

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL 464

Short Title: Increase Oversight of OLBs. (Public)

Sponsors: Senators Wells (Primary Sponsor); and Rabin.

Referred to: Rules and Operations of the Senate

March 30, 2017

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE OVERSIGHT OF OCCUPATIONAL LICENSING BOARDS, AS
3 RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE
4 OVERSIGHT COMMITTEE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 93B-2 is amended by adding a new subsection to read:

7 "(c1) Each occupational licensing board shall provide the Joint Legislative Administrative
8 Procedure Oversight Committee with the name and contact information of the individual
9 responsible for filing the reports required by this section. Each occupational licensing board
10 shall keep this information current and notify the Committee within 30 days of any changes in
11 this information."

12 **SECTION 2.** G.S. 93B-5(g) reads as rewritten:

13 "(g) Within six months of a board member's initial appointment to the board, and at least
14 once within every two calendar years thereafter, a board member shall receive training, either
15 from the board's staff, including its legal advisor, or from an outside educational institution
16 such as the School of Government of the University of North Carolina, on the statutes
17 governing the board and rules adopted by the board, as well as the following State and federal
18 laws, in order to better understand the obligations and limitations of a State agency:

- 19 (1) Chapter 150B, The Administrative Procedure Act.
- 20 (2) Chapter 132, The Public Records Law.
- 21 (3) Article 33C of Chapter 143, The Open Meetings Act.
- 22 (4) Articles 31 and 31A of Chapter 143, The State Tort Claims Act and The
23 Defense of State Employees Law.
- 24 (5) Chapter 138A, The State Government Ethics Act.
- 25 (6) Chapter 120C, Lobbying.
- 26 (7) Antitrust law and State action immunity.

27 Completion of the training requirements contained in Chapter 138A and Chapter 120C of
28 the General Statutes satisfies the requirements of subdivisions (5) and (6) of this subsection."

29 **SECTION 3.** Chapter 93B of the General Statutes is amended by adding seven
30 new sections to read:

31 **"§ 93B-17. Occupational licensing board rule making.**

32 (a) Each occupational licensing board shall adopt rules for the receipt and resolution of
33 complaints, for taking disciplinary or enforcement actions against its licensees, and for taking
34 enforcement actions against persons not licensed by the board.

35 (b) Any interpretation, clarification, or other delineation of the scope of practice of an
36 occupational licensing board shall be adopted as a rule.



"§ 93B-18. Unlicensed activity.

(a) An occupational licensing board shall have the authority to investigate unlicensed activity and notify unlicensed persons and entities of the possible violation of the law and administrative rules and any civil action or criminal penalty that may be imposed by a court. The notification shall not indicate that the occupational licensing board has made any finding of a violation but may indicate the board's belief or opinion that a particular act may violate the board's enabling statutes, include factual information regarding legislation and court proceedings concerning the potential violation, and provide notice of the board's intention to pursue administrative remedies or court proceedings with regard to the potential violation.

(b) Any occupational licensing board providing notification to unlicensed persons and entities of a possible violation of the law and administrative rules and any civil action or criminal penalty that may be imposed by a court shall include the following statement in the notification:

"You are hereby notified that the opinion expressed herein is not a legal determination. An occupational licensing board does not have the authority to order you to discontinue your current practices. Only a court may determine that you have violated or are violating any law and, if appropriate, impose a remedy or penalty for the violation. Further, pursuant to G.S. 150B-4, you may have the right, prior to initiation of any court action by the occupational licensing board, to request a declaratory ruling regarding whether your particular conduct is lawful. You are further notified that any right to a declaratory ruling supplements any other legal rights that you may already have to establish the legality of your conduct with respect to the goods or services you offer or provide."

"§ 93B-19. Venue for court enforcement.

The venue for occupational licensing boards seeking court order for injunctive relief or to show cause for failure to comply with a subpoena lawfully issued by the occupational licensing board shall be in the superior court of the county where the defendant resides or in the county where the occupational licensing board has its principal place of business.

"§ 93B-20. Injunctive relief.

An occupational licensing board may appear in its own name in superior court in actions for injunctive relief to restrain the violation of the provisions of a statute administered by the board or a rule or order of the board. The superior court shall have the jurisdiction to grant these injunctions, restraining orders, or take other appropriate action even if criminal prosecution has been or may be instituted as a result of the violations, or whether the person is a licensee of the board. No board shall issue such orders independently of the superior court unless specifically authorized to do so by law.

"§ 93B-21. Jurisdictional disputes between boards.

It is the policy of the State that jurisdictional disputes among occupational licensing boards shall be resolved through informal procedures. If a jurisdictional dispute among occupational licensing boards cannot be resolved through informal procedures, any affected board may commence an administrative proceeding to resolve the jurisdictional dispute by filing a petition with the Office of Administrative Hearings and serve the petition on all affected boards. Once the petition is filed and the required fee is paid, the dispute shall become a contested case and shall be conducted by the Office of Administrative Hearings under Articles 3 and 4 of Chapter 150B of the General Statutes.

"§ 93B-22. Complaint process.

Each occupational licensing board shall develop and implement a complaint process that provides for all of the following:

- (1) A description of the complaint process on the board's Web site, including the types of violations that are under the jurisdictional authority of the board.

- 1 (2) Electronic complaint submission via the board's Web site, including a
- 2 prominently displayed link to a complaint form.
- 3 (3) The ability to provide complainants with a written description of the final
- 4 disposition of each complaint.

5 "**§ 93B-23. Fees.**

6 A rule adopted by an occupational licensing board to increase a fee shall become effective
7 as provided in G.S. 150B-21.3(b) as though 10 or more written objections had been received as
8 provided in G.S. 150B-21.3(b2)."

9 **SECTION 4.** The Joint Legislative Administrative Procedure Oversight Committee
10 shall continue to monitor and study the effects of the opinion in *North Carolina State Board of*
11 *Dental Examiners v. Federal Trade Commission* and other issues related to the scope of
12 practice jurisdiction of occupational licensing boards.

13 **SECTION 5.** This act is effective when it becomes law.