veterans Life Center (Center) to provide rehabilitation and reintegration services and support to veterans across the State.

This section became effective on July 1, 2023.

## **Department of Military and Veterans Affairs - Children of Veterans' Scholarships. – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 33.4

Section 33.4 of S.L. 2023-134 makes the following changes to the North Carolina Scholarships for Children of Wartime Veterans Program (Program):

- Requires students who have been awarded scholarships under the Program to maintain a cumulative grade point average of 2.0 throughout the four academic years for which the student is eligible for a scholarship under the Program.
- Directs the Veterans' Affairs Commission (Commission) of the Department of Military and Veterans Affairs (DMVA) to require State and private educational institutions to annually

report (i) the number of scholarship recipients who maintained a cumulative grade point average of 2.0 under the Program and (ii) the number of scholarship recipients who completed the degree requirements for graduation under the Program.

- Requires DVMA to annually report to various legislative committees the number of scholarship recipients who maintained a cumulative grade point average of 2.0 under the Program.

This section became effective July 1, 2023.

**Prohibit Discrimination or Retaliation in Employment for Absences of Members of the Civil Air Patrol Performing Authorized Duties – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 46

[For a detailed summary of the provisions of this act, please see the LABOR AND EMPLOYMENT subject area.]



# Occupational Boards and Licensing

**See full summary documents for additional detail**

## **Care for Women, Children, and Families Act - Part IV.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Modify Training/Standards Commissions Power.**

SL 2023-56 (H611)

S.L. 2023-56 modifies the powers of the North Carolina Criminal Justice Education and Training Standards Commission and the North Carolina Sheriffs' Education and Training Standards Commission and provides that certain expunged crimes committed by minors cannot prevent law enforcement certification.

This act became effective June 23, 2023.

## **Well Contractor Examination Exemption – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 13

Section 13 of S.L. 2023-63 exempts a person who meets the following criteria from the examination requirements of the Well Contractors Certification Commission:

- Is 70 years of age or older.
- Has engaged in well contractor activity for more than 20 years.
- Has no record of having violated any provision of the North Carolina Well Construction Act, the North Carolina Well Contractors Certification Act, or any order issued or rule adopted pursuant to those acts in the previous 10 years.
- Meets all other requirements for certification (submission of an application, payment of the application fee).

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Mental Health Licensing Fair Practice Standards.**

SL 2023-80 (H344)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Registered Veterinary Technician Modification.**

SL 2023-81 (S135)

S.L. 2023-81 clarifies that only a person licensed by or registered with the North Carolina Veterinary Medical Board (Board) as a registered veterinary technician can hold himself or herself out as a "registered veterinary technician," "veterinary technician," or use the abbreviation "R.V.T." or any other words, letters, or symbols intended to convey that the person is a registered veterinary technician.

This act became effective December 1, 2023, and applies to offenses committed on or after that date.

## **Certified Alcohol and Drug Counselor Supervision Requirements.**

SL 2023-83 (S45)

S.L. 2023-83 modifies the supervision requirements for certified alcohol and drug counselors as well as those for certified criminal justice addictions professionals.

This act became effective October 1, 2023.

## **Chiropractic Preceptorship Modifications.**

SL 2023-84 (S507)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Movie Sets/Radon/Licensee Experience.**

SL 2023-91 (H782)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Juvenile Justice Modifications/Department of Insurance Expenses/Technical Changes.**

SL 2023-114 (H186)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Modify Charitable Solicitation Licensing Laws.**

SL 2023-119 (S429)

S.L. 2023-119 increases the amount of contributions allowed before a charitable organization must obtain a charitable solicitation license from \$25,000 to \$50,000 (i.e., organizations can receive up to \$50,000 before a license is required) and modifies licensure renewal and filing deadlines for charitable organizations.

Section 1 became effective September 14, 2023, and applies to requests for exemptions filed on or after that date. Section 2 became effective October 1, 2023, and applies to license renewals filed on or after that date. The remainder of the act became effective September 14, 2023.

## **Principal Licensure Changes.**

SL 2023-125 (H432)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

## **North Carolina Health and Human Services Workforce Act.**

SL 2023-129 (H125)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Continuing Legal Education Exemption for Full-Time Attorneys for General Assembly – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 27.1

Section 27.1 of S.L. 2023-134 directs the North Carolina State Bar Council to adopt rules to provide that full-time employees of the North Carolina General Assembly are exempt from the continuing legal education requirements established by the North Carolina State Bar for any calendar year in which they serve some portion as full-time employees. Until such time that the Bar Council adopts these rules, full-time employees of the North Carolina General Assembly are exempt from the North Carolina State Bar's continuing legal education requirements.

This section became effective October 3, 2023.

## **North Carolina State Bar Grievance Review Committee, Disciplinary Hearing Commission, and Bar Fees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 27.11

Section 27.11 of S.L. 2023-134 establishes the State Bar Review Committee, amends fee statutes that apply to members of the North Carolina State Bar and district bars, and modifies the membership of the North Carolina State Bar disciplinary hearing commission.

The subsections of this section that relate to fee modifications become effective July 1, 2024. The remainder of this section became effective October 3, 2023.

## **Voluntary Connection to North Carolina Health Information Exchange Network for Chiropractors – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 32

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Delay the Effective Date of Rules Adopted by the Appraisal Board Subject to Legislative Review – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 38

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Modify the Licensing Requirements for Transliterators and Interpreters – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 45

Section 45 of S.L. 2023-137 modifies the requirements to become a licensed transliterator or interpreter in the State.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023. The licensing changes made in by this section became effective December 1, 2023, and apply to licenses and provisional licenses issued or renewed by the North Carolina Interpreter and Transliterator Licensing Board after that date.

# **Property, Trusts, and Estates**

**See full summary documents for additional detail**

## **Hotel Safety Issues.**

SL 2023-5 (S53)

S.L. 2023-5 provides that rental of an accommodation by an inn, hotel, motel, recreational vehicle park, campground, or similar lodging to the same person for fewer than 90 consecutive days does not create a tenancy or a residential tenancy subject to Chapter 42 of the General Statutes.

The act became effective March 19, 2023, and applies to a person renting an accommodation in an inn, hotel, motel, recreational vehicle park, campground, or similar lodging facility. The rental period is calculated from the first day of consecutive occupation or right of occupation in the lodging facility, regardless of whether that day is before the effective date of this act.

## **Modifications to Notary Public Act.**

SL 2023-57 (S552)

[For a detailed summary of the provisions of this act, please see the CIVIL LAW AND PROCEDURE subject area.]

## **Safety Requirements for Elevators.**

SL 2023-68 (H608)

S.L. 2023-68 amends elevator safety requirements for certain rental accommodations and requires the Building Code Council to amend the North Carolina State Building Code accordingly.

Section 1 of the act becomes effective June 30, 2024. The remainder of the act became effective June 30, 2023. Section 2 of the act expires on the date that the rules adopted by the Building Code Council pursuant to that section become effective.

## **Unclaimed Property Division Changes.**

SL 2023-88 (H181)

S.L. 2023-88 allows holders of unclaimed property to authorize a third party to send the notice and file the reports required under state law. It also changes reporting and notice requirements for unclaimed property and makes technical changes to the unclaimed property statutes. Finally, it amends the amount of filing fees immediately due when filing an affidavit to collect personal property in an estate administration.

The provisions of this act dealing with estate administration fees became effective January 1, 2024. The remainder of the act became effective July 10, 2023.

## **Unfair Real Estate Agreements Act.**

SL 2023-117 (H422)

S.L. 2023-117 does the following:

- Prohibits unfair real estate service agreements.
- Prohibits the recording of unfair real estate service agreements.
- Provides remedies for owners harmed by the recording of unfair real estate service agreements

This act became effective August 24, 2023, and applies to unfair real estate service agreements that are executed, modified, extended, or amended on or after that date.

## **Estates and Trusts Changes.**

SL 2023-120 (S218)

Part I of S.L. 2023-120 makes changes related to the yearly allowance for a spouse and child of a decedent as follows:

- The procedure for requesting a year's allowance.
- Eliminating the use of magistrates.
- Funding the surviving spouse's yearly allowance is given priority over pro-rata funding shared with minor children.
- The children's yearly allowance is limited to children under 21, the amount is increased to ten thousand dollars (\$10,000), and the priority for who can receive the allowance on behalf of the child(ren) is to be reordered.
- Assets recovered by the personal representative for payment of claims of decedent's creditors or debts of the estate is used to pay the yearly allowance of a spouse and child prior to paying other claims.

Part II of S.L. 2023-120 amends G.S. 31-5.4 to change the treatment of a former spouse in estates by treating the former spouse as having predeceased the testator when the testator did not remove the former spouse from their will unless a contrary intent is expressly included in the will or through subsequent actions such as remarriage or execution of additional documents. G.S. 36C-6-606 is also amended to make technical and conforming changes to align with the proposed language of G.S. 31-5.4.

Sections 1.2 and 1.3 are effective March 1, 2024, and apply to decedents dying on or after that date. Sections 2.1 and 2.2 are effective March 1, 2024, and apply to wills probated on or after that date. Except as otherwise provided, S.L. 2023-120 is effective March 1, 2024.

**Adoption Law/Notary Changes/Guardianship Rights.**

SL 2023-124 (S615)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

**Increase the Total Appraised Value of All Real Estate Prizes Offered During a Calendar Year by a Nonprofit Organization as a Part of a Raffle – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 47

Section 47 of S.L. 2023-137 allows a nonprofit organization to conduct up to five raffles per year, repeals the maximum real property prize value of \$500,000 per raffle, and imposes a cap on total appraised value of all real property prizes offered in a single year to \$2.25 million.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023, and applies to raffles conducted on or after that date.

# Retirement

**See full summary documents for additional detail**

## **Contribution-Based Benefit Cap Working Group Changes.**

SL 2023-48 (S729)

S.L. 2023-48 amends the Teachers' and State Employees' Retirement System (TSERS) contribution-based benefit cap law in an effort to resolve disputes related to the application of the anti-pension spiking law and it authorizes the Treasurer to designate legal counsel, including private counsel, to represent the administration of benefit programs.

The sections of the act that pertain to the collection of additional contributions and that allow the Treasurer to designate legal counsel became effective July 1, 2023. The remainder of the act, including the section that authorizes the Department of State Treasurer to resolve pending legal actions involving the anti-pension spiking contribution-based benefit cap and sets out the manner in which additional contributions owed can be calculated and paid, became effective June 19, 2023.

## **Address ESG Factors.**

SL 2023-64 (H750)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

## **Department of State Treasurer Technical Corrections.**

SL 2023-89 (H203)

S.L. 2023-89 makes technical and conforming changes to the Teachers' and State Employees' Retirement System, the Local Governmental Employees' Retirement System, related statutes, and repeals obsolete statutes as recommended by the Department of State Treasurer.

This act became effective January 1, 2024.

## **Retirement Administrative Changes Act of 2023.**

SL 2023-105 (H201)

S.L. 2023-105 makes the following administrative changes:

- Changes the contributory death benefit for the Teachers' and State Employees' Retirement System (TSERS), the Local Governmental Employees' Retirement System (LGERS), the Legislative Retirement System (LRS), and the Consolidated Judicial Retirement System (CJRS).



- Makes changes to the second six months of short-term disability, to the review and approval of short-term disability benefits, and to the application for extended short-term disability benefits under the Disability Income Plan (DIP) of North Carolina.
- Allows the first retirement benefit check to be paid direct deposit rather than mailed.
- Clarifies assets of the retirement systems trust fund will be used for the exclusive benefit of persons entitled to benefits under the plan and in accordance with the Internal Revenue Code.
- Amends the survivors alternate benefit beneficiary default for TSERS, LGERS, and LRS.
- Amends the law pertaining to overpayment of funds when the overpayment is caused by administrative error.

The act became effective January 1, 2024.

### **Protect Our Students Act.**

SL 2023-128 (H142)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Transformational Investments in North Carolina Health – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 4.10

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

### **Raise Mandatory Retirement Age for Appellate Judges – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 16.14

[For a detailed summary of the provisions of this act, please see the COURTS, JUSTICE, AND CORRECTIONS subject area.]

### **4% Cost-of-Living Supplement for Retirees of the Teachers' and State Employees' Retirement System, the Judicial Retirement System, and the Legislative Retirement System – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 39.27

Section 39.27 of S.L. 2023-134 provides that for beneficiaries of the Teachers' and State Employees' Retirement System, the Judicial Retirement System, and the Legislative Retirement System, a one-time cost-of-living supplement payment must be made to or on account of beneficiaries who are living as of October 1, 2023, and whose retirement commenced on or

before October 1, 2023. The one- time supplement payment is 4% of the beneficiary's annual retirement allowance and is to be paid on or before November 30, 2023.

Notwithstanding any provision of law to the contrary, in order to administer the one-time cost-of-living supplement, the Retirement Systems Division of the Department of State Treasurer is authorized to increase receipts from the retirement assets of the corresponding retirement systems or pay costs associated with the administration of the payment directly from the retirement assets.

This section became effective July 1, 2023.

### **Unfunded Liability Solvency Reserve – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 39.28

Section 39.28 of S.L. 2023-134 amends the law (G.S. 143C-4-10) providing the Unfunded Liability Solvency Reserve by removing certain subsections in an effort to streamline the process for transferring funds intended to address the unfunded liabilities.

This section became effective October 3, 2023, and applies to fiscal years beginning on or after July 1, 2023.

### **Authorize State Treasurer to Pay Premiums to Purchase Alternative Coverage in Lieu of State Health Plan – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 39.29

[For a detailed summary of the provisions of this act, please see the INSURANCE subject area.]

# State Government

**See full summary documents for additional detail**

## **Repurpose R.J. Blackley Center as Psychiatric Hospital.**

SL 2023-3 (S115)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Care for Women, Children, and Families Act - Part V.**

SL 2023-14 (S20)

Part V of S.L. 2023-14, as amended by Part XIII-A of S.L. 2023-65, grants state employees eight weeks of paid leave after giving birth to a child and four weeks of paid leave after becoming a parent in any other manner.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. This Part of the act became effective July 1, 2023.

## **Modify Property Transfer to Pender County.**

SL 2023-35 (H412)

S.L. 2023-35 authorizes Pender County to grant one or more deeds of trust in connection with financing improvements to property previously transferred to Pender County for construction of a jail and law enforcement center and subordinates a reversionary interest reserved by the State in that property to those deeds of trust or security interests.

This act became effective June 9, 2023.

## **Authorize Haw River State Trail.**

SL 2023-36 (S100)

OVERVIEW: S.L. 2023-36 authorizes the Department of Natural and Cultural Resources (DNCR) to add the Haw River Trail to the State Parks System as a State trail.

This act became effective June 9, 2023.

## **Sports Wagering/Horse Racing Wagering.**

SL 2023-42 (H347)

S.L. 2023-42, effective January 8, 2024, does the following:

- Authorizes, regulates, and taxes sports wagering in North Carolina. The Lottery Commission is responsible for issuing licenses to involved parties and regulating sports wagering in North Carolina. Section 11.18 of S.L. 2023-134 amended these provisions.
- Authorizes and regulates pari-mutuel wagering on horse racing in North Carolina. The Lottery Commission is responsible for issuing licenses to involved parties and regulating pari-mutuel wagering in North Carolina.
- Authorizes live horse racing in North Carolina. The Lottery Commission is responsible for regulation of horse racing.
- Creates and provides funding for the North Carolina Major Events, Games, and Attractions Fund, which is administered by the Department of Commerce to provide grants for local governments or nonprofit entities working with local governments to attract major entertainment, musical, political, sporting, and theatrical events to the State to stimulate economic activity and create jobs. Section 11.18 of S.L. 2023-134 amended these provisions.

### **Rename Outdoor Heritage Advisory Council.**

SL 2023-51 (S22)

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

### **Modifications to Notary Public Act.**

SL 2023-57 (S552)

[For a detailed summary of the provisions of this act, please see the CIVIL LAW AND PROCEDURE subject area.]

### **Nondiscrimination and Dignity in State Work.**

SL 2023-62 (S364)

[For a detailed summary of the provisions of this act, please see the LABOR AND EMPLOYMENT subject area.]

### **Establish Equine State Trail – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 6

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Rename the Official State Fruit to the Muscadine Grape – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 7

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Designate the Longleaf Pine as the Emblem Representing the Trees of North Carolina – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 8

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Designate the Second Wednesday in November of Each Year as North Carolina Farmers Appreciation Day – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 8.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Address ESG Factors.**

SL 2023-64 (H750)

S.L. 2023-64 does the following:

- Prohibits State entities from creating or using environmental, social, and governance criteria or economically targeted investments requirements when making employment decisions.
- Requires the State Treasurer to only consider pecuniary factors when (i) evaluating an investment or (ii) evaluating or exercising any right appurtenant to an investment.
- Allows the State Treasurer to reasonably conclude that not exercising a right appurtenant to an investment is in the best interest of the fund's beneficiaries.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023. This act became effective June 27, 2023.

## **Self-Liquidating Projects/Property Transfers.**

SL 2023-66 (H364)

S.L. 2023-66 does the following:

- Authorizes constituent institutions of The University of North Carolina (UNC) to finance and acquire or construct certain capital improvement projects reviewed and approved by the Board of Governors of UNC on February 23, 2023. 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
- Authorizes the transfer of personal property between constituent institutions of UNC with the approval of the President of UNC.

This act became effective June 30, 2023.

### **Conforming Change to Increase the Size of the North Carolina Museum of Art Board of Trustees – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 1

Section 1 of S.L. 2023-70 increases the number of gubernatorial appointments to the Board of Trustees of the North Carolina Museum of Art to 14 to reflect the current number of congressional districts in the State, increasing the total number of board members to 26.

This section became effective June 30, 2023.

### **Clarify Surplus Property Process for Museums and Aquariums – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 2

Section 2 of S.L. 2023-70 makes various revisions to the laws governing the disposition of historical artifacts, exhibits, and other property owned by the State of North Carolina.

This section became effective June 30, 2023.

### **Time Limitation on Confidentiality of Certain Public Records – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 3

Section 3 of S.L. 2023-70 amends the North Carolina Public Records Law to require that records related to probationers, parolees, post-releasees, and prison inmates be treated as public records after 100 years, except that confidential juvenile court records are still exempt from release.

This section became effective June 30, 2023.

**State Parks Report Consolidation – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 4

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Umstead Act Exemption for Lodging Facilities at State Parks – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 6

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Clarify Zoological Park Statutes – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 7

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Revisions to the North Carolina Land and Water Fund Board of Trustees – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 10

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Clarify Public Records Statute Related to Photographs and Video Recordings of Derelict Vessels and Shipwrecks – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 11

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**State Nature and Historic Preserve Additions and Deletions – Department of Natural and Cultural Resources Agency Bill.**

SL 2023-70 (H168), Sec. 13

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Unclaimed Property Division Changes.**

SL 2023-88 (H181)

[For a detailed summary of the provisions of this act, please see the PROPERTY, TRUSTS, AND ESTATES subject area.]

## **Department of State Treasurer Technical Corrections.**

SL 2023-89 (H203)

[For a detailed summary of the provisions of this act, please see the RETIREMENT subject area.]

## **Amend On-Site Wastewater/Environment Statutes.**

SL 2023-90 (H628)

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Movie Sets/Radon/Licensee Experience.**

SL 2023-91 (H782)

S.L. 2023-91 does the following:

- Exempts buildings used for temporary motion picture, television, and theater stage sets and scenery from any use and occupancy classification under the North Carolina State Building Code.
- Directs the Department of Health and Human Services to establish an approval process for radon proficiency programs.
- Allows the Board of Examiners of Plumbing, Heating, and Fire Sprinkler Contractors to accept a license in good standing for at least 10 years as experience for Class II plumbing and heating qualifications.

Section 3 of this act became effective July 1, 2023. The remainder of the act became effective July 10, 2023.

## **Emergency Management Mods.**

SL 2023-92 (H814)

S.L. 2023-92 makes various changes to the Emergency Management Act, the powers of the Division of Emergency Management, and other provisions governing emergency management.

This act became effective July 10, 2023.



## **Treasury Administrative Changes Act.**

SL 2023-93 (H173)

S.L. 2023-93 allows the State Treasurer to determine the manner in which administrative and management costs for banking and investment programs are allocated. Those costs will be paid for with the income and assets of the programs.

This act became effective July 10, 2023.

## **Medal of Valor Award for First Responders.**

SL 2023-94 (H387)

S.L. 2023-94 creates the Medal of Valor Award for first responders, authorizing the Governor and Lieutenant Governor to each award no more than two Medal of Valor Awards to first responders each calendar year. The Governor and Lieutenant Governor can each award a third Medal of Valor Award to a first responder under special circumstances.

The act became effective July 10, 2023.

## **Code Council Reorganization and Various Code Amendments.**

SL 2023-108 (H488)

S.L. 2023-108, as amended by S.L. 2023-137 and S.L. 2023-151, reorganizes the Building Code Council to create a new Residential Code Council and amends various North Carolina State Building Code provisions, land development regulations, and General Contractor licensing laws.

This bill was vetoed by the Governor on July 7, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This act has various effective dates. Please see the full summary for more detail.

## **Selectsite Readiness Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.12

[For a detailed summary of the provisions of this act, please see the FINANCE subject area.]

## **Sports Wagering Technical Corrections – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.18

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

## **Title V Air Permit Bonus Pilot Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.17

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Tobacco Farm Life Museum Special Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.3

Section 14.3 of S.L. 2023-134 directs the Department of Natural and Cultural Resources (DNCR) to assume ownership and administration of the Tobacco Farm Life Museum in Johnston County from the Tobacco Farm Life Museum, Inc. and creates the Tobacco Farm Life Museum Fund within the DNCR to pay costs associated with the operation, interpretation, development, expansion, preservation, and maintenance of the Tobacco Farm Life Museum. Of the funds appropriated to the DNCR General Fund, \$375,000 in the 2023-2024 fiscal year and \$350,000 in the 2024-2025 fiscal year must be used for the operation, administration, and new positions staffing the Tobacco Farm Life Museum. The section also repeals laws (Article 51, Chapter 143) requiring the DNCR to establish and otherwise manage tobacco museums in Rockingham County and in Nash or Edgecombe County.

The section that repeals statutes requiring the DNCR to establish and manage tobacco museums became effective October 3, 2023.

The remainder of the section becomes effective only if the Tobacco Farm Life Museum transfers and conveys all of its assets to the State.

## **Saluda Grade Rail Corridor – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.5

Section 14.5 of S.L. 2023-134 appropriates funds to the Department of Natural and Cultural Resources (DNCR) to provide a grant to the Saluda Grade Trails Conservancy (Conservancy) for the purchase of the Saluda Grade rail corridor in Henderson and Polk Counties. DNCR must enter into a Memorandum of Understanding with the Conservancy regarding the long-term ownership structure, management, and improvement of the rail corridor. DNCR also must provide an interim report and a final report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division regarding the acquisition of the Saluda Grade rail corridor. DNCR can add the trail established on the Saluda Grade rail corridor to the State Parks System as a State trail.

This section became effective July 1, 2023.

### **Great Trails State Program – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.6

Section 14.6 of S.L. 2023-134 (i) establishes the Great Trails State Program as a special fund within the Department of Natural and Cultural Resources (DNCR) to provide matching grants to eligible entities for new trail development and extension of existing trails, and (ii) allocates \$12.5 million in nonrecurring funds to be used by DNCR in each year of the 2023-2025 fiscal biennium for the Great Trails State Program.

This section became effective July 1, 2023.

### **Complete the Trails Fund – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.7

Section 14.7 of S.L. 2023-134 directs the Department of Natural and Cultural Resources (DNCR) to use \$5 million of the funds transferred from the State Fiscal Recovery Reserve for trails to be allocated to the Complete the Trails Fund for specific purposes. DNCR must provide an initial report regarding the process for awarding grants and an annual report regarding the use of allocated funds. This section establishes the Saluda Grade Conservation and Development Council to advise and partner with DNCR on the study of the Saluda Grade rail corridor.

This section became effective on July 1, 2023.

### **Semiquincentennial Committee – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 14.10

Section 14.10 of S.L. 2023-134 creates the America's Semiquincentennial Committee to plan a celebration of the nation's 250th anniversary.

This section became effective October 3, 2023.

### **Transfer a Portion of Anson Correctional Institution to Proverbs 226 – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19A.5

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Make State Bureau of Investigation Independent Department – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 19F.4

Section 19F.4 of S.L. 2023-134 establishes the State Bureau of Investigation (SBI) as a cabinet-level department, removing it from the Department of Public Safety, and does the following:

- Authorizes the Director of the SBI to exempt up to 10 employees from portions of the State Human Resources Act. This section became effective October 3, 2023.
- Authorizes the General Assembly to remove the Director of the SBI by a three-fifths vote of the Senate and House of Representatives membership present and voting for influencing elections or political activities, misfeasance, malfeasance, and nonfeasance.
- Reduces the fee for an expunction under G.S. 15A-145.8A from \$175.00 to \$52.50.
- Eliminates the State Human Resources Act exemption for SBI employees if the exemption was provided by the Governor. This section became effective October 3, 2023.
- Makes conforming changes.

The remainder of the section became effective December 1, 2023.

## **Procurement Benchmark/Department of Agriculture and Consumer Services – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 20.3

Section 20.3 of S.L. 2023-134 provides that for purposes of competitive bidding, the bid value benchmark for the Department of Agriculture and Consumer Services is \$250,000 (originally was not greater than \$100,000). This section became effective July 1, 2023, and applies to the purchase of goods and services on or after that date.

## **Expand Minority Business and Historically Underutilized Business Definitions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 20.4

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

## **State Property and Land Use Regulation – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 20.5

Section 20.5 of Session Law 2023-134 exempts certain State Government buildings from local land use laws.

This section became effective October 3, 2023, and applies to any erection, repair, or renovation on or after that date.

## **Amend Rulemaking Procedures in the Administrative Procedure Act – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 21.2

Section 21.2 of S.L. 2023-134 makes various changes to the Administrative Procedure Act.

This section became effective October 3, 2023.

## **Authorize State Controller to Retain Private Counsel, Designate Exempt Positions, and Set Salary of Exempt Positions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 25.1

Section 25.1 of S.L. 2023-134 does all of the following: permits the State Controller to retain private counsel to represent his or her interests in litigation related to financial management of State appropriations; allows the State Controller to use lapsed salary savings to retain private counsel; permits the State Controller to have legal custody of email files, organizational internet domain names, digital files, and online website content; and authorizes the State Controller to designate 10 exempt policy making and managerial positions to set the salary of those positions.

This section became effective July 1, 2023.

## **Expand Passfacilitated Entry to Legislative Complex – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec 27.4

Section 27.4 of S.L. 2023-134 authorizes the Legislative Services Commission (the Commission) to establish policies for lobbyists and legislative liaisons to obtain an expedited entry pass to the State Legislative Complex and authorizes the Commission to charge application fees and perform background checks.

This section became effective October 3, 2023.

## **Legislative Confidentiality Modification – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 27.7

Section 27.7 of S.L. 2023-134 codifies that each legislator is the custodian of that legislator's documents as well as the custodian of the legislative confidentiality, if any, associated with that document and makes other conforming changes. This section became effective October 3, 2023.

### **General Assembly Records Archiving – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 27.9

Section 27.9 of S.L. 2023-134 authorizes the custodian of a General Assembly record to be the sole arbitrator of whether that record is a public record. This section became effective October 3, 2023.

### **Gov Ops Modifications – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 27.10

Section 27.10 of S.L. 2023-134 modifies the statutory authority of the Joint Legislative Commission on Governmental Operations, effective October 3, 2023.

### **Use of Temporary Solutions Program by Cabinet and Council of State Agencies For Hiring Temporary Employees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 29A.2

Section 29A.2 of S.L. 2023-134 prohibits temporary employees of cabinet agencies and Council of State agencies from being employed for more than 11 consecutive months. To be reinstated after working 11 consecutive months, the temporary employee must be separated for at least 31 consecutive calendar days. This section requires the Office of State Human Resources (OSHR) to prohibit an agency or division, based on individual budget code, from hiring new temporary employees if the agency or division (i) owes an invoice to OSHR that is over 90 days overdue and (ii) has a total overdue invoice amount exceeding \$200,000 for any number of days unless an exception applies. This section became effective July 1, 2023, and applies to temporary employees hired on or after that date.

### **Office of State Fire Marshal Established – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 30.8

[For a detailed summary of the provisions of this act, please see the INSURANCE subject area.]

### **Increase Fees for Lobbyists and Lobbyist Principals – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 35.1

Section 35.1 of S.L. 2023-134 raises the registration fees that lobbyists and lobbyist principals must pay from \$250 to \$500. This section of the act became effective July 1, 2023.

**Authorize State Treasurer to Pay Premiums to Purchase Alternative Coverage in Lieu of State Health Plan – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 39.29

[For a detailed summary of the provisions of this act, please see the INSURANCE subject area.]

**Extend Duration of Licenses and Allow Unlimited Remote License Renewal – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

**Division of Motor Vehicles Privatization Study – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14C

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

**Greater Accountability for Boards/Commissions.**

SL 2023-136 (S512)

S.L. 2023-136, as amended by Section 6.1 of S.L. 2023-139, amends appointments and makes associated changes to the following boards and commissions in North Carolina:

- Economic Investment Committee
- Environmental Management Commission
- Commission for Public Health
- Board of Transportation
- Coastal Resources Commission
- Wildlife Resources Commission
- North Carolina Railroad Board of Directors
- Board of Directors of The University of North Carolina Health Care System
- Utilities Commission
- Board of Governors of The University Of North Carolina
- Boards of Trustees for North Carolina State University and the University of North Carolina at Chapel Hill

This bill was vetoed by the Governor on August 24, 2023, and the veto was overridden by the General Assembly on October 10, 2023. Except as otherwise provided, this act became effective October 10, 2023.

**Modify the Application of Riparian Buffer Rules Regarding Airport Facilities; Modify Certain Provisions of the Floodplain Regulation Statutes to Direct the Department of Public Safety to Issue Floodplain Permits for Certain Airport Projects – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 21-22

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Limit Local Government Zoning Authority to Require Fire Access Roads in Excess of the Fire Code of the North Carolina Residential Codee for One- and Two-Family Dwellings – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 26

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

**State Ownership of Health Information Exchange Network Data – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 31

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Restore 2009 Building Code Standards for Piers and Docks Constructed in Estuarine Waters – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 35

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Preserve Existing North Carolina Building Code Limitation on the Use of Plastic Pipe in Certain Buildings – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 36

Section 36 of S.L. 2023-137 codifies a plastic pipe limitation currently in the 2018 North Carolina Building Code.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.



### **Disapprove Certain Department Of Administration Procurement Rules – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 37

Section 37 of S.L. 2023-137 disapproves two procurement rules adopted by DOA subject to legislative review.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

### **Delay the Effective Date of Rules Adopted by the Appraisal Board Subject to Legislative Review – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 38

Section 38 of S.L. 2023-137 delays the effective date of the six rules adopted by the North Carolina Appraisal Board subject to legislative review to December 31, 2025.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

### **Clarify Reservation of Water and Sewer Capacity for Proposed Charter School Facilities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 40

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

### **Deadline for Notification of Codifier of Repealed Rules/Codifier Authority to Remove Repealed Rules from Administrative Code – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 41

Section 41 of S.L. 2023-137 requires agencies to notify the Codifier of Rules within 30 days of a rule being repealed, and authorizes the Codifier to remove a repealed rule from the North Carolina Administrative Code in certain circumstances.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Restatement of Administrative Procedure Act Requirements for Agency to Adopt Requirements as Rules – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 42

Section 42 of S.L. 2023-137 provides that, in accordance with G.S. 150B-18, no agency of this State can enforce against any person a policy, guideline, or other interpretive statement that describes the procedure or practice requirements of the agency unless those requirements have been adopted as a rule in accordance with Article 2A of Chapter 150B of the General Statutes.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Exempt from Public Contract Bidding Requirement Heating and Cooling System Repair Work Made Through a Competitive Bidding Group Purchasing Program – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 43

Section 43 of S.L. 2023-137 expands the competitive bidding group purchasing exemption to repair work of heating and cooling systems, including both installation labor and equipment acquisition, if the contract for the work meets certain requirements.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023, and applies to repair work procured on or after that date.

## **Delete Conflicting Water/Sewer Provision in Session Law 2023-108 – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 50

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

## **Technical Correction to Appointment Criteria for the Residential Building Code Council Created by Session Law 2023-108 – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 51

Section 51 of S.L. 2023-137 makes technical corrections to the appointment criteria for the Residential Code Council, which was created by S.L. 2023-108.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section becomes effective on January 1, 2025.

# Transportation

**See full summary documents for additional detail**

## **Limited Provisional License Modification.**

SL 2023-13 (S157)

S.L. 2023-13 does the following:

- Reduces the minimum amount of time a teen must hold a Level 1 limited learner's permit before applying for a Level 2 limited provisional license under graduated drivers licensing.
- Provides that when a vehicle driven by an unsupervised Level 2 limited provisional licensee has a family/household member passenger under the age of 21, the vehicle can also have one non-family/non-household member passenger under the age of 21 when that passenger is a student being driven directly to or from school.

This act has various effective dates. Please see the full summary for more details.

## **Civilian Traffic Investigators.**

SL 2023-52 (H140)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Clarify Definition of Property-Hauling Vehicles – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 3

Section 3 of S.L. 2023-63 provides that a fifth-wheel trailer, recreational vehicle, semitrailer, or trailer used exclusively or primarily to transport vehicles in connection with motorsports competition events is not considered a property-hauling vehicle.

This bill was vetoed by the Governor on June 23, 2023, and that veto was overridden by the General Assembly on June 27, 2023.

This section became effective June 27, 2023.

## **Farm Equipment Defense for Stop Light Inductive Loops – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 3.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

## **Amend Rule 4/Acceptance of Service - Part II.**

SL 2023-97 (S91)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Clarify Motor Vehicle Dealer Laws.**

SL 2023-116 (H447)

S.L. 2023-116 makes the following changes to North Carolina laws related to motor vehicle dealers and manufacturers:

- Provides additional requirements and prohibitions for manufacturers regarding availability of vehicles and parts to dealers and dealer control over sales and business decisions.
- Prohibits manufacturers from unreasonably interfering with dealer websites and prohibits manufacturers from using their websites to negotiate directly with customers or in a way that provides unequal visibility to its dealers.
- Provides additional requirements for manufacturers with regard to allocation of vehicles to dealers.
- Regulates sales of add-on products by manufacturers to retail customers.
- Clarifies provision regarding retail rates for warranty work reimbursed by manufacturers.
- Extends existing grandfather provisions allowing certain manufacturer incentive programs.
- Requires the Division of Motor Vehicles to determine whether entering settlement agreements or consent orders with dealer and manufacturer licensees for violations of licensing laws would promote interests of justice and administrative efficiency.
- For conditionally delivered vehicles, requires the purchaser to notify the insurer that financing has been approved and clarifies that the purchaser is solely responsible for obtaining insurance on the vehicle.
- Requires publication of notice of a manufacturer's application for a dealer license in the North Carolina Register and that the hearing determining whether the manufacturer qualifies for a license be held no earlier than 30 days from the date of publication.

This act has various effective dates. Please see the full summary for more details.

## **Prohibition on State or Regional Emissions Standards for New Motor Vehicles – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.6

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Reduce Emissions Inspections Requirements – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.7

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Automated External Defibrillator Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.6A

Section 41.6A of S.L. 2023-134 requires the North Carolina Department of Transportation to submit a report on the status of automated external defibrillator (AED) purchases and installations.

This section became effective July 1, 2023.

## **Roadside Environmental – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.8

Section 41.8 of S.L. 2023-134 specifies the amounts the North Carolina Department of Transportation must spend on Roadside Environmental for the 2023-2025 fiscal biennium, and enacts laws that regulate the use of plants and seeds in State Parks and on State highway right-of-way.

This section has various effective dates. Please see the full summary for more detail.

## **Ferry Maintenance Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.11B

Section 41.11B of S.L. 2023-134 requires the Ferry Division of the Department of Transportation to report on the use of funds appropriated for marine and facilities maintenance for each year of the 2023-2025 fiscal biennium, including (i) the projects on which the funds were used, (ii) the amount of funds used for each project, (iii) whether the work on the project was performed by a contractor or by the Ferry Division, and (iv) the name of the contracting company for all work performed by a contractor. The report must be submitted to the chairs of the Joint Legislative Transportation Oversight Committee, the chairs of the House and Senate Transportation Appropriations Committees, and the Fiscal Research Division on June 30, 2024, and June 30, 2025.

This section became effective July 1, 2023.

### **Ferry Maintenance Capacity Study – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.11E

Section 41.11E of S.L. 2023-134 directs the Ferry Division of the North Carolina Department of Transportation to study increasing in-house capacity for vessel maintenance.

### **Modify Low-Speed Vehicle Definition – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.11H

Section 41.11H of S.L. 2023-134 expands the definition of low-speed vehicle to include a four-wheeled vehicle propelled by a gasoline engine. The current definition of low-speed vehicle is limited to electric vehicles.

This section became effective October 1, 2023.

### **S-Line Annual Report – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.12

Section 41.12 of S.L. 2023-134 directs the North Carolina Department of Transportation to submit an annual report on the S-Line rail corridor reconstruction project.

This section became effective July 1, 2023.

### **Passenger Rail Fleet Plan and Cost Estimates – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.13

Section 41.13 of S.L. 2023-134 requires the Department of Transportation to report on its passenger rail fleet plan to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division by December 31, 2023.

This section became effective July 1, 2023.

### **Extend Duration of Licenses and Allow Unlimited Remote License Renewal – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14

Section 41.14 of S.L. 2023-134 extends the duration of original and renewed drivers licenses from eight to sixteen years for licensees between the ages of 18 and 65, requires the Division of Motor Vehicles (DMV) to offer remote renewal of drivers licenses and remote conversion of full provisional drivers licenses if certain statutory requirements are met, and removes from those statutory requirements the condition that the most recent remote renewal or conversion be in person.

This section becomes effective July 1, 2024.

**Study on Department of Motor Vehicles Mail Flow and Routing – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14A

Section 41.14A of S.L. 2023-134 requires the Division of Motor Vehicles to study the flow and routing of mail related to the Division's provision of services and other business and report its findings and recommendations no later than January 15, 2024.

This section became effective October 3, 2023.

**Division of Motor Vehicles Privatization Study – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14C

Section 41.14C of S.L. 2023-134 requires the Legislative Services Officer and Joint Legislative Transportation Oversight Committee to issue a request for proposals by November 1, 2023, and select a consultant by January 1, 2024, to study the feasibility and advisability of further privatizing and modernizing the Division of Motor Vehicles. The Department of Transportation is required to transfer \$125,000 from the Highway Fund to the General Assembly for consultant selection and retention, and the consultant is required to report the findings of the study and any legislative recommendations to the chairs of the Joint Legislative Transportation Oversight Committee, the chairs of the House and Senate Transportation Appropriations Committees, and the Fiscal Research Division by May 1, 2024.

This section became effective October 3, 2023.

**Increase Electric and Hybrid Vehicle Fees – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14D

[For a detailed summary of the provisions of this act, please see the FINANCE subject area.]

**Authorize the Division of Motor Vehicles to Implement Transaction Fees on Electronic Payments – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14E

[For a detailed summary of the provisions of this act, please see the FINANCE subject area.]

## **Authorize Issuance of Oversize Permits for Movement of Sheds and Other Structures up to 16 Feet Wide – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 41.14G

Section 41.14G of S.L. 2023-134 authorizes the Department of Transportation to issue oversize permits for the movement of sheds and other structures up to 16 feet in width.

This section became effective October 1, 2023.

## **Enact New Transportation Commerce Tax – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 42.19

[For a detailed summary of the provisions of this act, please see the FINANCE subject area.]

## **Modify the Application of Riparian Buffer Rules Regarding Airport Facilities; Modify Certain Provisions of the Floodplain Regulation Statutes to Direct the Department of Public Safety to Issue Floodplain Permits for Certain Airport Projects – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 21-22

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

## **Increase Allowable Vehicle Height by Six Inches to Fourteen Feet – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 52

Section 52 of S.L. 2023-137 raises the maximum allowable vehicle height for vehicles that are permissible on State highways by six inches, to 14 feet.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on December 1, 2023, and applies to offenses committed on or after that date.

## **Automatic License Plate Readers in State Right-of-Way Pilot – Various Changes to Criminal and Civil Laws.**

SL 2023-151 (S409), Sec. 5

Section 5 of S.L. 2023-151 establishes a pilot program for placement of automatic license plate reader systems in State right-of-way and makes various changes to existing laws that relate to automatic license plate reader systems.



This section has various effective dates. Please see the full summary for more details.

# Utilities

**See full summary documents for additional detail**

## **Protect Critical Infrastructure.**

SL 2023-47 (S58)

S.L. 2023-47 does the following:

- Updates and consolidates statutes that relate to damage to utility property (electric, gas, and telecommunications).
- Increases penalties for acts of damage to energy facilities.
- Increases the penalty for trespass to energy facilities, and adds a specific prohibition on trespass to wastewater treatment facilities.
- Increases the penalty for willful injury to wires and other fixtures of telephone, broadband, broadcast, or cable telecommunications.

This act became effective December 1, 2023, and applies to offenses committed on or after that date. Prosecutions for offenses committed before the effective date of the act are not abated or affected by the act, and the statutes that would have been applicable but for the changes made by the act remain applicable to those prosecutions.

## **Energy Choice/Solar Decommissioning Requirements.**

SL 2023-58 (H130)

S.L. 2023-58 does both of the following:

- Prohibits local governments from adopting any ordinance that prohibits connection, reconnection, modification, or expansion of an energy service based on the type or source of energy to be delivered to the end-user of the energy service.
- Requires owners of utility-scale solar projects to responsibly decommission the projects upon cessation of operations, and to establish financial assurance to cover the decommissioning.<sup>2</sup>

This act became effective as follows:

- The requirements for decommissioning and registration established under Section 2(a) becomes effective November 1, 2025, and apply to utility scale solar projects constructed prior to or after that date.
- The requirements for submittal of a decommissioning plan and financial assurance established under Section 2(a) become effective November 1, 2025, and apply to:
  - Utility scale solar projects for which applications for certificates of public convenience and necessity are pending or submitted on or after the effective date of the act.

- Utility scale solar projects in operation on the date the act became effective, only if the project is rebuilt or expanded after the effective date of the act.
- The remainder of the act became effective June 26, 2023.

### **Expedite Water/Wastewater Franchise Transfer.**

SL 2023-67 (H455)

S.L. 2023-67 establishes an expedited approval process for the ownership transfer of certain water or wastewater utilities by the Utilities Commission (Commission).

This act became effective June 30, 2023.

### **Permit Multistate Water/Sewer Authority.**

SL 2023-126 (S211)

S.L. 2023-126 authorizes political subdivisions from adjoining states to join a water and sewer authority to be organized by political subdivisions in North Carolina to maintain and operate a water or sewer system.

This act became effective September 29, 2023, and applies to any water and sewer authority created under Article 1 of Chapter 162A of the General Statutes on or after that date.

### **Collaboratory Study Next-Generation Energy and Research Development – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 8.19

Section 8.19 of S.L. 2023-134 directs the North Carolina Collaboratory to use funds allocated to it for next-generation energy and research development for the purpose of developing academic research partnerships with North Carolina businesses working in the field of next-generation energies and leverage those partnerships to perform research and development on next-generation energy technologies. The Collaboratory must report on its activities to the Joint Legislative Education Oversight Committee by March 15, 2024 and annually thereafter.

This section became effective July 1, 2023.

### **Employee Classification and Compensation Exemptions for Utilities Commission and Public Staff – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 11.16

Section 11.16 of S.L. 2023-134 exempts the employees of the Utilities Commission and the Commission's Public Staff from various classification and compensation rules established by the

State Human Resources Commission pertaining to hours and days of work, vacation and sick leave, promotion and transfer, and incentive pay programs, among others.

This section became effective July 1, 2023.

### **Prohibit Cap and Trade Requirements for CO2 Emissions – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 12.5

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Broadband Changes – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 38.8

[For a detailed summary of the provisions of this act, please see the INFORMATION TECHNOLOGY subject area.]

### **Capital Improvement and Repairs and Renovations Appropriations – 2023 Appropriations Act.**

SL 2023-134 (H259), Sec. 40.1.(v)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Utilities Commission Authority to Allow Owners' Associations to Charge for the Costs of Providing Water and Sewer Service – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 23

Section 23 of S.L. 2023-137 authorizes the Utilities Commission to adopt procedures to allow an owners' association to charge for the costs of providing water or sewer service to persons who occupy townhomes within a planned community, and a unit owners' association to charge for the costs of providing water or sewer service to persons who occupy a condominium.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Increase Minimum Bond Required Before a Franchise can be Granted to a Water or Sewer Utility Company – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 24

Section 24 of S.L. 2023-137 increases the minimum bond required to receive a water or sewer franchise from \$10,000 to \$25,000 and provides that the bond would be forfeited if the Utilities Commission (Commission) appoints an emergency operator pursuant to the existing statutory procedure for the issuance of temporary or emergency authority by the Commission.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Clarify Reservation of Water and Sewer Capacity for Proposed Charter School Facilities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 40

Section 40 clarifies that charter schools' eligibility for reservation of sewer capacity is identical to public schools' eligibility for reservation of sewer capacity established in 2021.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

## **Commercial Mobile Radio Service Changes – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 49

[For a detailed summary of the provisions of this act, please see the INFORMATION TECHNOLOGY subject area.]

## **Clean Energy/Other Changes.**

SL 2023-138 (S678)

S.L. 2023-138 does all of the following:

- Changes the State's "Renewable Energy Portfolio Standard" to a "Clean Energy Portfolio Standard," and establishes a definition of "clean energy" to include renewable, nuclear, and fusion energy.
- Modifies a provision governing issuance of certificates of public convenience and necessity (CPCN) for electric generating facilities to:
- Eliminate a heightened Utilities Commission (Commission) analysis for coal or nuclear facilities to be constructed, including whether energy efficiency measures; demand side management; renewable energy resource generation; combined heat and power generation; or any combination thereof, would not establish or maintain a more cost effective and reliable generation system.

- Establish a requirement that a generating facility to be constructed by an electric public utility must, in addition to being in the public interest: (i) be part of the least cost path to achieve compliance with authorized carbon reduction goals enacted in 2021; and (ii) maintain or improve upon the adequacy and reliability of the existing grid.
- Extends closure deadlines for certain coal combustion residuals surface impoundments.
- Increases application fees for dam construction, repair, alteration, or removal under the Dam Safety Act.
- Requires approval by the Local Government Commission for local governments to enter into agreements to cede or transfer control over a public enterprise to a non-governmental entity.
- Prohibits local governments from entering non-disclosure agreements in order to restrict access to public records subject to disclosure under the Public Records Act.
- Establishes employee classification and compensation exemptions for the Commission and the Commission's Public Staff.

This bill was vetoed by the Governor on October 2, 2023, and the veto was overridden by the General Assembly on October 10, 2023. Except as otherwise provided, this act became effective October 10, 2023.

# Vetoed Legislation

See full summary documents for additional detail

## **Guarantee 2nd Amendment Freedom and Protections.**

SL 2023-8 (S41)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

## **Care for Women, Children, and Families Act - Part I.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Care for Women, Children, and Families Act - Part II.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Care for Women, Children, and Families Act - Part III.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Care for Women, Children, and Families Act - Part IV.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

## **Care for Women, Children, and Families Act - Part V.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Care for Women, Children, and Families Act - Part VI.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

### **Care for Women, Children, and Families Act - Part VII.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

### **Care for Women, Children, and Families Act - Part VIII.**

SL 2023-14 (S20)

[For a detailed summary of the provisions of this act, please see the CRIMINAL LAW AND PROCEDURE subject area.]

### **Reimburse Late Audit Costs with Sales Tax Rev.**

SL 2023-59 (S299)

[For a detailed summary of the provisions of this act, please see the FINANCE subject area.]

### **Retail Installment Sales Act Amendments.**

SL 2023-60 (S329)

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

### **Consumer Finance Act Amendments.**

SL 2023-61 (S331)

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

### **Nondiscrimination and Dignity in State Work.**

SL 2023-62 (S364)

[For a detailed summary of the provisions of this act, please see the LABOR AND EMPLOYMENT subject area.]



**Include Income From the Sale of Honey in Gross Income for Purposes of Present Use Value Taxation – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Clarify that Turkey Brooder Litter Recycling is a Bona Fide Farm Purpose with Respect to County Zoning – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Correct References to North Carolina Tobacco Foundation, Inc. – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.2

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Add Equine Industry Member to the Board of Agriculture – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.3

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Exempt Compost from Sales Tax for Qualifying Farmers – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.4

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Amend the Definition of Agriculture – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 1.5

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

### **Agritourism Advertising – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 2

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

### **Amend Requirements on Agritourism Warning Signs – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 2.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

### **Clarify Definition of Property-Hauling Vehicles – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 3

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]

### **Farm Equipment Defense for Stop Light Inductive Loops – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 3.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

### **Amend Veterinary Medical Board Inspection Process and Give Veterinary Medical Board Responsibility for Performing Inspections of Boarding Kennels Operated by Veterinarians – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 4

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

### **Create a Class 3 Misdemeanor for Leaving the Scene of an Animal Waste Spill – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 4.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Encourage Public Schools to Make One Hundred Percent Muscadine Grape Juice Available to Students – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Conform Penalties for Assault With a Deadly Weapon on Department of Agriculture and Consumer Services Inspectors – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Department of Agriculture and Consumer Services Authority to Adopt Rules for Department-Operated Markets and Set Metrology Laboratory Fees – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5.2

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Establish a Voluntary Assessment for Grade "A" Dairy Producers – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 5.4

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Establish Equine State Trail – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 6

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Rename the Official State Fruit to the Muscadine Grape – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 7

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Designate the Longleaf Pine as the Emblem Representing the Trees of North Carolina – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 8

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Designate the Second Wednesday in November of Each Year as North Carolina Farmers Appreciation Day – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 8.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Prescribed Burning Act Amendments – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 9

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Prohibit Use of an Unmanned Aircraft Near a Forest Fire – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 10

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Amend Timber Larceny Statute – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 11

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Limit Civil Penalties for Removal of Timber in a Riparian Buffer to the Value of the Timber – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 11.1

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Establish Forestry Services and Advice Fund – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 12

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Clarify Powers of Forest Rangers – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 12.1

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Well Contractor Examination Exemption – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 13

[For a detailed summary of the provisions of this act, please see the OCCUPATIONAL BOARDS AND LICENSING subject area.]

**Align Animal Waste Management System Operator Fees with Water Pollution Control System Operator Fees – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 13.1

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Digester General Permit Clarification – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 14

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Direct the Environmental Management Commission to Withdraw the 2021 NPDES General Permit for Aquaculture and Revise it to be Substantively Identical to the Previous General Permit – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 14.1

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Clarify Definition of Wetlands – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 15

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Wastewater Amendments – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 16

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Wastewater Amendments – North Carolina Farm Act of 2023.**

SL 2023-63 (S582), Sec. 17

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

### **Address ESG Factors.**

SL 2023-64 (H750)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

### **Parents' Bill of Rights.**

SL 2023-106 (S49)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Clarify Requirements of Charter Application and Renewal – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 1

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

### **Limit Enrollment Caps to Low-Performing Schools – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 2

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Allow Charter Schools to Admit Out-of-State Students and Foreign Exchange Students – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 3

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Add Admissions Preferences for Graduates of Certain Pre-K Programs and for Children of Military Families – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 4

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Prohibit Discrimination of Charter School Students – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 5

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Authorize Counties to Provide Capital Funds to Charter Schools – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 6

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Allow the Central Park School for Children in Durham County to Conduct a Weighted Admissions Lottery Pilot Program – Charter School Omnibus.**

SL 2023-107 (H219), Sec. 7

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Code Council Reorganization and Various Code Amendments.**

SL 2023-108 (H488)

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Fairness in Women's Sports Act.**

SL 2023-109 (H574)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Charter School Review Board.**

SL 2023-110 (H618)

[For a detailed summary of the provisions of this act, please see the EDUCATION subject area.]

**Gender Transition/Minors.**

SL 2023-111 (H808)

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Stormwater Permitting Modifications – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 1-4

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Modify Certain Rules Related to Development Density in Water Supply Watersheds, as Applicable in Iredell County and the Town of Mooresville – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 5

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Phased in Mandatory Commercial and Recreational Reporting of Certain Fish Harvests – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 6

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Establish Certain Requirements for Issuance of 401 Certifications by the Department of Environmental Quality for Certain Dredging Projects or for Projects Involving the Distribution or Transmission of Energy or Fuel – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 7

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]



**Environmental Management Commission to Study Narrative Water Quality Standards – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 8

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Direct Department of Environmental Quality to Prepare a Human Health Risk Assessment for 1,4-Dioxane in Drinking Water and Evaluate Commercially Available Technology to Remove 1,4-Dioxane from Wastewater Effluent – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 9

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund Changes – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 10

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Prohibit Dredging Moratorium Periods Not Otherwise Required by Federal Law – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 10.5

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Flotation Device Requirements – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 11

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Add New Procedural Requirements for Coastal Area Management Act Guidelines – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 12

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Require Statutory or Regulatory Citation for Any Conditions in a Permit Issued by the Department of Environmental Quality – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 13

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Revise 2020 Farm Act TMDL Transport Factor Calculation Applicability – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 14

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Clarify Certain Environmental Permitting Laws Applicable to Agricultural Activities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 15

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Prohibit Sale of Nutrient Offsets from Municipal Nutrient Offset Banks to any Entity other than a Government Entity or a Unit of Local Government – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 16

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Shorten Septage Management Permitting Review and Clarify Pumper Truck Fee – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 17

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Wastewater Design Flow Rate Modifications – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 18-18.2

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Prohibit Disposal of Lithium-Ion Batteries in Landfills; Limit Disposal of Solar Panels to Lined Landfills and Other Approved Facilities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 19

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Clarify Brownfield Program Construction – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 20

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Modify the Application of Riparian Buffer Rules Regarding Airport Facilities; Modify Certain Provisions of the Floodplain Regulation Statutes to Direct the Department of Public Safety to Issue Floodplain Permits for Certain Airport Projects – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 21-22

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Utilities Commission Authority to Allow Owners' Associations to Charge for the Costs of Providing Water and Sewer Service – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 23

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

**Increase Minimum Bond Required Before a Franchise can be Granted to a Water or Sewer Utility Company – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 24

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

**Commissioner of Agriculture/Supply Chain Powers – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 25

[For a detailed summary of the provisions of this act, please see the AGRICULTURE AND WILDLIFE subject area.]

**Limit Local Government Zoning Authority to Require Fire Access Roads in Excess of the Fire Code of the North Carolina Residential Code for One- and Two-Family Dwellings – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 26

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

**Prohibit Counties and Cities from Regulating Certain Online Marketplaces – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 27

[For a detailed summary of the provisions of this act, please see the COMMERCIAL LAW AND CONSUMER PROTECTION subject area.]

**Exempt Minor League Baseball Players Employed under a Collective Bargaining Agreement from State Minimum Wage, Overtime, and Record Keeping Requirements – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 28

[For a detailed summary of the provisions of this act, please see the LABOR AND EMPLOYMENT subject area.]

**Modify the Rules Related to the Inspection of Establishments that Prepare or Serve Food – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 29.1-29.3

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Codify Existing Stroke Center Designations and Add a Thrombectomy-Capable Stroke Center Designation – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 30

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**State Ownership of Health Information Exchange Network Data – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 31

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Voluntary Connection to North Carolina Health Information Exchange Network for Chiropractors – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 32

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Expansion of the Homeschool Cooperative Exemption to the Definition of Child Care – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 33

[For a detailed summary of the provisions of this act, please see the CHILDREN AND FAMILIES subject area.]

**Department of Information Technology Procurement Changes – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 34

[For a detailed summary of the provisions of this act, please see the INFORMATION TECHNOLOGY subject area.]

**Restore 2009 Building Code Standards for Piers and Docks Constructed in Estuarine Waters – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 35

[For a detailed summary of the provisions of this act, please see the ENVIRONMENT, NATURAL RESOURCES, AND ENERGY subject area.]

**Preserve Existing North Carolina Building Code Limitation on the Use of Plastic Pipe in Certain Buildings – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 36

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Disapprove Certain Department Of Administration Procurement Rules – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 37

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Delay the Effective Date of Rules Adopted by the Appraisal Board Subject to Legislative Review – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 38

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Emergency Supply Chain Declaration for Local Governments – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 39

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

**Clarify Reservation of Water and Sewer Capacity for Proposed Charter School Facilities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 40

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

**Deadline for Notification of Codifier of Repealed Rules/Codifier Authority to Remove Repealed Rules from Administrative Code – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 41

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Restatement of Administrative Procedure Act Requirements for Agency to Adopt Requirements as Rules – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 42

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Exempt from Public Contract Bidding Requirement Heating and Cooling System Repair Work Made Through a Competitive Bidding Group Purchasing Program – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 43

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Prohibit Counties and Cities from Adopting Certain Ordinances, Rules, and Regulations Related to Battery-Charged Security Fences and to Define and Establish Requirements for Those Battery-Charged Security Fences – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 44

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

**Modify the Licensing Requirements for Transliterators and Interpreters – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 45

[For a detailed summary of the provisions of this act, please see the OCCUPATIONAL BOARDS AND LICENSING subject area.]

**Prohibit Discrimination or Retaliation in Employment for Absences of Members of the Civil Air Patrol Performing Authorized Duties – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 46

[For a detailed summary of the provisions of this act, please see the LABOR AND EMPLOYMENT subject area.]

**Increase the Total Appraised Value of All Real Estate Prizes Offered During a Calendar Year by a Nonprofit Organization as a Part of a Raffle – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 47

[For a detailed summary of the provisions of this act, please see the PROPERTY, TRUSTS, AND ESTATES subject area.]

**Clarify that Inflatable Devices are not Amusement Devices – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 48

[For a detailed summary of the provisions of this act, please see the LABOR AND EMPLOYMENT subject area.]

**Commercial Mobile Radio Service Changes – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 49

[For a detailed summary of the provisions of this act, please see the INFORMATION TECHNOLOGY subject area.]

**Delete Conflicting Water/Sewer Provision in Session Law 2023-108 – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 50

[For a detailed summary of the provisions of this act, please see the LOCAL GOVERNMENT subject area.]

**Technical Correction to Appointment Criteria for the Residential Building Code Council Created by Session Law 2023-108 – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 51

[For a detailed summary of the provisions of this act, please see the STATE GOVERNMENT subject area.]

**Increase Allowable Vehicle Height by Six Inches to Fourteen Feet – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 52

[For a detailed summary of the provisions of this act, please see the TRANSPORTATION subject area.]



**Revisions Regarding the Lease or Sale of Hospital Facilities to or from For-Profit or Nonprofit Corporations or Other Business Entities by Municipalities and Hospital Authorities – Regulatory Reform Act of 2023.**

SL 2023-137 (H600), Sec. 53

[For a detailed summary of the provisions of this act, please see the HEALTH AND HUMAN SERVICES subject area.]

**Clean Energy/Other Changes.**

SL 2023-138 (S678)

[For a detailed summary of the provisions of this act, please see the UTILITIES subject area.]

**No Partisan Advantage in Elections.**

SL 2023-139 (S749)

[For a detailed summary of the provisions of this act, please see the CONSTITUTION AND ELECTIONS subject area.]

**Elections Law Changes.**

SL 2023-140 (S747)

[For a detailed summary of the provisions of this act, please see the CONSTITUTION AND ELECTIONS subject area.]