

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021**

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**HOUSE BILL 911
Committee Substitute Favorable 6/10/21**

Short Title: Regulatory Reform 2.0.

(Public)

Sponsors:

Referred to:

May 11, 2021

A BILL TO BE ENTITLED
AN ACT TO PROVIDE ADDITIONAL REGULATORY RELIEF TO THE CITIZENS OF
NORTH CAROLINA.

The General Assembly of North Carolina enacts:

**MODIFY AUTOMATIC SPRINKLER REQUIREMENTS FOR ONE- AND
TWO-FAMILY DWELLINGS**

SECTION 1.(a) Definitions. – As used in this section, "Council" means the North Carolina Building Code Council, and "Code" means the current North Carolina Building Code collection and amendments to the Code, as adopted by the Council.

SECTION 1.(b) Code Amendment. – Until the effective date of the Code amendment that the Council is required to adopt pursuant to this section, the Council and Code enforcement officials enforcing the Code shall follow the provisions of subsection (c) of this section as they relate to Section D107 of the 2018 North Carolina Fire Code and other provisions that relate to fire apparatus access roads for one- or two-family dwelling residential developments.

SECTION 1.(c) Implementation. – Notwithstanding any provision of the Code or law to the contrary, the Council and Code enforcement officials shall not require an automatic sprinkler system in one- or two-family dwellings where there are fewer than 100 dwelling units on a single public or private fire apparatus access road with access from one direction.

SECTION 1.(d) Additional Rulemaking Authority. – The Council shall adopt a rule to amend Section D107 of the 2018 North Carolina Fire Code consistent with subsection (c) of this section. Notwithstanding G.S. 143-136(c), the Residential Code Committee within the Council shall consider the amendment required by this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Council pursuant to this subsection shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

SECTION 1.(e) Sunset. – This section expires on the date that rules adopted pursuant to subsection (d) of this section become effective.

**CLARIFY PERMIT REQUIREMENTS TO LEASE OR RENT RESIDENTIAL REAL
PROPERTY**

SECTION 2.(a) G.S. 160D-1207(c) reads as rewritten:



"(c) In no event may a local government do any of the following: (i) adopt or enforce any ordinance that would require any owner or manager of rental property to obtain any permit or permission ~~under Article 11 or Article 12 of this Chapter~~ from the local government to lease or rent residential real property or to register rental property with the local government, except for those individual properties that have more than four verified violations in a rolling 12-month period or two or more verified violations in a rolling 30-day period, or upon the property being identified within the top ten percent (10%) of properties with crime or disorder problems as set forth in a local ordinance, (ii) require that an owner or manager of residential rental property enroll or participate in any governmental program as a condition of obtaining a certificate of occupancy, (iii) levy a special fee or tax on residential rental property that is not also levied against other commercial and residential properties, unless expressly authorized by general law or applicable only to an individual rental unit or property described in clause (i) of this subsection and the fee does not exceed five hundred dollars (\$500.00) in any 12-month period in which the unit or property is found to have verified violations, (iv) provide that any violation of a rental registration ordinance is punishable as a criminal offense, or (v) require any owner or manager of rental property to submit to an inspection before receiving any utility service provided by the local government. For purposes of this section, the term "verified violation" means all of the following:

- (1) The aggregate of all violations of housing ordinances or codes found in an individual rental unit of residential real property during a 72-hour period.
- (2) Any violations that have not been corrected by the owner or manager within 21 days of receipt of written notice from the local government of the violations. Should the same violation occur more than two times in a 12-month period, the owner or manager may not have the option of correcting the violation. If the housing code provides that any form of prohibited tenant behavior constitutes a violation by the owner or manager of the rental property, it shall be deemed a correction of the tenant-related violation if the owner or manager, within 30 days of receipt of written notice of the tenant-related violation, brings a summary ejectment action to have the tenant evicted."

SECTION 2.(b) This section becomes effective October 1, 2021, and any inconsistent ordinance or policy shall be void and unenforceable on or after that date.

CLARIFY REQUESTING BOARD FOR RESIDENCY LICENSE

SECTION 3.(a) G.S. 115C-270.20 reads as rewritten:

"§ 115C-270.20. Licensure requirements.

(a) Teacher Licenses. – The State Board shall adopt rules for the issuance of the following classes of teacher licenses, including required levels of preparation for each classification:

...

- (5) Residency License or RL. – A one-year license, renewable twice, that meets both of the following requirements:
 - a. Is requested by the ~~local board of education~~ governing body of a public school unit and accompanied by a certification of supervision from the recognized educator preparation program in which the individual is enrolled.
 - b. The individual for whom the license is requested meets all of the following requirements:
 1. Holds a bachelor's degree.
 2. Has either completed coursework relevant to the requested licensure area or passed the content area examination relevant

to the requested licensure area that has been approved by the State Board.

3. Is enrolled in a recognized educator preparation program.

4. Meets all other requirements established by the State Board, including completing preservice requirements prior to teaching.

...."

SECTION 3.(b) This section applies to individuals seeking licensure on or after the effective date of this act.

CREATE LOTTERY EXEMPTION FOR GRANDCHILDREN OF BOARD MEMBERS

SECTION 4. G.S. 115C-218.45 reads as rewritten:

"§ 115C-218.45. Admission requirements.

...

(f) The charter school may give enrollment priority to any of the following:

(1) Siblings of currently enrolled students who were admitted to the charter school in a previous year. For the purposes of this section, the term "siblings" includes any of the following who reside in the same household: half siblings, stepsiblings, and children residing in a family foster home.

(1a) Siblings who apply to the charter school for admission beginning in the same school year, such as when a sibling was not initially admitted due to grade level capacity.

(2) Siblings of students who have completed the highest grade level offered by that school and who were enrolled in at least four grade levels offered by the charter school or, if less than four grades are offered, in the maximum number of grades offered by the charter school.

(2a) A student who was enrolled in a preschool program operated by the charter school in the prior year.

(3) Limited to no more than fifteen percent (15%) of the school's total enrollment, unless granted a waiver by the State Board of Education, the following:

a. Children of persons (i) employed full time by the charter school or (ii) working full time in the daily operation of the charter school, including children of persons employed by an education management organization or charter management organization for the charter school.

b. Children or grandchildren of the charter school's board of directors.

(4) A student who was enrolled in the charter school within the two previous school years but left the school (i) to participate in an academic study abroad program or a competitive admission residential program or (ii) because of the vocational opportunities of the student's parent.

(5) A student who was enrolled in another charter school in the State in the previous school year that does not offer the student's next grade level.

(6) A student who was enrolled in another charter school in the State in the previous school year that does not offer the student's next grade level and both of the charter schools have an enrollment articulation agreement to accept students or are governed by the same board of directors.

(7) A student who was enrolled in another charter school in the State in the previous school year.

...."

TOLLING THE TERMS OF CHARTERS TO ALLOW TIME TO OBTAIN LAND USE APPROVALS

SECTION 5. G.S. 115C-218.5 is amended by adding a new subsection to read:

"(g) A charter school shall be entitled to automatically extend any deadline to begin operations or commence the term of its charter until the next school year, if it notifies the State Board by June 30 that it is seeking land use or development approvals for its selected site or facilities, or if it is challenging the denial of any requested land use or development approvals. The term of the charter issued by the State Board shall be tolled during the period of any extension or extensions issued under this section."

UTILITIES/LANDLORD WATER RESELLER CHANGES AND CONFORMING CHANGES TO ELECTRIC AND NATURAL GAS PROVISIONS

SECTION 6.(a) G.S. 62-110 reads as rewritten:

"§ 62-110. Certificate of convenience and necessity.

...

(g) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, for the purpose of encouraging water conservation, the Commission may, consistent with the public interest, adopt procedures that allow a lessor of any leased residential premises, as that term is defined under G.S. 42-59(3), to charge for the costs of providing water or sewer service to persons who occupy the leased premises. The following provisions shall apply:

(1) ~~All~~ Except as provided in subdivisions (1a), (1b), and (1c) of this subsection, all charges for water or sewer service shall be based on the user's metered consumption of water, which shall be determined by metered measurement of all water consumed. The rate charged by the lessor shall not exceed the unit consumption rate charged by the supplier of the service.

(1a) If the leased premises are contiguous dwelling units built prior to 1989, and the lessor determines that the measurement of the lessee's total water usage is impractical or not economical, the lessor may allocate the cost for water and sewer service to the lessee using equipment that measures the lessee's hot water usage. In that case, each lessee shall be billed a percentage of the lessor's water and sewer costs for water usage in the dwelling units based upon the hot water used in the lessee's dwelling unit. The percentage of total water usage allocated for each dwelling unit shall be equal to that dwelling unit's individually submetered hot water usage divided by all submetered hot water usage in all dwelling units. The following conditions apply to billing for water and sewer service under this subdivision:

- a. A lessor shall not utilize a ratio utility billing system or other allocation billing system that does not rely on individually submetered hot water usage to determine the allocation of water and sewer costs.
- b. The lessor shall not include in a lessee's bill the cost of water and sewer service used in common areas or water loss due to leaks in the lessor's water mains. A lessor shall not bill or attempt to collect for excess water usage resulting from a plumbing malfunction or other condition that is not known to the lessee or that has been reported to the lessor.
- c. All equipment used to measure water usage shall comply with guidelines promulgated by the American Water Works Association.
- d. The lessor shall maintain records for a minimum of 12 months that demonstrate how each lessee's allocated costs were calculated for water and sewer service. Upon advanced written notice to the lessor, a lessee may inspect the records during reasonable business hours.

- e. Bills for water and sewer service sent by the lessor to the lessee shall contain all the following information:
1. The amount of water and sewer services allocated to the lessee during the billing period.
 2. The method used to determine the amount of water and sewer services allocated to the lessee.
 3. Beginning and ending dates for the billing period.
 4. The past-due date, which shall not be less than 25 days after the bill is mailed.
 5. A local or toll-free telephone number and address that the lessee can use to obtain more information about the bill.

(1b) Notwithstanding the provisions of subdivisions ~~(1) and (1a)~~ (1), (1a), and (1c) of this subsection, if the Commission approves a flat rate to be charged by a water or sewer utility for the provision of water or sewer services to contiguous dwelling units, the lessor may pass through and charge the tenants of the contiguous dwelling units the same flat rate for water or sewer services, rather than a rate based on metered consumption, and an administrative fee as authorized in subdivision (2) of this subsection. Bills for water and sewer service sent by the lessor to the lessee shall contain all the information required by sub-sub-subdivisions e.2. through e.5. of subdivision (1a) of this subsection.

(1c) The lessor may equally divide the amount of the water and sewer bill for a unit among all the lessees in the unit and may send one bill to each lessee. The amount charged shall be prorated when a lessee has not leased the unit for the same number of days as the other lessees in the unit during the billing period. Each bill may include an administrative fee up to the amount of the then-current administrative fee authorized by the Commission in Rule 18-6 for water service and, when applicable, a late fee in an amount determined by the Commission. The lessor shall not charge the cost of water and sewer from any other unit or common area in a lessee's bill sent pursuant to this subdivision.

...

(h) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, the Commission may, consistent with the public interest, adopt procedures that allow a lessor of ~~a single family dwelling, residential building, or multiunit apartment complex~~ any leased residential premises, as that term is defined under G.S. 42-59(3), that has individually metered units for electric service in the lessor's name to charge for the actual costs of providing electric service to each lessee. The following provisions shall apply to the charges authorized under this subsection:

...

(i) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, the Commission may, consistent with the public interest, adopt procedures that allow a lessor of ~~single family dwelling, a residential building, or multiunit apartment complex~~ any leased residential premises, as that term is defined under G.S. 42-59(3), that has individually metered units for natural gas service in the lessor's name to charge for the actual costs of providing natural gas service to each lessee. The following provisions shall apply to the charges authorized under this subsection:

...."

SECTION 6.(b) This section becomes effective October 1, 2021.

DISPENSING OPTICIAN PRACTICE MODIFICATIONS

SECTION 7.(a) Article 17 of Chapter 90 of the General Statutes reads as rewritten:

"Article 17.

"Dispensing Opticians.

...

"§ 90-236. What constitutes practicing as a dispensing optician.

Any one or combination of the following practices when done for pay or reward shall constitute practicing as a dispensing optician: Interpreting prescriptions issued by licensed physicians ~~and/or or~~ optometrists; fitting glasses on the face; servicing glasses or spectacles; measuring of patient's face, fitting frames, compounding and fabricating lenses and frames, and any therapeutic device used or employed in the correction of vision, and alignment of frames to the face of the wearer, provided, however, that the provisions of this section shall not apply to students and apprentices. The following shall not constitute practicing as a dispensing optician: (i) selecting frames, (ii) placing an order for the delivery of an optical aid, (iii) transacting a sale, (iv) transferring an optical aid to the wearer after an optician has completed fitting it, (v) minor repairs to glasses or spectacles, or (vi) providing instruction in the general care and use of an optical aid, including placement, removal, hygiene, or cleaning.

...

"§ 90-237. Qualifications for dispensing opticians.

In order to be issued a license as a registered licensed optician by the North Carolina State Board of Opticians, the applicant:

- (1) Shall not have violated this Article or the rules of the Board.
- (2) Shall be at least 18 years of age and a high school graduate or equivalent.
- (2a) Shall be of good moral character.
- (3) Shall have passed ~~an a~~ national examination conducted by the Board to determine his or her fitness to engage in the business of a dispensing optician.
- (4) ~~Shall If the applicant seeks certification as a contact lens fitter, shall have completed passed a six-month internship by working full-time under the supervision of a licensed optician, optometrist, or physician trained in ophthalmology, in order to demonstrate proficiency in the areas of measurement of the face, and fitting and adjusting glasses and frames to the face, lens recognition, lens design, and prescription interpretation.~~ national examination selected by the Board to determine his or her fitness to engage in the business of a contact lens fitter.

...

"§ 90-240. Examination.

(a) ~~Applicants to take the examination for licensure as a dispensing opticians-optician and for certification as a contact lens fitter shall be high school graduates or the equivalent who~~ who, in addition to having passed the national examination selected by the Board, have done completed one of the following:

- (1) Successfully completed a two-year course of training in an accredited school of opticianry with a minimum of 1600 hours.
- (2) Completed two ~~and one-half~~ years of apprenticeship while registered with the Board under a licensed dispensing optician, with any time spent in a recognized school credited as part of the apprenticeship period.
- (3) Completed two ~~and one-half~~ years of apprenticeship while registered with the Board under the direct supervision of an optometrist or a physician specializing in ophthalmology, provided the supervising optometrist or physician elects to operate the apprenticeship under the same requirements applicable to dispensing opticians.

(a1) Applicants to take the examination for dispensing opticians who are graduates from an accredited college or university with a four-year degree or comparable degree in a health-related field shall satisfy one of the following:

(1) The requirements of subdivision (1) of subsection (a) of this section.

(2) Successful completion of ~~two years~~ one year of apprenticeship while registered with the Board under a health care professional identified in subdivision (2) or (3) of subsection (a) of this section. The Board may adopt rules specifying the colleges, universities, and coursework that meet the accreditation requirements of this subsection.

(b) The national examination to become a licensed dispensing optician selected by the Board shall be confined to such knowledge as is reasonably necessary to engage in preparation and dispensing of optical devices and shall include all of the following:

(1) The skills necessary for the proper analysis of ~~prescriptions;~~ prescriptions.

(2) The skills necessary for the dispensing of eyeglasses and contact ~~lenses;~~ and lenses.

(3) ~~The processes by which the products offered by dispensing opticians are manufactured.~~

(b1) The national examination to become a certified contact lens fitter selected by the Board shall be confined to the knowledge as is reasonably necessary to engage in the fitting of contact lenses.

(c) ~~The examination examinations~~ shall be given at least twice each year at sites and on dates that are publicly announced 60 days in advance.

(d) Each applicant shall, upon request, receive his or her examination score on each section of the examination.

(e) The Board shall include as part or all of the examination, any nationally prepared and recognized examination, and ~~will shall~~ periodically review and validate any exam in use by the Board. The Board will credit an applicant ~~with the score on any national test successfully completed in the three years immediately preceding the date the applicant is scheduled to take the North Carolina examination, who is certified by the American Board of Opticianry (ABO) or the National Contact Lens Examiners (NCLE) with completing the applicable North Carolina examination, to the extent that such test is included in the North Carolina examination. the ABO National Opticianry Competency Exam and the NCLE Contact Lens Registry Examination are accepted by the Board.~~ The Board shall adopt rules designating the nationally prepared and recognized examinations that will satisfy and serve as credit for parts or all of the North Carolina examination.

...
"§ 90-241. Waiver of written examination requirements.

(a) The Board shall grant a license without examination to any applicant who:

(1) Is at least 18 years of age.

(2) Is of good moral character.

(3) ~~Holds~~ Either (i) holds a license in good standing as a dispensing optician in another state, state or (ii) is certified by the American Board of Opticianry, National Contact Lens Examiners, or other nationally recognized organization that certifies opticians, and who has been

(4) ~~Has engaged in the practice of opticianry in the other a state that does not license opticians for at least two of the four years immediately preceding the application to the Board.~~

(5) Has not violated this Article or the rules of the Board.

(b) ~~The Board shall grant admission to the next examination and grant license upon attainment of a passing score on the examination to a person who has worked, in a state that does not license opticians, in opticianry for four years immediately preceding the application to the~~

Board performing tasks and taking the curriculum equivalent to the North Carolina apprenticeship, and who meets the requirements of G.S. 90-237(1) through (3).

...
"§ 90-243. Registration of places of business, apprentices.

The Board may adopt rules ~~requiring, as a condition of dispensing, requiring~~ the registration of places of business where ophthalmic dispensing is engaged in, and for registration of apprentices and interns who are working under direct supervision of a licensed optician. The Board may also require that any information furnished to it as required by law or regulation be furnished under oath.

...
"§ 90-252. Engaging in practice without license.

(a) Any person, ~~firm~~ firm, or corporation owning, ~~managing~~ managing, or conducting a store, ~~shop~~ shop, or place of business ~~and not having conducting optical dispensing~~ shall have a licensed dispensing optician at that store, office, place of business, or optical establishment in its employ and on duty, ~~during duty~~ all hours in which ~~when~~ acts constituting the business of ~~opticianry~~ optical dispensing are carried on, ~~a~~ allowing for usual and customary absences including illness, meal breaks, and meetings away from establishment. Any licensed dispensing optician engaged in supervision of such store, office, place of business or optical establishment, on the premises may be in charge of optical dispensing operations at an establishment without need for special registration.

(b) Any person, ~~firm~~ firm, or corporation representing to the ~~public~~, public that optical dispensing is performed at the location, by means of advertisement or otherwise or by using the words, "optician, licensed optician, optical establishment, optical office, ophthalmic dispenser," or any combination of ~~such~~ those terms within or without ~~such~~ store representing that the same is a legally established optical place of business duly licensed as such and ~~that~~ store, shall have the optical dispensing managed or conducted by persons holding a dispensing optician's license, when in fact such permit is not held by such person, firm or corporation, or by some person employed by such license or apprentice registration.

(c) Any person, ~~firm~~ firm, or corporation ~~and that~~ owns, manages, or conducts optical dispensing without being licensed as an optician, registered as an apprentice, or employing those persons who are on the premises for the appropriate hours and in charge of such optical business, responsible for optical dispensing, shall be guilty of a Class 1 misdemeanor.

...."

SECTION 7.(b) The North Carolina State Board of Opticians shall adopt temporary rules to implement the provisions of this section.

SECTION 7.(c) This section becomes effective October 1, 2021.

AUTHORIZE TABOR CITY TO PARTICIPATE IN RAILROAD REVITALIZATION PROGRAMS

SECTION 8.(a) Tabor City is authorized to participate in State and federal railroad revitalization programs necessary to ensure continued or improved rail service to the city as are authorized in Article 2D of Chapter 136 of the General Statutes. Tabor City is authorized to enter into contracts with the North Carolina Department of Transportation to provide for the nonfederal matching funds for railroad revitalization programs. Such funds may be comprised of State funds distributed under the provisions of G.S. 136-44.38 and of city funds. Tabor City is authorized to levy local property tax for railroad revitalization programs subject to G.S. 160A-209(d). City funds for any project may not exceed ten percent (10%) of total project costs.

SECTION 8.(b) This section applies only to Tabor City.

SECTION 8.(c) This section is effective when it becomes law and expires December 31, 2026.

**AUTHORIZE SANITARY DISTRICTS TO CREATE, MAINTAIN, AND OPERATE
PARKS AND RECREATION PROGRAMS AND FACILITIES**

SECTION 9. G.S. 130A-55 reads as rewritten:

"§ 130A-55. Corporate powers.

A sanitary district board shall be a body politic and corporate and may sue and be sued in matters relating to the sanitary district. Notwithstanding any limitation in the petition under G.S. 130A-48, but subject to the provisions of G.S. 130A-55(17)e, each sanitary district may exercise all of the powers granted to sanitary districts by this Article. In addition, the sanitary district board shall have the following powers:

...

(4a) To provide for the creation, maintenance, and operation of parks and recreation programs and facilities with all the powers provided to cities and counties in G.S. 160A-353. Provided, however, that a sanitary district may not exercise the power of eminent domain to acquire real property for parks and recreation programs or facilities.

...."

SENSITIVE PUBLIC SECURITY INFORMATION PUBLIC RECORDS CHANGES

SECTION 10. G.S. 132-1.7 reads as rewritten:

"§ 132-1.7. Sensitive public security information.

(a) Public records, as defined in G.S. 132-1, shall not include any of the following:

(1) ~~information~~-Information containing specific details of public security plans and arrangements or the detailed plans and drawings of public buildings and infrastructure ~~facilities or plans, facilities, including detailed plans and drawings contained in, or capable of being produced from, information storage systems or geographic information system databases.~~

(2) Plans, schedules, or other documents that include information regarding patterns or practices associated with executive protection and security.

(3) Specific security information or detailed plans, patterns, or practices associated with prison operations.

(4) Specific security information or detailed plans, patterns, or practices to prevent or respond to criminal, gang, or organized illegal activity.

(5) Specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure, whether physical or virtual, for any of the following:

a. The production, generation, transmission, or distribution of energy.

b. The treatment, transmission, or distribution of water.

c. The outfall, collection, or treatment of wastewater.

~~(a1) Public records, as defined in G.S. 132-1, shall not include specific security information or detailed plans, patterns, or practices associated with prison operations.~~

~~(a2) Public records, as defined in G.S. 132-1, shall not include specific security information or detailed plans, patterns, or practices to prevent or respond to criminal, gang, or organized illegal activity.~~

...."

HEARING PROHIBITED FOR CERTAIN TITLE V PERMIT MODIFICATIONS

SECTION 11. G.S. 143-215.111 reads as rewritten:

"§ 143-215.111. General powers of Commission; auxiliary powers.

In addition to the specific powers prescribed elsewhere in this Article and the applicable general powers prescribed in G.S. 143-215.3, and for the purpose of carrying out its duties, the Commission shall have the power:

1 ...
2 (4) To establish procedures providing for public notice, public comment, and
3 public hearings on applications for permits required by Title V to meet the
4 requirements of Title V and implementing regulations adopted by the United
5 States Environmental Protection Agency. However, no public participation,
6 including public hearing or public notice for comments with an opportunity
7 for the public to request a public hearing, shall be required where an applicant
8 seeks a modification of an existing air permit to reclassify a facility from a
9 major source to a minor source under either the Prevention of Significant
10 Deterioration Program or emission of hazardous air pollutants.

11"

12
13 **EFFECTIVE DATE**

14 **SECTION 12.** Except as otherwise provided, this act is effective when it becomes
15 law.