

# State Government

**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.

## **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)

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.

## **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.

### **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.

### **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.

### **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.

## **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

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.

## **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.

## **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.

## **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)

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

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

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.

## **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.

### **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

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.

### **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

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.

### **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

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.

## **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

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.

## **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.

## **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.

## **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

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.

## **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.

### **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.

### **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.

### **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

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.

### **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

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.

## **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.