

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 327

Short Title: Update Legislative Review of Rules Process. (Public)

Sponsors: Representatives Moffitt, Riddell, Stevens, and Yarborough (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Judiciary 2, if favorable, Rules, Calendar, and Operations of the House

March 18, 2021

1 A BILL TO BE ENTITLED
2 AN ACT TO UPDATE THE PROCESS FOR LEGISLATIVE REVIEW OF RULES.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 150B-21.3 reads as rewritten:

5 "**§ 150B-21.3. Effective date of rules.**

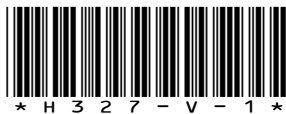
6 (a) Temporary and Emergency Rules. – A temporary rule or an emergency rule becomes
7 effective on the date the Codifier of Rules enters the rule in the North Carolina Administrative
8 Code.

9 (b) Permanent Rule. – A permanent rule approved by the Commission becomes effective
10 on the first day of the month following the month the rule is approved by the Commission, unless
11 the Commission received written objections to the rule in accordance with subsection (b2) of this
12 section, or unless subsection (b) of G.S. 150B-21.3B or the agency that adopted the rule specifies
13 a later effective date.

14 ~~(b1) Delayed Effective Dates.—Except as provided in G.S. 14 4.1, if the Commission~~
15 ~~received written objections to the rule in accordance with subsection (b2) of this section, the rule~~
16 ~~becomes effective on the earlier of the thirty first legislative day or the day of adjournment of~~
17 ~~the next regular session of the General Assembly that begins at least 25 days after the date the~~
18 ~~Commission approved the rule, unless a different effective date applies under this section. If a~~
19 ~~bill that specifically disapproves the rule is introduced in either house of the General Assembly~~
20 ~~before the thirty first legislative day of that session, the rule becomes effective on the earlier of~~
21 ~~either the day an unfavorable final action is taken on the bill or the day that session of the General~~
22 ~~Assembly adjourns without ratifying a bill that specifically disapproves the rule. If the agency~~
23 ~~adopting the rule specifies a later effective date than the date that would otherwise apply under~~
24 ~~this subsection, the later date applies. A permanent rule that is not approved by the Commission~~
25 ~~or that is specifically disapproved by a bill enacted into law before it becomes effective does not~~
26 ~~become effective.~~

27 ~~A bill specifically disapproves a rule if it contains a provision that refers to the rule by~~
28 ~~appropriate North Carolina Administrative Code citation and states that the rule is disapproved.~~
29 ~~Notwithstanding any rule of either house of the General Assembly, any member of the General~~
30 ~~Assembly may introduce a bill during the first 30 legislative days of any regular session to~~
31 ~~disapprove a rule that has been approved by the Commission and that either has not become~~
32 ~~effective or has become effective by executive order under subsection (c) of this section.~~

33 ~~(b2) Objection.—Any person who objects to the adoption of a permanent rule may submit~~
34 ~~written comments to the agency. If the objection is not resolved prior to adoption of the rule, a~~
35 ~~person may submit written objections to the Commission. If the Commission receives written~~



1 objections from 10 or more persons, no later than 5:00 P.M. of the day following the day the
2 Commission approves the rule, clearly requesting review by the legislature in accordance with
3 instructions posted on the agency's Web site pursuant to G.S. 150B-19.1(c)(4), and the
4 Commission approves the rule, the rule will become effective as provided in subsection (b1) of
5 this section. The Commission shall notify the agency that the rule is subject to legislative
6 disapproval on the day following the day it receives 10 or more written objections. When the
7 requirements of this subsection have been met and a rule is subject to legislative disapproval, the
8 agency may adopt the rule as a temporary rule if the rule would have met the criteria listed in
9 G.S. 150B-21.1(a) at the time the notice of text for the permanent rule was published in the North
10 Carolina Register. If the Commission receives objections from 10 or more persons clearly
11 requesting review by the legislature, and the rule objected to is one of a group of related rules
12 adopted by the agency at the same time, the agency that adopted the rule may cause any of the
13 other rules in the group to become effective as provided in subsection (b1) of this section by
14 submitting a written statement to that effect to the Commission before the other rules become
15 effective.

16 (c) ~~Executive Order Exception.~~—The Governor may, by executive order, make effective
17 a permanent rule that has been approved by the Commission but the effective date of which has
18 been delayed in accordance with subsection (b1) of this section upon finding that it is necessary
19 that the rule become effective in order to protect public health, safety, or welfare. A rule made
20 effective by executive order becomes effective on the date the order is issued or at a later date
21 specified in the order. When the Codifier of Rules enters in the North Carolina Administrative
22 Code a rule made effective by executive order, the entry must reflect this action.

23 A rule that is made effective by executive order remains in effect unless it is specifically
24 disapproved by the General Assembly in a bill enacted into law on or before the day of
25 adjournment of the regular session of the General Assembly that begins at least 25 days after the
26 date the executive order is issued. A rule that is made effective by executive order and that is
27 specifically disapproved by a bill enacted into law is repealed as of the date specified in the bill.
28 If a rule that is made effective by executive order is not specifically disapproved by a bill enacted
29 into law within the time set by this subsection, the Codifier of Rules must note this in the North
30 Carolina Administrative Code.

31 (c1) Fees. – Notwithstanding any other provision of this section, a rule that establishes a
32 new fee or increases an existing fee shall not become effective until the agency has complied
33 with the requirements of G.S. 12-3.1.

34 (d) ~~Legislative Day and Day of Adjournment.~~—As used in this section:

- 35 (1) A "legislative day" is a day on which either house of the General Assembly
36 convenes in regular session.
37 (2) The "day of adjournment" of a regular session held in an odd-numbered year
38 is the day the General Assembly adjourns by joint resolution or by operation
39 of law for more than 30 days.
40 (3) The "day of adjournment" of a regular session held in an even-numbered year
41 is the day the General Assembly adjourns sine die.

42 (e) OSHA Standard. – A permanent rule concerning an occupational safety and health
43 standard that is adopted by the Occupational Safety and Health Division of the Department of
44 Labor and is identical to a federal regulation promulgated by the Secretary of the United States
45 Department of Labor becomes effective on the date the Division delivers the rule to the Codifier
46 of Rules, unless the Division specifies a later effective date. If the Division specifies a later
47 effective date, the rule becomes effective on that date.

48 (f) Technical Change. – A permanent rule for which no notice or hearing is required
49 under G.S. 150B-21.5(a)(1) through (a)(5) or G.S. 150B-21.5(b) becomes effective on the first
50 day of the month following the month the rule is approved by the Rules Review
51 ~~Commission.~~Commission or Codifier of Rules, as applicable."

1 **SECTION 2.** Article 2A of Chapter 150B of the General Statutes is amended by
2 adding a new section to read:

3 **"§ 150B-21.3B. Legislative review of rules.**

4 (a) Definitions. – As used in this section, "legislative day" means a day on which either
5 house of the General Assembly convenes in regular session.

6 (b) Objection to Rule. – Any person who objects to the adoption of a permanent rule may
7 submit written comments to the agency. If the objection is not resolved prior to adoption of the
8 rule, a person may submit written objections to the Commission requesting review of the rule by
9 the General Assembly. The written objections must clearly request review by the General
10 Assembly in accordance with instructions posted on the agency's website pursuant to
11 G.S. 150B-19.1(c)(4). If the Commission receives such written objections from 10 or more
12 persons no later than 5:00 P.M. of the day following the day the Commission approves the rule,
13 the rule will become effective as provided in subsection (e) of this section. The Commission shall
14 notify the agency that the rule is subject to review by the General Assembly on the day following
15 the day it receives 10 or more written objections.

16 (c) Agency Action. – If a rule is subject to review by the General Assembly pursuant to
17 this section, the agency may adopt the rule as a temporary rule if the rule would have met the
18 criteria listed in G.S. 150B-21.1(a) at the time the notice of text for the permanent rule was
19 published in the North Carolina Register. If a rule that is subject to review by the General
20 Assembly is one of a group of related rules adopted by the agency at the same time, the agency
21 may cause any of the other rules in the group to become effective as provided in subsection (e)
22 of this section by submitting a written statement to that effect to the Commission before the other
23 rules become effective.

24 (d) Disapproval Bills. – Notwithstanding any rule of either house of the General
25 Assembly, any member of the General Assembly may introduce a bill during the first 30
26 legislative days of the regular session of any given calendar year to specifically disapprove a rule
27 that has been approved by the Commission and that has not become effective or has become
28 effective by executive order under subsection (f) of this section. A bill specifically disapproves
29 a rule if it contains a provision that refers to the rule by the appropriate North Carolina
30 Administrative Code citation and states that the rule is disapproved.

31 (e) Delayed Effective Dates. – A rule that is subject to review by the General Assembly
32 pursuant to this section shall become effective as provided in this subsection. A rule that is
33 approved by the Commission on or before December 31 of a given calendar year becomes
34 effective on the thirty-first legislative day of the regular session of the following calendar year
35 unless a bill that specifically disapproves the rule is introduced in either house of the General
36 Assembly before the thirty-first legislative day of that session. If a bill that specifically
37 disapproves the rule is introduced in either house of the General Assembly before the thirty-first
38 legislative day of that session, the rule becomes effective on the earlier of the day an unfavorable
39 final action is taken on the bill or August 1 of the calendar year following the calendar year the
40 Commission approved the rule. If the agency adopting the rule specifies a later effective date
41 than the date that would otherwise apply under this subsection, the later date applies. A
42 permanent rule that is not approved by the Commission or that is specifically disapproved by a
43 bill enacted into law before it becomes effective does not become effective.

44 (f) Executive Order Exception. – The Governor may, by executive order, make effective
45 a permanent rule that has been approved by the Commission but the effective date of which has
46 been delayed in accordance with subsection (e) of this section upon finding that it is necessary
47 that the rule become effective in order to protect public health, safety, or welfare. A rule made
48 effective by executive order becomes effective on the date the order is issued or at a later date
49 specified in the order. When the Codifier of Rules enters in the North Carolina Administrative
50 Code a rule made effective by executive order, the entry must reflect this action. A rule that is
51 made effective by executive order remains in effect unless it is specifically disapproved by the

1 General Assembly in a bill enacted into law before August 1 of the calendar year following the
2 calendar year the executive order is issued. A rule that is made effective by executive order and
3 that is specifically disapproved by a bill enacted into law is repealed as of the date specified in
4 the bill. If a rule that is made effective by executive order is not specifically disapproved by a
5 bill enacted into law within the time set by this subsection, the Codifier of Rules must note this
6 in the North Carolina Administrative Code."

7 **SECTION 3.** This act becomes effective January 1, 2022, and applies to rules
8 adopted on or after that date.