

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 1055
Committee Substitute Favorable 6/7/16
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Short Title: State Ethics Comm. Revisions.

(Public)

Sponsors:

Referred to:

May 10, 2016

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS REVISIONS TO THE STATE GOVERNMENT ETHICS ACT
3 AND THE LOBBYING LAWS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.(a)** G.S. 138A-3(15) reads as rewritten:

6 "(15) Gift. – Anything of monetary value given or received without valuable
7 consideration by or from a lobbyist, lobbyist principal, liaison personnel, or a
8 person described under G.S. 138A-32(d)(1), (2), or (3). The following shall not
9 be considered gifts under this subdivision:

10 ...

11 g. Campaign contributions properly reported under federal law.

12 h. Anything of value given and received between extended family
13 members."

14 **SECTION 1.(b)** G.S. 138A-32(e)(7) reads as rewritten:

15 "(e) Subsections (c), (d), and (d1) of this section shall not apply to any of the following:

16 ...

17 (7) Gifts from ~~the covered person's or legislative employee's extended family~~, or a
18 member of the same household of the covered person or legislative employee."

19 **SECTION 1.(c)** This section becomes effective December 1, 2016, and applies to
20 offenses committed on or after that date.

21 **SECTION 2.** G.S. 138A-10(a) reads as rewritten:

22 "**§ 138A-10. Powers and duties.**

23 (a) In addition to other powers and duties specified in this Chapter, the Commission shall:

24 ...

25 (5) Conduct inquiries ~~of~~ and investigations on alleged violations against judicial
26 officers, legislators, and legislative employees in accordance with
27 G.S. 138A-12.

28 (6) Conduct ~~inquiries into~~ inquiries, investigations, and hearings on alleged
29 violations against public servants in accordance with G.S. 138A-12.

30"

31 **SECTION 3.** G.S. 138A-14(i) reads as rewritten:

32 "(i) This section shall not apply to judicial ~~officers~~. officers, unless otherwise serving as a
33 public servant."

34 **SECTION 4.** G.S. 138A-15(h) reads as rewritten:



1 "(h) ~~As soon as reasonably practicable after~~ Prior to the designation, hiring, or promotion of
2 their chief deputies, assistants, or other public servants under their supervision or control, or upon
3 learning of the appointment or election of other public servants to a board covered under this
4 Chapter, all agency heads and board chairs shall (i) notify the Commission in writing of such
5 designation, hiring, promotion, appointment, or election and (ii) provide these public servants with
6 copies of this Chapter and all applicable financial disclosure forms, if these materials and forms
7 have not been previously provided to these public servants in connection with their designation,
8 hiring, promotion, appointment, or election. In order to avoid duplication of effort, agency heads
9 and board chairs shall coordinate this effort with the Commission's staff."

10 **SECTION 5.** G.S. 138A-22(c) reads as rewritten:

11 "(c) Notwithstanding subsection (a) of this section, public servants, ~~under~~
12 ~~G.S. 138A-3(30)j. and k., except those as defined in G.S. 138A-3(30)a.,~~ who have submitted a
13 statement of economic interest under subsection (a) of this section, may be hired, appointed, or
14 elected provisionally prior to submission by the Commission of the Commission's evaluation of
15 the statement in accordance with this Article, subject to dismissal or removal based on the
16 Commission's evaluation."

17 **SECTION 6.** G.S. 138A-24(a) reads as rewritten:

18 "(a) Any statement of economic interest filed under this Article shall be on a form
19 prescribed by the Commission. Answers must be provided to all questions. The form shall include
20 the following information about the filing person and the filing person's immediate family:

21 (1) Except as otherwise provided in this subdivision, the name, current mailing
22 address, occupation, employer, and business of the filing person. Any
23 individual holding or seeking elected office for which residence is a
24 qualification for office shall include a home address. A judicial officer may use
25 a current mailing address instead of the home address on the form required in
26 this subsection. The filing person may also use the initials instead of the name
27 of any unemancipated child of the filing person who also resides in the
28 household of the filing person. If the filing person provides the initials of an
29 unemancipated child, the filing person shall concurrently provide the name of
30 the unemancipated child to the Commission. The name of an unemancipated
31 child provided by the filing person to the Commission shall not be a public
32 record under Chapter 132 of the General Statutes and is privileged and
33 confidential.

34 (2) A list of each asset and liability included in this subdivision of whatever nature
35 (including legal, equitable, or beneficial interest) with a value of at least ten
36 thousand dollars (\$10,000) owned by the filing person and the filing person's
37 immediate family, except assets or liabilities held in a blind trust. This list shall
38 include the following:

- 39 a. All real estate located in the State owned wholly or in part by the filing
40 person or the filing person's immediate family, including descriptions
41 adequate to determine the location by city and county of each parcel.
- 42 b. Real estate that is currently leased or rented to or from the State.
- 43 c. Personal property sold to or bought from the State within the preceding
44 two years.
- 45 d. Personal property currently leased or rented to or from the State.
- 46 e. The name of each publicly owned company. For purposes of this
47 sub-subdivision, the term "publicly owned company" shall not include a
48 widely held investment fund, including a mutual fund, regulated
49 investment company, or pension or deferred compensation plan, if all of
50 the following apply:

- 1 1. The filing person or a member of the filing person's immediate
2 family neither exercises nor has the ability to exercise control
3 over the financial interests held by the fund.
- 4 2. The fund is publicly traded, or the fund's assets are widely
5 diversified.
- 6 f. The name of each nonpublicly owned company or business entity,
7 including interests in sole proprietorships, partnerships, limited
8 partnerships, joint ventures, limited liability companies, limited liability
9 partnerships, and closely held corporations.
- 10 g. For each company or business entity listed under sub-subdivision f. of
11 this subdivision, if known, a list of any other companies or business
12 entities in which the company or business entity owns securities or
13 equity interests exceeding a value of ten thousand dollars (\$10,000).
- 14 h. Repealed by Session Laws 2010-169, s. 13(a), effective January 1,
15 2011, and applicable to statements of economic interest filed on or after
16 that date.
- 17 i. Recodified as subdivision (a)(16) by Session Laws 2010-169, s. 13(c),
18 effective January 1, 2011, and applicable to statements of economic
19 interest filed on or after that date.
- 20 j. For a vested trust created, established, or controlled by the filing person
21 of which the filing person or the members of the filing person's
22 immediate family are the beneficiaries, excluding a blind trust, the name
23 and address of the trustee, a description of the trust, and the filing
24 person's relationship to the trust.
- 25 k. A list of all liabilities, excluding indebtedness on the filing person's
26 primary personal residence, by type of creditor and debtor.
- 27 l. Repealed by Session Laws 2007-348, s. 34. See Editor's note for
28 effective date.
- 29 m. A list of all ~~stock options~~options, stock grants, stock units, and
30 restricted stocks, whether vested or unvested, in a company or business
31 not otherwise disclosed on this statement.
- 32 (3) The name of each source (not specific amounts) of income of more than five
33 thousand dollars (\$5,000) received during the previous year by business or
34 industry type, if that source is not listed under subdivision (2) of this
35 subsection. Income shall include salary, wages, professional fees, honoraria,
36 interest, dividends, rental income, and business income from any source other
37 than capital gains, federal government retirement, military retirement, or social
38 security income.
- 39 (4) If the filing person is a practicing attorney, an indication of whether the filing
40 person, or the law firm with which the filing person is affiliated, earned legal
41 fees during the past year in excess of ten thousand dollars (\$10,000) from any
42 of the following categories of legal representation:
 - 43 a. Administrative law.
 - 44 b. Admiralty law.
 - 45 c. Corporate law.
 - 46 d. Criminal law.
 - 47 e. Decedents' estates law.
 - 48 f. Environmental law.
 - 49 g. Insurance law.
 - 50 h. Labor law.
 - 51 i. Local government law.

- 1 j. Negligence or other tort litigation law.
2 k. Real property law.
3 l. Securities law.
4 m. Taxation law.
5 n. Utilities regulation law.
- 6 (5) Except for a filing person in compliance under subdivision (4) of this
7 subsection, if the filing person is a licensed professional or provides consulting
8 services, either individually or as a member of a professional association, a list
9 of categories of business and the nature of services rendered, for which
10 payment for services were charged or paid during the past year in excess of ten
11 thousand dollars (\$10,000).
- 12 (6) An indication of whether the filing person, the filing person's employer, a
13 member of the filing person's immediate family, or the immediate family
14 member's employer is licensed or regulated by, or has a business relationship
15 with, the board or employing entity with which the filing person is or will be
16 associated. This subdivision does not apply to a legislator, a judicial officer, or
17 that legislator's or judicial officer's immediate family.
- 18 (7) A list of societies, organizations, or advocacy groups, pertaining to subject
19 matter areas over which the public servant's agency or board may have
20 jurisdiction, in which the public servant or a member of the public servant's
21 immediate family is a director, officer, or governing board member. This
22 subdivision does not apply to a legislator, a judicial officer, or that legislator's
23 or judicial officer's immediate family.
- 24 (8) A list of all things with a total value of over two hundred dollars (\$200.00) per
25 calendar quarter given and received without valuable consideration and under
26 circumstances that a reasonable person would conclude that the thing was given
27 for lobbying, if such things were given by a person not required to report under
28 Chapter 120C of the General Statutes, excluding things given by a member of
29 the filing person's extended family. The list shall include only those things
30 received during the 12 months preceding the reporting period under subsection
31 (d) of this section, and shall include the source of those things. The list required
32 by this subdivision shall not apply to things of monetary value received by the
33 filing person prior to the time the filing person filed or was nominated as a
34 candidate for office, as described in G.S. 138A-22, or was appointed or
35 employed as a covered person.
- 36 (8a) A list of all scholarships related to the filing person's public service or position
37 valued over two hundred dollars (\$200.00) from a person, or group of persons,
38 acting together, if such scholarship was given by a person or group of persons
39 not required to report under Chapter 120C of the General Statutes.
- 40 (9) A list of any felony convictions of the filing person, excluding any felony
41 convictions for which a pardon of innocence or order of expungement has been
42 granted.
- 43 (10) Any other information that the filing person believes may assist the
44 Commission in advising the filing person with regards to compliance with this
45 Chapter.
- 46 (11) A list of any nonprofit corporation or organization with which associated during
47 the preceding calendar year, including a list of which of those nonprofit
48 corporations or organizations with which associated do business with the State
49 or receive State funds and a brief description of the nature of the business, if
50 known or with which due diligence could reasonably be known.

- 1 (12) A statement of whether the filing person or the filing person's immediate family
2 is or has been a lobbyist or lobbyist principal registered under Chapter 120C of
3 the General Statutes within the preceding 12 months.
- 4 (13) A list of all contributions as defined in G.S. 163-278.6(6) with a cumulative
5 total of more than one thousand dollars (\$1,000) made by the filing person only,
6 during the preceding calendar year, to the candidate or candidate campaign
7 committee of the covered person as defined in G.S. 138A-3(30)a. appointing
8 the filing person to the covered board.
- 9 (14) A statement indicating "Yes" or "No" as to whether the filing person engaged in
10 each of the following activities during the preceding calendar year, with respect
11 to or on the behalf of the candidate or candidate campaign committee of the
12 covered person as defined in G.S. 138A-3(30)a. appointing the filing person: (i)
13 collected contributions from multiple contributors, took possession of such
14 multiple contributions, and transferred or delivered those collected multiple
15 contributions, (ii) hosted a fund-raiser in the filing person's residence or place
16 of business, or (iii) volunteered for campaign-related activity. This subdivision
17 only applies to filing persons in the following categories:
- 18 a. A public servant, or a prospective appointee to, as defined in
19 G.S. 138A-3(30)c.
- 20 b. A judicial officer that serves on, or a prospective appointee to, the
21 Supreme Court, the Court of Appeals, the superior court, or the district
22 court.
- 23 c. A covered person serving on, or a prospective appointee to, one of the
24 following panels or boards:
- 25 1. Alcoholic Beverage Control Commission.
26 2. Coastal Resources Commission.
27 3. State Board of Education.
28 4. State Board of Elections.
29 5. Division of Employment Security.
30 6. Environmental Management Commission.
31 7. Industrial Commission.
32 8. State Human Resources Commission.
33 9. Rules Review Commission.
34 10. Board of Transportation.
35 11. Board of Governors of the University of North Carolina.
36 12. Utilities Commission.
37 13. Wildlife Resources Commission.
- 38 (15) The name of each business with which associated that the filing person or a
39 member of the filing person's immediate family is an employee, director,
40 officer, partner, proprietor, or member or manager.
- 41 (16) For any company or business entity listed under subdivision (15) of this
42 subsection and sub-subdivisions f. and g. of subdivision (2) of this subsection,
43 if known, a statement whether that company or business entity has any material
44 business dealings or business contracts with the State, or is regulated by the
45 State, including a brief description of the business activity."

46 **SECTION 6.5.** G.S. 138A-24 is amended by adding a new subsection to read:

47 "(a1) A public servant who is seeking an elected office covered by this Article shall respond
48 to all questions related to service as a public servant and all questions related to seeking the
49 elected office."

50 **SECTION 7.** G.S. 138A-25 reads as rewritten:

51 **"§ 138A-25. Failure to file.**

1 (a) Within 30 days after the date due under G.S. 138A-22, the Commission shall notify
2 filing persons who have failed to file or filing persons whose statement has been deemed
3 incomplete. For a filing person currently serving as a covered person, the Commission shall notify
4 the filing person and the ethics liaison that if the statement of economic interest is not filed or
5 completed within 30 days of ~~receipt~~the date of the notice of failure to file or complete, the filing
6 person shall be subject to a fine as provided for in this section.

7 (b) Any filing person who fails to file or complete a statement of economic interest within
8 30 days of the ~~receipt~~date of the notice, required under subsection (a) of this section, shall be
9 subject to a fine of two hundred fifty dollars (\$250.00), to be imposed by the Commission.

10 (c) Failure by any filing person to file or complete a statement of economic interest within
11 60 days of the ~~receipt~~date of the notice, required under subsection (a) of this section, shall be
12 deemed to be a violation of this Chapter and shall be grounds for disciplinary action under
13 G.S. 138A-45.

14 (d) Within 30 days after the date due under G.S. 138A-22, the Commission shall notify
15 persons who are required to file a Statement of Economic Interest under G.S. 136-200.2(g)(3) or
16 G.S. 136-211(f)(3) of a failure to file the Statement of Economic Interest or the filing of an
17 incomplete Statement of Economic Interest. The Commission shall notify the filing person that if
18 the Statement of Economic Interest is not filed or completed within 30 days of ~~receipt~~the date of
19 the notice of failure to file or complete, the filing person shall be fined and referred for prosecution
20 after an additional 30 days, as provided for in this section:

21 (1) Any filing person who fails to file a Statement of Economic Interest under
22 G.S. 136-200.2(g)(3) or G.S. 136-211(f)(3) within 30 days of the ~~receipt~~date of
23 the notice required under this section shall be fined two hundred fifty dollars
24 (\$250.00) by the Commission for not filing or filing an incomplete Statement of
25 Economic Interest, except in extenuating circumstances as determined by the
26 Commission.

27 (2) Failure by any filing person to file or complete the Statement of Economic
28 Interest within 60 days of the ~~receipt~~date of the notice required under this
29 subsection shall be a Class 1 misdemeanor. The Commission shall report such
30 failure to the Director of the State Bureau of Investigation for investigation and
31 referral to the District Attorney for possible prosecution, unless the
32 Commission determines extenuating circumstances exist. Upon receipt of the
33 report from the Commission, the Director of the State Bureau of Investigation
34 shall make appropriate investigation into the matter and forward a copy of the
35 investigation to the Wake County District Attorney for possible prosecution.

36 (e) Within 30 days after the date due under G.S. 138A-22, the Commission shall notify
37 persons who are required to file an additional disclosure under G.S. 136-200.2(g)(4) or
38 G.S. 136-211(f)(4) of a failure to file the additional disclosure or the filing of an incomplete
39 additional disclosure. The Commission shall notify the filing person that if the additional
40 disclosure is not filed or completed within 30 days of ~~receipt~~the date of the notice of failure to file
41 or complete, the filing person shall be fined and referred for prosecution after an additional 30
42 days, as provided for in this section:

43 (1) Any filing person who fails to file or who files an incomplete additional
44 disclosure within 30 days of the ~~receipt~~date of the notice required under this
45 section shall be fined two hundred fifty dollars (\$250.00) for not filing or filing
46 an incomplete additional disclosure, except in extenuating circumstances as
47 determined by the Commission.

48 (2) Failure by any filing person to file or complete the additional disclosure within
49 60 days of the ~~receipt~~date of the notice required under this subsection shall be a
50 Class 1 misdemeanor. The Commission shall report such failure to the Director
51 of the State Bureau of Investigation for investigation and referral to the District

1 Attorney for possible prosecution, unless the Commission determines
2 extenuating circumstances exist. Upon receipt of the report from the
3 Commission, the Director of the State Bureau of Investigation shall make
4 appropriate investigation into the matter and forward a copy of the investigation
5 to the Wake County District Attorney for possible prosecution.

6 (f) Computation of periods of time provided for in this section shall be calculated as set
7 forth in G.S. 1A-1, Rule 6(e)."

8 **SECTION 8.** G.S. 138A-28 reads as rewritten:

9 "**§ 138A-28. Review and evaluation of statements of economic interest.**

10 (a) The Commission shall receive and review all statements of economic interest pursuant
11 to G.S. 138A-10(a)(4) and shall ~~evaluate~~evaluate, under subsection (b) of this section, whether (i)
12 the statements conform to the law and the rules of the Commission, and (ii) the financial interests
13 and other information reported by prospective and actual covered persons and others required to
14 file reveal actual or potential conflicts of interest.

15 (b) Beginning July 1, 2013, the Commission shall establish a biennial cycle for evaluating
16 subsequently filed statements of economic interest. The Commission shall evaluate each initial
17 filing as provided in subsection (a) of this section.

18 (c) Notwithstanding subsection (b) of this section, statements filed by the following
19 prospective and actual public servants shall be evaluated on an annual basis:

20 (1) The University of North Carolina Board of Governors, subject to
21 G.S. 138A-24(f).

22 (2) The State Board of Community Colleges, subject to G.S. 138A-24(f).

23 (3) The North Carolina Utilities Commission.

24 (4) The North Carolina Industrial Commission.

25 (5) ~~Supplemental statements filed pursuant Metropolitan Planning Organizations~~
26 and Rural Transportation Planning Organizations subject to Chapter 136 of the
27 General Statutes.

28 (5a) The North Carolina Board of Transportation, subject to Article 8 of Chapter
29 143B of the General Statutes.

30 (6) Any other board or commission whose members are elected or confirmed by
31 the General Assembly.

32 (d) Notwithstanding subsections (a) and (b) of this section, statements of economic interest
33 filed by Constitutional officers of the State and individuals elected or appointed as Constitutional
34 officers of the State prior to taking office shall be evaluated every four years upon election or
35 appointment to office.

36 (e) A public servant who simultaneously serves on more than one covered board may file
37 one statement of economic interest and that statement shall serve as disclosure for all the covered
38 boards. If, during the ~~biennial cycle,~~ year after the statement of economic interest has been filed, a
39 public servant ~~leaves one covered board and~~ begins service as a public servant in another
40 capacity, membership on another covered board, the that public servant is ~~not~~ required to file
41 another statement of economic interest, ~~and the Commission is not required to evaluate the~~
42 statement again ~~interest~~ in light of the subsequent ~~appointment.~~ service as a public servant. ~~The~~
43 ~~public servant must make subsequent filings pursuant to G.S. 138A-22(a) upon the expiration of~~
44 ~~the biennial cycle.~~

45 (f) Nothing in this section shall be construed to impair the Commission's duties and
46 authority under ~~G.S. 138A-25 and G.S. 138A-26.~~ G.S. 138A-25."

47 **SECTION 9.** G.S. 138A-38(a) reads as rewritten:

48 "(a) Notwithstanding ~~G.S. 138A-36~~ G.S. 138A-31(a), G.S. 138A-36, and G.S. 138A-37, a
49 covered person may participate in an official action or legislative action under any of the
50 following circumstances except as specifically limited:

51 ...

- 1 (6) When a public or legislative body records in its minutes that it cannot obtain
2 quorum in order to take the official or legislative action because the covered
3 person is disqualified from acting under G.S. 138A-31(a), G.S. 138A-36,
4 G.S. 138A-37, or this section, the covered person may be counted for purposes
5 of a quorum, but shall otherwise abstain from taking any further action.

6"

7 **SECTION 10.** G.S. 138A-45 reads as rewritten:

8 **"§ 138A-45. Violation consequences.**

9 (a) Violation of this Chapter by any ethics liaison, covered person or legislative employee
10 is grounds for disciplinary action. Except as specifically provided in this Chapter and for perjury
11 under G.S. 138A-12 and G.S. 138A-24, no criminal penalty shall attach for any violation of this
12 Chapter.

13 (b) The willful failure of any public servant serving on a board to comply with this Chapter
14 is misfeasance, malfeasance, or nonfeasance. In the event of misfeasance, malfeasance, or
15 nonfeasance, the offending public servant serving on a board is subject to removal from the board
16 of which the public servant is a member. For appointees of the Governor and members of the
17 Council of State, the appointing authority may remove the offending public servant. For
18 appointees of the Speaker of the House of Representatives, the Speaker of the House of
19 Representatives may remove the offending public servant. For appointees of the General
20 Assembly made upon the recommendation of the Speaker of the House of Representatives, the
21 Governor at the recommendation of the Speaker of the House of Representatives may remove the
22 offending public servant. For appointees of the President Pro Tempore of the Senate, the President
23 Pro Tempore of the Senate may remove the offending public servant. For appointees of the
24 General Assembly made upon the recommendation of the President Pro Tempore of the Senate,
25 the Governor at the recommendation of the President Pro Tempore of the Senate may remove the
26 offending public servant. For public servants elected to a board by either the Senate or House of
27 Representatives, the electing house of the General Assembly shall exercise the discretion of
28 whether to remove the offending public servant. For all other appointees, public servants, the
29 Commission shall exercise the discretion of whether to remove the offending public servant.

30"

31 **SECTION 11.** G.S. 120C-100(a)(3) reads as rewritten:

32 "(3) Executive action. – The preparation, research, drafting, development,
33 consideration, modification, amendment, adoption, approval, tabling,
34 postponement, defeat, or rejection of a policy, guideline, request for proposal,
35 procedure, regulation, or rule by a public servant purporting to act in an official
36 capacity. This term does not include any of the following:

- 37 a. Present, prior, or possible proceedings of a contested case hearing under
38 Chapter 150B of the General Statutes, of a judicial nature, or of a
39 quasi-judicial nature.
- 40 b. A public servant's communication with a person, or another person on
41 that person's behalf, with respect to any of the following:
- 42 1. Applying for a permit, license, determination of eligibility, or
43 certification.
 - 44 2. Making an inquiry about or asserting a benefit, claim, right,
45 obligation, duty, entitlement, payment, or penalty.
 - 46 3. Making an inquiry about or responding to a request for proposal
47 made under Chapter 143–135, 143, or 147 of the General
48 Statutes.
 - 49 4. Ratemaking.

50"

51 **SECTION 12.** G.S. 120C-200 reads as rewritten:

1 **"§ 120C-200. Lobbyist registration procedure.**

2 (a) ~~A lobbyist shall file a separate registration statement for each principal the lobbyist~~
3 ~~represents with the Secretary of State before engaging in any lobbying.~~ It shall be unlawful for an
4 individual to lobby without ~~registering~~ filing a registration statement within one business day of
5 engaging in any lobbying as defined in G.S. 120C-100(9) unless exempted by this Chapter. A
6 lobbyist shall file a separate registration statement for each principal the lobbyist represents with
7 the Secretary of State.

8 (b) The form of the registration statement shall be prescribed by the Secretary of State, be
9 filed electronically, and shall include the registrant's full name, firm, complete address, and
10 telephone number; the registrant's place of business; the full name, complete address, and
11 telephone number of each principal the lobbyist represents; and a general description of the
12 matters on which the registrant expects to act as a lobbyist.

13 (c) Each lobbyist shall electronically file an amended registration statement form with the
14 Secretary of State no later than 10 business days after any change in the information supplied in
15 the lobbyist's last registration statement under subsection (b) of this section. Each supplementary
16 registration statement shall include a complete statement of the information that has changed.

17 ...
18 (f) In addition to the information required for the registration statement under subsection
19 (b) of this section, former employees of a State agency who register as a lobbyist within six
20 months after voluntary separation or separation for cause from employment with a State agency
21 shall also indicate ~~which State agency~~ with which State agency the former employee was
22 employed."

23 **SECTION 13.** G.S. 120C-201(a) reads as rewritten:

24 **"§ 120C-201. Lobbyist's registration fee.**

25 (a) A fee of two hundred fifty dollars (\$250.00) is due and payable to the Secretary of
26 State at the time of filing each lobbyist ~~registration~~ registration statement. Fees so collected shall
27 be deposited in the General Fund of the State. The fees required under this section shall be paid
28 electronically."

29 **SECTION 14.** G.S. 120C-206(a) reads as rewritten:

30 **"§ 120C-206. Lobbyist principal's authorization.**

31 (a) A written authorization signed by the lobbyist principal authorizing the lobbyist to
32 represent the principal shall be filed with the Secretary of State within 20 business days after the
33 lobbyist's ~~registration~~ registration statement is filed. If the written authorization is filed more than
34 20 business days after the lobbyist's registration statement is filed and before January 1 of the
35 following year, the lobbyist registration is effective from the date of filing of the lobbyist
36 registration statement is filed and all reports due under Article 4 of this Chapter shall be filed."

37 **SECTION 15.** G.S. 120C-401 reads as rewritten:

38 **"§ 120C-401. Reporting generally.**

39 ...
40 (b1) For purposes of subdivision (b)(5) of this section, when more than 15 designated
41 individuals benefit from or request a reportable expenditure, no names of individuals need be
42 reported provided that the report identifies the approximate number of designated individuals
43 benefiting or requesting and the basis for their selection, including the name of the board,
44 legislative body, committee, caucus, ~~or~~ other group whose membership list is a matter of public
45 record in accordance with ~~G.S. 132-1~~ G.S. 132-1, a description of the group that clearly
46 distinguishes the designated individuals, or including a description of the group that clearly
47 distinguishes its purpose or composition from the general membership of the General Assembly.
48 The approximate number of immediate family members of designated individuals who benefited
49 from the reportable expenditure shall be listed separately.

50 (b2) For purposes of subdivision (b)(5) of this section, when the reportable expenditure is a
51 gift given with the intent that a designated individual be ~~the~~ an ultimate recipient and the lobbyist

1 or lobbyist principal does not know the name or names of the designated individuals, the lobbyist
2 or lobbyist principal shall report a description of the designated individuals and those designated
3 individuals' immediate family members connected with the reportable expenditure that clearly
4 distinguishes its purpose or composition, and an approximate number, if known.

5"

6 **SECTION 16.** G.S. 120C-601(a) reads as rewritten:

7 **"§ 120C-601. Powers and duties of the Commission.**

8 (a) The Commission may investigate complaints of violations of this Chapter and shall
9 refer complaints related solely to Articles 2, 4, or 8 of this Chapter to the Secretary of State. The
10 Commission or the Secretary of State may utilize the services of a hired investigator when
11 conducting investigations."

12 **SECTION 17.** G.S. 120C-700 reads as rewritten:

13 **"§ 120C-700. Persons exempted from this Chapter.**

14 Except as otherwise provided in Article 8, the provisions of this Chapter shall not be construed
15 to apply to any of the following:

16 ...

17 (2) ~~A person~~An individual appearing before a committee, commission, board,
18 council, or other collective body whose membership includes one or more
19 designated individuals at the invitation or request of the committee or a member
20 thereof and who does not act in any further activities as a lobbyist with respect
21 to the legislative or executive action for which that person appeared.

22 ...

23 (7) ~~A person~~An individual responding to inquiries from a designated individual and
24 who does not act in any further activities as a lobbyist in connection with that
25 inquiry.

26"

27 **SECTION 18.** G.S. 120C-800 reads as rewritten:

28 **"§ 120C-800. Reportable expenditures made by persons exempted or not covered by this**
29 **Chapter.**

30 ...

31 (d) If the person granting the scholarship in subsection (c) of this section is outside North
32 Carolina, the designated individual accepting the scholarship shall be responsible for filing the
33 report or reporting the information in the designated individual's statement of economic interest in
34 accordance with ~~G.S. 138A-24(a)(2)~~G.S. 138A-24(a)(8a).

35 ...

36 (g) For purposes of this section, the term "scholarship" shall mean a grant-in-aid to attend
37 a conference, meeting, or other similar ~~event~~event, including all event-related expenses, such as
38 food, beverages, registration, travel, and lodging. For purposes of this section only, the term
39 "person" shall include all persons as defined in G.S. 138A-3(27) and all governmental units as
40 defined in G.S. 138A-3(15d)."

41 **SECTION 19.(a)** G.S. 138A-12 reads as rewritten:

42 **"§ 138A-12. ~~Inquiries~~Inquiries, investigations, and hearings by the Commission.**

43 ...

44 (b) Institution of Proceedings. – On its own motion, in response to a timely, signed and
45 sworn complaint of any individual against a covered person or legislative employee filed with the
46 Commission, or upon the written request of any public servant or those responsible for the hiring,
47 appointing, or supervising of a public servant, the Commission shall conduct an inquiry into any
48 of the following:

49 (1) The application or alleged violation of this Chapter.

50 (2) For legislators, the application or alleged violations of Part 1 of Article 14 of
51 Chapter 120 of the General Statutes.

1 (3) An alleged violation of the criminal law by a covered person in the performance
2 of that individual's official duties.
3 (4) An alleged violation of G.S. 126-14.
4 Upon receipt of a referral under G.S. 147-64.6B or a report under G.S. 147-64.6(c)(19), the
5 Commission may conduct an inquiry under this section on its own motion. Allegations of
6 violations of the Code of Judicial Conduct shall be referred to the Judicial Standards Commission
7 without investigation.

8 (b1) ~~Complaints on Its Own Motion.~~Commission Initiated Inquiry. – An ~~investigation~~
9 inquiry initiated by the Commission on its own motion ~~is not subject to the requirements of~~
10 subdivision (c)(1) of this section. An inquiry initiated upon written request of any public servant
11 or those responsible for the hiring, appointing, or supervising of a public servant instituted under
12 subsection (b) of this section ~~shall be treated as a complaint for purposes of this section and need~~
13 ~~not be sworn or verified.~~

14 (c) Complaint. –

- 15 (1) A sworn complaint filed under this Chapter shall state the name, address, and
16 telephone number of the individual filing the complaint, the name and job title
17 or appointive position of the covered person or legislative employee against
18 whom the complaint is filed, and a concise statement of the nature of the
19 complaint and specific facts indicating that a violation of this Chapter or
20 Chapter 120 of the General Statutes or G.S. 126-14 or the criminal law in the
21 performance of that individual's official duties has occurred, the date the
22 alleged violation occurred, and either (i) that the contents of the complaint are
23 within the knowledge of the individual verifying the complaint, or (ii) the basis
24 upon which the individual verifying the complaint believes the allegations to be
25 true.
- 26 (2) Except as provided in subsection (d) of this section, a complaint filed under this
27 Chapter must be filed within two years of the date the complainant knew or
28 should have known of the conduct upon which the complaint is based.
- 29 (3) The Commission may decline to ~~accept, refer, refer~~ or conduct an inquiry into
30 any complaint that does not meet all of the requirements set forth in subdivision
31 (1) of this subsection, or the Commission may, in its sole discretion, request
32 additional information to be provided by the complainant within a specified
33 period of time of no less than five business days.
- 34 (4) In addition to subdivision (3) of this subsection, the Commission may decline to
35 ~~accept, refer, refer~~ or conduct an inquiry into a complaint if it determines that
36 any of the following apply:
37 a. The complaint is frivolous or brought in bad faith.
38 b. The covered person or legislative employee and conduct complained of
39 have already been the subject of a prior complaint.
40 c. The conduct complained of is primarily a matter more appropriately and
41 adequately addressed and handled by other federal, State, or local
42 agencies or authorities, including law enforcement authorities. If other
43 agencies or authorities are conducting an investigation of the same
44 actions or conduct involved in a complaint filed under this section, the
45 Commission may stay its complaint inquiry pending final resolution of
46 the other investigation.
- 47 (5) The Commission shall send a copy of the complaint to the covered person or
48 legislative employee who is the subject of the complaint ~~and the employing~~
49 entity, ~~within 10 business days of the filing accepting the complaint.~~ For
50 purposes of this section, a complaint is deemed accepted if it is timely, signed,
51 sworn if required, and against a covered person.

1 (d) ~~Conduct of Inquiry of Complaints~~Inquiries by the Commission. – The Commission
2 shall conduct an inquiry into all complaints properly before the Commission in a timely manner.
3 The Commission shall initiate an inquiry into a complaint within 10 business days of ~~the~~
4 ~~filing~~acceptance of the complaint. The Commission is authorized to initiate inquiries upon request
5 of any member of the Commission if there is reason to believe that a covered person or legislative
6 employee has or may have violated this Chapter. Commission-initiated ~~complaint~~-inquiries under
7 this section shall be initiated within two years of the date the Commission knew of the conduct
8 upon which the ~~complaint~~-inquiry is based, except when the conduct is material to the continuing
9 conduct of the duties in office. In determining whether there is reason to believe that a violation
10 has or may have occurred, a member of the Commission may take general notice of available
11 information even if not formally provided to the Commission in the form of a complaint. The
12 Commission may utilize the services of a hired investigator when conducting inquiries.

13 (e) Covered Person and Legislative Employees Cooperation With Inquiry. – Covered
14 persons and legislative employees shall promptly and fully cooperate with the Commission in any
15 Commission-related inquiry. Failure to cooperate fully with the Commission in any inquiry shall
16 be grounds for sanctions as set forth in G.S. 138A-45.

17 (f) Dismissal of Complaint After ~~Preliminary~~-Inquiry. – The Commission shall conclude
18 the ~~preliminary~~-inquiry within ~~20–30~~ business days of acceptance of the complaint. The
19 Commission shall dismiss the complaint, if at the end of its ~~preliminary~~ inquiry the Commission
20 determines that any of the following apply:

21 (1) The individual who is the subject of the complaint is not a covered person or
22 legislative employee subject to the Commission's jurisdiction and authority
23 under this Chapter.

24 (2) The complaint does not allege facts sufficient to constitute a violation within
25 the jurisdiction of the Commission under subsection (b) of this section.

26 (3) The complaint is determined to be frivolous or brought in bad faith.

27 (g) ~~Commission Inquiries~~-Initiation of Probable Cause Investigations. – If at the end of its
28 ~~preliminary~~-inquiry, the Commission determines to proceed with ~~further inquiry~~an investigation
29 into the conduct of a covered person or legislative employee, the Commission shall provide
30 written notice to ~~the individual who filed the complaint and~~ the covered person or legislative
31 ~~employee as to~~employee, the employing entity, and appointing authority of the fact of the
32 ~~inquiry~~investigation and the ~~charges~~-allegations against the covered person or legislative
33 employee. The covered person or legislative employee shall be given an opportunity to file a
34 written response with the Commission.

35 (h) Action on ~~Inquiries~~-Probable Cause Investigations. – The Commission shall conduct
36 ~~inquiries~~-investigations into ~~complaints~~a complaint to the extent necessary to either dismiss the
37 complaint for lack of probable cause ~~of a violation under this section, or~~ or upon a finding of
38 probable cause:

39 (1) For public servants, ~~decide to~~ proceed with a hearing under subsection (i) of
40 this section.

41 (2) For legislators, except the Lieutenant Governor, refer the ~~complaint~~-matter to
42 the Committee.

43 (3) For judicial officers, refer the ~~complaint~~-matter to the Judicial Standards
44 Commission for complaints against justices and judges, or to the senior resident
45 superior court judge of the district or county for complaints against district
46 attorneys, ~~or to the chief district court judge for the district or county for~~
47 ~~complaints against~~attorneys or clerks of court.

48 (4) For legislative employees, refer the ~~complaint~~-matter to the employing entity.

49 (h1) Settlement of Inquiries Against Public Servants. – The public servant who is the
50 subject of the inquiry and the staff of the Commission may meet by mutual consent at any time
51 before the hearing to discuss the possibility of settlement or the stipulation of facts, issues of

1 law, or other pertinent matters. Any proposed settlement is subject to the approval of the
2 Commission. Upon the Commission's approval of a settlement, the matter shall be closed, subject
3 to reopening by the Commission upon any breach of the settlement agreement. The
4 Commission shall provide written notice of the fact of the settlement to the individual who filed
5 the complaint, the public servant who was the subject of the inquiry, and the public servant's
6 employing entity and appointing authority.

7 (i) Hearing. –

8 (1) The Commission shall give full and fair consideration to all accepted
9 complaints received against a public servant. If the Commission determines that
10 the complaint cannot be resolved without a hearing, or if the public servant
11 requests a hearing, a hearing shall be held.

12 (2) The Commission shall send a notice of the hearing to the complainant, and the
13 public servant. The notice shall contain the date, time and place for a hearing on
14 the matter, which shall begin no less than 30 days and no more than 90 days
15 after the date of the notice.

16 (3) ~~The~~ At least 30 days prior to the date of the hearing, the Commission shall make
17 available to the public servant or that public servant's private legal counsel all
18 documents or other evidence which are intended to be presented at the hearing
19 to the Commission or which a reasonable person would believe might exculpate
20 the accused public servant ~~at least 30 days prior to the date of the hearing held~~
21 ~~in connection with the investigation of a complaint.~~ servant. Any documents or
22 other evidence discovered within less than 30 days of the hearing shall be
23 furnished as soon as possible after discovery but prior to the hearing.

24 (4) At any hearing held by the Commission:

25 a. Oral evidence shall be taken only on oath or affirmation.

26 b. The hearing shall be open to the public, except for matters involving
27 minors, personnel records, or matters that could otherwise be considered
28 in closed session under G.S. 143-318.11. In any event, the deliberations
29 by the Commission on a complaint may be held in closed session.

30 c. The public servant being investigated shall have the right to present
31 evidence, call and examine witnesses, cross-examine witnesses,
32 introduce exhibits, and be represented by counsel.

33 ~~(j) Settlement of Inquiries. – The public servant who is the subject of the complaint and~~
34 ~~the staff of the Commission may meet by mutual consent before the hearing to discuss the~~
35 ~~possibility of settlement of the inquiry or the stipulation of any issues, facts, or matters of law.~~
36 ~~Any proposed settlement of the inquiry is subject to the approval of the Commission.~~

37 (k) ~~Disposition of Inquiries.~~ Post-Hearing Dispositions. – After the hearing, the
38 Commission shall dispose of the matter in one or more of the following ways:

39 (1) If the Commission finds substantial evidence of an alleged violation of a
40 criminal statute, the Commission shall refer the matter to the ~~Attorney~~
41 ~~General~~ Director of the State Bureau of Investigation for investigation and
42 referral to the district attorney for possible prosecution. The Director of the
43 State Bureau of Investigation shall make appropriate investigation into the
44 matter and forward a copy of the investigation to the District Attorney for
45 possible prosecution.

46 (2) If the Commission finds that the alleged violation is not established by clear
47 and convincing evidence, the Commission shall dismiss the complaint.

48 (3) If the Commission finds that the alleged violation of this Chapter is established
49 by clear and convincing evidence, the Commission shall do one or more of the
50 following:

- a. Issue a private admonishment to the public servant and notify the employing entity, if applicable. Such notification shall be treated as part of the personnel record of the public servant.
- b. Refer the matter for appropriate action to the Governor and the employing entity that appointed or employed the public servant or of which the public servant is a member.
- c. Refer the matter for appropriate action to the Chief Justice for judicial employees.
- d. Refer the matter to the Principal Clerks of the House of Representatives and Senate of the General Assembly for constitutional officers of the State.
- e. Refer the matter for appropriate action to the principal clerk of the house of the General Assembly that elected the public servant for members of the Board of Governors and the State Board of Community Colleges.

(l) Notice of Dismissal. – Upon the dismissal of a complaint under this section, the Commission shall provide written notice of the dismissal to the individual who filed the complaint and the covered person or legislative employee against whom the complaint was filed. ~~The For dismissals under subsection (h) or subdivision (k)(2) of this section, the Commission shall forward copies of complaints and notices of dismissal of complaints against public servants to the employing entity and appointing authority, against legislators to the Committee, against legislative employees to the employing entity for legislative employees, and against judicial officers to the Judicial Standards Commission for complaints against justices and judges, and the senior resident superior court judge of the district or county for complaints against district attorneys, or the chief district court judge of the district or county for complaints against attorneys or clerks of court. The Commission shall also forward a copy of the notice of dismissal to the employing entity of the covered person against whom a complaint was filed if the employing entity received a copy of the complaint under subdivision (5) of subsection (c) of this section.~~ Except as provided in subsection (n) of this section, the complaint and notice of dismissal are confidential and not public records.

(m) Reports and Records. – The Commission shall render the results of its ~~inquiry~~ investigation in writing. When a matter is referred under ~~subdivision (h)(2) and (3), or subsection (k)(h) or subdivision (k)(2) of this section,~~ the Commission's report shall consist of the complaint, response, and detailed results of its ~~inquiry~~ investigation in support of the Commission's finding of a violation under this Chapter.

(n) Confidentiality. – Complaints and responses filed with the ~~Commission and reports~~ Commission, settlement agreements, referrals, recommendations, reports, and other investigative documents and records of the Commission connected to an inquiry or investigation under this section, including information provided pursuant to G.S. 147-64.6B or G.S. 147-64.6(c)(19), shall be confidential and not matters of public record, except as otherwise provided in this section or when the covered person or legislative employee under inquiry requests in writing that the complaint, response, and findings be made public. Once a hearing under this section commences, the complaint, response, and all other documents offered at the hearing in conjunction with the complaint, not otherwise privileged or confidential under law, shall be public records. ~~If no hearing is held at such time as the Commission reports to the employing entity a recommendation of sanctions, the complaint and response shall be made public.~~

(n1) Staff to the Commission may share with staff to the Committee information connected to an inquiry into the conduct of a legislator under this section. The Commission shall provide to the Committee copies of all reports, investigative documents, information, and other documents used by the Commission when it refers a complaint to the Committee under subdivision (2) of subsection (h) of this section. Upon written request by staff to the Committee, the Commission shall provide copies of all reports, investigative documents, information, and other documents used by the Commission when it dismisses a complaint against a legislator under subsection (l) of

1 this section. The information and documents provided to the Committee and staff to the
2 Committee and the written request provided to the Commission are confidential and are not public
3 records as defined in G.S. 132-1.

4 (n2) When referring a matter to another State or local agency or authority, staff to the
5 Commission may share related information and documents with the agency or authority receiving
6 the referral. The information and documents provided shall remain confidential, are not public
7 records, and may only be released according to the terms of this Chapter.

8 (o) Recommendations of ~~Sanctions~~Sanctions After Hearing. – After referring a matter
9 under subsection (k) of this section, ~~if requested by the entity to which the matter was referred,~~ the
10 Commission may recommend sanctions or issue rulings as it deems necessary or appropriate to
11 protect the public interest and ensure compliance with this Chapter. In recommending appropriate
12 sanctions, the Commission may consider the following factors:

- 13 (1) The public servant's prior experience in an agency or on a board and prior
14 opportunities to learn the ethical standards for a public servant as set forth in
15 Article 4 of this Chapter, including those dealing with conflicts of interest.
- 16 (2) The number of ethics violations.
- 17 (3) The severity of the ethics violations.
- 18 (4) Whether the ethics violations involve the public servant's financial interest.
- 19 (5) Whether the ethics violations were inadvertent or intentional.
- 20 (6) Whether the public servant knew or should have known that the improper
21 conduct was a violation of this Chapter.
- 22 (7) Whether the public servant has previously been advised or warned by the
23 Commission.
- 24 (8) Whether the conduct or situation giving rise to the ethics violation was pointed
25 out to the public servant in the Commission's Statement of Economic Interest
26 evaluation letter issued under G.S. 138A-24(e).
- 27 (9) The public servant's motivation or reason for the improper conduct or action,
28 including whether the action was for personal financial gain versus protection
29 of the public interest.

30 In making recommendations under this subsection, if the Commission ~~determines, after proper~~
31 ~~review and investigation, determines~~ that sanctions are appropriate, the Commission may
32 recommend any action it deems necessary to properly address and rectify any violation of this
33 Chapter by a public servant, including removal of the public servant from the public servant's
34 State position. Nothing in this subsection is intended, and shall not be construed, to give the
35 Commission any independent civil, criminal, or administrative investigative or enforcement
36 authority over covered persons, or other State employees or appointees.

37 (p) Authority of Employing Entity. – Any action or failure to act by the Commission under
38 this Chapter, except G.S. 138A-13, shall not limit any authority of any of the applicable
39 employing entities to discipline the covered person or legislative employee.

40 (q) Continuing Jurisdiction. – ~~The~~ For a period of one year following the date an
41 individual who was formerly a public servant or legislative employee ceases to be a public servant
42 or legislative employee, the Commission shall have continuing jurisdiction to investigate possible
43 refer evidence of alleged criminal violations of this Chapter for a period of one year following the
44 date an individual, who was formerly a public servant or legislative employee, ceases to be a
45 public servant or legislative employee to the Director of the State Bureau of Investigation for any
46 investigation that commenced prior to the date the public servant or legislative employee ~~ceases~~
47 ceased to be a public servant or legislative employee. The Director of the State Bureau of
48 Investigation shall make appropriate investigation into the matter and forward a copy of the
49 investigation to the Wake County District Attorney for possible prosecution.

50"

51 **SECTION 19.(b)** G.S. 120-103.1 reads as rewritten:

1 **"§ 120-103.1. Investigations by the Committee.**

2 (a) Institution of Proceedings. – On its own motion, upon receipt by the Committee of a
3 signed and sworn allegation of a legislator's unethical conduct ~~conduct by a legislator, conduct~~, or upon
4 receipt of a referral of a complaint from the State Ethics Commission under Chapter 138A of the
5 General Statutes, the Committee shall conduct an investigation into any of the following:

- 6 (1) The application or alleged violation of Chapter 138A of the General Statutes
7 and of this Article.
8 (2) Repealed by Session Laws 2007-348, s. 2, effective August 9, 2007.
9 (3) The alleged violation of the criminal law by a legislator while acting in the
10 legislator's official capacity as a participant in the lawmaking process.

11 ...

12 (h3) Settlement of Inquiries. – The legislator who is the subject of the investigation and
13 members of the Committee may meet by mutual consent at any time before the hearing to discuss
14 the possibility of settlement or the stipulation of facts, issues of law, or other pertinent matters.
15 Any proposed settlement is subject to the approval of the Committee. Upon the Committee's
16 approval of a settlement, the matter shall be closed, subject to reopening by the Committee upon
17 any breach of the settlement agreement. The Committee shall provide written notice of the fact of
18 the settlement to the individual who filed the complaint and the legislator who was the subject of
19 the investigation.

20 ...

21 (j) Disposition of Investigations After Hearing. – Except as permitted under subsections
22 (b) and (g) of this section, after the hearing, the Committee shall dispose of the matter before the
23 Committee under this section, in any of the following ways:

- 24 (1) If the Committee finds that the alleged violation is not established by clear and
25 convincing evidence, the Committee shall dismiss the complaint.
26 (2) If the Committee finds that the alleged violation is established by clear and
27 convincing evidence, the Committee shall do one or more of the following:
28 a. Issue a public or private admonishment to the legislator.
29 b. Refer the matter to the ~~Attorney General~~ Director of the State Bureau of
30 Investigation for investigation and referral to the district attorney for
31 possible prosecution or the appropriate house for appropriate action, or
32 both, if the Committee finds substantial evidence of a violation of a
33 criminal statute. Upon referral to the Director of the State Bureau of
34 Investigation, the Director shall make appropriate investigation into the
35 matter and forward a copy of the investigation to the District Attorney
36 for possible prosecution.
37 c. Refer the matter to the appropriate house for appropriate action, which
38 may include censure and expulsion.
39 (3) If the Committee issues an admonishment as provided in subdivision (2)a. of
40 this subsection, the legislator affected may, upon written request to the
41 Committee, have the matter referred as provided under subdivision (2)c. of this
42 subsection.

43 ...

44 (l) Confidentiality. – The complaint, response, records, settlement agreements, and
45 findings of the Committee connected to an inquiry under this section shall be confidential and not
46 matters of public record, except as otherwise provided in this section or when the legislator under
47 inquiry requests in writing that the complaint, response, and findings be made public. Once a
48 hearing under subsection (i) of this section commences the complaint, response, Committee's
49 report to the house, and all other documents offered at the hearing in conjunction with the
50 complaint, that are not otherwise privileged or confidential under law, shall be public records. If
51 no hearing is held, at such time as the Committee recommends sanctions to the house of which the

1 legislator is a member, the complaint, response, and Committee's report to the house shall be made
2 public.
3 (11) Sharing of Information for Law Enforcement Purposes. – When referring a matter to
4 another State or local agency or authority, the Committee may share related information and
5 documents with the agency or authority receiving the referral. The information and documents
6 provided shall remain confidential, are not public records, and may only be released according to
7 the terms of this Chapter.
8"
9 **SECTION 20.** Except as otherwise provided, this act becomes effective October 1,
10 2016.