

# Legislative Bulletin

A Summary of New Laws  
Affecting North Carolina Lawyers

Prepared by the Governmental Affairs Team

North Carolina Bar Association

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# NORTH CAROLINA BAR ASSOCIATION

seeking liberty + justice

The Legislative Bulletin is provided as a service of the NCBA Government Affairs Team. Included is a summary of bills passed since April 2020 through July 11, 2020. These bills either were tracked by sections and committees of the NCBA, or were independently tracked by the Government Affairs Team during the 2020 session of the General Assembly. These summaries are designed to put you on notice of changes made in the statutes this session which may affect your practice. They are not intended to instruct you fully as to those changes; there is no substitute for reading the Session Laws themselves. Bills and bill summaries can be found on the General Assembly's website. Our purpose is to offer a tool to assist in your practice and we hope you will find that this publication serves that purpose.

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# North Carolina General Assembly

## Short Session Demographics & Statistics

### House of Representatives

120 Members (65 Republicans, 55 Democrats)

#### Leadership:

- Speaker:  
Tim Moore (R)\*
- Speaker Pro Tempore:  
Rep. Sarah Stevens (R)\*
- Majority Leader:  
Rep. John Bell (R)
- Democratic Leader:  
Rep. Darren G. Jackson (D)\*

### Senate

50 Members (29 Republicans, 21 Democrats)

#### Leadership:

- President:  
Lt. Governor Dan Forest (R)
- President Pro Tempore:  
Sen. Phil Berger (R)\*
- Majority Leader:  
Sen. Harry Brown (R)
- Democratic Leader:  
Sen Dan Blue (D)\*

\* = Lawyer Legislator

- 2020 Short Session convened April 28, 2020, and temporarily adjourned. They will be back on September 2, 2020, to take up remaining COVID-19 matters.
- 2,106 bills and resolutions filed in the short session to date.
  - House of Representatives: 1,236 bills
  - Senate: 870 bills
- 94 laws enacted as of July 13, 2020.
- 9 vetoes in the short session; 25 overall. None of the vetoes was overridden.

# HOUSE OF REPRESENTATIVES

*North Carolina Bar  
Association  
members are  
underlined.*



**Rep. Vernetta Alston (D)**  
District 29  
Durham  
*(Appointed 4/13/2020)*

APPROPRIATIONS;  
APPROPRIATIONS – HEALTH &  
HUMAN SERVICES; HEALTH;  
PENSIONS & RETIREMENT;  
TRANSPORTATION



**Rep. Sydney Batch (D)**  
District 37  
Wake

ELECTIONS AND ETHICS;  
FINANCE; JUDICIARY; STATE  
AND LOCAL GOVERNMENT



**Rep. Chaz Beasley (D)**  
District 92  
Mecklenburg

APPROPRIATIONS;  
APPROPRIATIONS –  
TRANSPORTATION;  
EDUCATION K-12; INSURANCE;  
JUDICIARY; RULES



**Rep. Hugh Blackwell (R)**  
District 86  
Burke

EDUCATION K-12, VICE  
CHAIR  
  
APPROPRIATIONS;  
ELECTIONS AND ETHICS;  
HEALTH; JUDICIARY;  
REGULATORY REFORM;  
TRANSPORTATION



**Rep. Scott Brewer (D)**  
District 66  
Montgomery, Richmond,  
Stanly  
*(Appointed 5/1/19)*

APPROPRIATIONS;  
APPROPRIATIONS – JPS;  
EDUCATION K-12; JUDICIARY;  
REGULATORY REFORM



**Rep. Deb Butler (D)**  
*House Democratic Whip*  
 District 18  
 Brunswick, New  
 Hanover

BANKING; COMMERCE;  
 FINANCE; REDISTRICTING;  
 TRANSPORTATION



**Rep. Ted Davis, Jr. (R)**  
 District 19  
 New Hanover

JUDICIARY, SR. CHAIR  
 APPROPRIATIONS – JPS, CHAIR  
 EDUCATION – UNIVERSITIES,  
 CHAIR  
 APPROPRIATIONS, VICE CHAIR

ELECTIONS AND ETHICS;  
 ENVIRONMENT; SELECT  
 COMMITTEE ON SCHOOL SAFETY;  
 RULES



**Rep. Terence Everitt (D)**  
 District 35  
 Wake

BANKING; COMMERCE;  
 FINANCE; JUDICIARY



**Rep. Holly Grange (R)**  
*House Deputy Conference  
 Chair*  
 District 20  
 New Hanover

BANKING, CHAIR  
 ELECTIONS AND ETHICS, CHAIR  
 HOMELAND SECURITY, MILITARY,  
 AND VETERANS AFFAIRS, VICE-  
 CHAIR

APPROPRIATIONS;  
 APPROPRIATIONS – EDUCATION;  
 SELECT COMMITTEE ON SCHOOL  
 SAFETY; REDISTRICTING; RULES



**Rep. Destin Hall (R)**  
 District 87  
 Caldwell

ELECTIONS AND ETHICS,  
 CHAIR  
 REDISTRICTING, CHAIR  
 JUDICIARY, VICE CHAIR

COMMERCE; ENERGY AND  
 PUBLIC UTILITIES; FINANCE



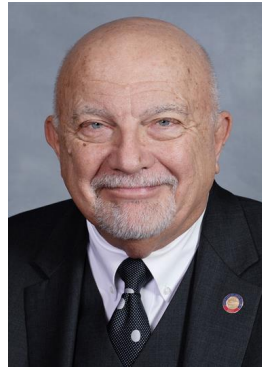
**Rep. Rachel Hunt (D)**  
 District 103  
 Mecklenburg

AGING; AGRICULTURE;  
 APPROPRIATIONS;  
 APPROPRIATIONS – CAPITAL;  
 EDUCATION – COMMUNITY  
 COLLEGES; JUDICIARY



**Rep. Darren Jackson (D)**  
*Democratic Leader*  
 District 39  
 Wake

APPROPRIATIONS;  
 EDUCATION – UNIVERSITIES;  
 ELECTIONS AND ETHICS;  
 FINANCE; RULES



**Rep. Joe John (D)**  
 District 40  
 Wake

AGING; APPROPRIATIONS;  
 APPROPRIATIONS - JPS;  
 JUDICIARY; TRANSPORTATION



**Rep. Brandon Lofton (D)**  
 District 104  
 Mecklenburg

AGRICULTURE; COMMERCE;  
 FINANCE; JUDICIARY; STATE  
 AND LOCAL GOVERNMENT



**Rep. Grier Martin (D)**  
 District 34  
 Wake

APPROPRIATIONS;  
 APPROPRIATIONS –  
 TRANSPORTATION; EDUCATION –  
 UNIVERSITIES;  
 HOMELAND SECURITY, MILITARY,  
 AND VETERANS AFFAIRS;  
 PENSIONS AND RETIREMENT;  
 TRANSPORTATION



**Rep. Chuck McGrady (R)**  
 District 117  
 Henderson

ALCOHOLIC BEVERAGE  
 CONTROL, CHAIR  
 APPROPRIATIONS, CHAIR  
 APPROPRIATIONS –  
 AGRICULTURE, VICE CHAIR  
 APPROPRIATIONS –  
 TRANSPORTATION, VICE  
 CHAIR  
 ENVIRONMENT, VICE CHAIR

AGRICULTURE; EDUCATION  
 – UNIVERSITIES; SELECT  
 COMMITTEE ON DISASTER  
 RELIEF; JUDICIARY



**Rep. Tim Moore (R)**  
*House Speaker*  
 District 111  
 Cleveland



**Rep. Marcia Morey (D)**  
District 30  
Durham

APPROPRIATIONS;  
APPROPRIATIONS – CAPITAL;  
EDUCATION – UNIVERSITIES;  
JUDICIARY;  
TRANSPORTATION



**Rep. Robert Reives, II (D)**  
District 54  
Chatham, Durham

AGRICULTURE; APPROPRIATIONS;  
APPROPRIATIONS – JPS;  
EDUCATION – COMMUNITY  
COLLEGES; SELECT COMMITTEE ON  
SCHOOL SAFETY; JUDICIARY;  
REDISTRICTING; RULES



**Rep. William "Billy"  
Richardson (D)**  
District 44  
Cumberland

APPROPRIATIONS;  
APPROPRIATIONS – JPS;  
ENERGY AND PUBLIC  
UTILITIES;  
SELECT COMMITTEE ON  
DISASTER RELIEF; JUDICIARY;  
TRANSPORTATION;  
WILDLIFE RESOURCES



**Rep. David Rogers (R)**  
District 112  
Burke, Rutherford

JUDICIARY, VICE CHAIR  
  
APPROPRIATIONS;  
APPROPRIATIONS – JPS;  
HEALTH; HOMELAND SECURITY,  
MILITARY, AND VETERANS AFFAIRS;  
WILDLIFE RESOURCES



**Rep. Sarah Stevens (R)**  
*Speaker Pro Tempore*  
District 90  
Alleghany, Surry, Stokes

JUDICIARY, CHAIR  
  
APPROPRIATIONS;  
APPROPRIATIONS – CAPITAL;  
HOMELESSNESS, FOSTER  
CARE, AND DEPENDENCY;  
SELECT COMMITTEE ON  
SCHOOL SAFETY;  
REGULATORY REFORM



**Rep. Lee Zachary (R)**  
District 73  
Forsyth, Yadkin

JUDICIARY, VICE CHAIR  
  
ALCOHOLIC BEVERAGE CONTROL;  
EDUCATION – COMMUNITY  
COLLEGES;  
EDUCATION – UNIVERSITIES;  
ETHICS; FINANCE



# SENATE



**Sen. Phil Berger (R)**  
*Senate President Pro Tempore*  
District 30  
Caswell, Rockingham,  
Stokes, Surry



**Sen. Dan Blue (D)**  
*Senate Democratic Leader*  
District 14  
Wake

APPROPRIATIONS – JPS;  
APPROPRIATIONS/BASE  
BUDGET; FINANCE;  
JUDICIARY;  
REDISTRICTING AND  
ELECTIONS; RULES AND  
OPERATIONS; SELECT  
COMMITTEE ON  
NOMINATIONS



**Sen. Danny Earl Britt Jr. (R)**  
District 13  
Columbus, Robeson

APPROPRIATIONS – JPS, CHAIR  
JUDICIARY, CHAIR

APPROPRIATIONS/BASE  
BUDGET; PENSIONS AND  
RETIREMENT AND AGING;  
REDISTRICTING AND  
ELECTIONS; SELECT COMMITTEE  
ON PRISON SAFETY;  
TRANSPORTATION



**Sen. Rob Bryan (R)**  
District 39  
Mecklenburg  
(Appointed 10/2/19)

APPROPRIATIONS – HEALTH  
AND HUMAN SERVICES;  
EDUCATION/HIGHER  
EDUCATION; FINANCE;  
HEALTH CARE; JUDICIARY;  
SELECT COMMITTEE ON  
NOMINATIONS



**Sen. Jay Chaudhuri (D)**  
*Senate Democratic Whip*  
District 15  
Wake

APPROPRIATIONS –  
AGRICULTURE;  
APPROPRIATIONS/BASE  
BUDGET; EDUCATION/HIGHER  
EDUCATION; PENSIONS AND  
RETIREMENT AND AGING;  
RULES AND OPERATIONS



**Sen. Warren Daniel (R)**  
District 46  
Avery, Burke, Caldwell

APPROPRIATIONS – JPS,  
CHAIR  
JUDICIARY, CHAIR  
REDISTRICTING AND  
ELECTIONS, CHAIR

APPROPRIATIONS/BASE  
BUDGET; FINANCE; SELECT  
COMMITTEE ON PRISON  
SAFETY; TRANSPORTATION



**Sen. Milton F. "Toby" Fitch, Jr. (D)**  
 District 4  
 Edgecombe, Halifax,  
 Wilson

AGRICULTURE/ENVIRONMENT/  
 NATURAL RESOURCES;  
 APPROPRIATIONS – JPS;  
 FINANCE; JUDICIARY; SELECT  
 COMMITTEE ON PRISON  
 SAFETY; TRANSPORTATION



**Sen. Jeff Jackson (D)**  
 District 37  
 Mecklenburg

AGRICULTURE/  
 ENVIRONMENT/ NATURAL  
 RESOURCES;  
 APPROPRIATIONS – JPS;  
 JUDICIARY; STATE AND  
 LOCAL GOVERNMENT;  
 TRANSPORTATION



**Sen. Natasha Marcus (D)**  
 District 41  
 Mecklenburg

APPROPRIATIONS –  
 AGRICULTURE; JUDICIARY;  
 REDISTRICTING AND ELECTIONS



**Sen. Floyd McKissick (D)**  
 (Resigned 1/7/2020)  
 District 20  
 Durham

APPROPRIATIONS – HEALTH  
 AND HUMAN SERVICES;  
 COMMERCE AND  
 INSURANCE;  
 FINANCE; JUDICIARY  
 (ADVISORY MEMBER);  
 PENSIONS AND RETIREMENT  
 AND AGING; REDISTRICTING  
 AND ELECTIONS; RULES AND  
 OPERATIONS; SELECT  
 COMMITTEE ON  
 NOMINATIONS;  
 SELECT COMMITTEE ON  
 PRISON SAFETY



**Sen. Mujtaba Mohammed (D)**  
 District 38  
 Mecklenburg

APPROPRIATIONS –  
 AGRICULTURE; JUDICIARY;  
 STATE AND LOCAL  
 GOVERNMENT



**Sen. Paul Newton (R)**  
 District 36  
 Cabarrus, Union

FINANCE, CHAIR  
 REDISTRICTING AND  
 ELECTIONS, CHAIR  
 AGRICULTURE/  
 ENVIRONMENT/ NATURAL  
 RESOURCES;  
 APPROPRIATIONS –  
 AGRICULTURE; COMMERCE  
 AND INSURANCE;  
 EDUCATION – HIGHER  
 EDUCATION; JUDICIARY



**Sen. Wiley Nickel (D)**

District 16

Wake

AGRICULTURE/ENVIRONMENT/  
NATURAL RESOURCES;  
APPROPRIATIONS –  
EDUCATION; PENSIONS AND  
RETIREMENT AND AGING



**Sen. Sam Searcy (D)**

District 17

Wake

APPROPRIATIONS – GENERAL  
GOVERNMENT; COMMERCE  
AND INSURANCE;  
EDUCATION/HIGHER  
EDUCATION; STATE AND  
LOCAL GOVERNMENT

*\*All information and photographs in this segment are pulled from the North Carolina General Assembly website, [www.ncleg.gov](http://www.ncleg.gov), and are current as of July 23, 2020.*

## ADMINISTRATIVE LAW

[House Bill 1079 \(SL 2020-6\)](#) – Various Sales Tax Changes.

See summary under Tax.

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

[Senate Bill 562 \(SL 2020-35\)](#) – The Second Chance Act.

See summary under Criminal Justice.

[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

[Senate Bill 113 \(SL 2020-49\)](#) – Education Omnibus.

See summary under Education Law.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.

[House Bill 1064 \(SL 2020-72\)](#) – GSC Clarifying Bingo License Statute.

See summary under Sports & Entertainment Law.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

House Bill 308 amends State laws relating to regulations of various entities.

Section 1 authorizes the North Carolina On-Site Wastewater Contractors and Inspectors Certification Board to: (1) acquire, hold, convey, rent, encumber, alienate, and otherwise deal with real property in the same manner as a private person or corporation; and (2) establish an application fee for an authorized on-site wastewater evaluator.

Section 2 allows the Division of Coastal Management, or the appropriate city or county authority, to accept electronic payments for permit applications.

During a state of emergency declared by the Governor, Section 3 authorizes the Secretary of the Department of Environmental Quality (“DEQ”) to develop and implement certain emergency measures and procedures necessary for the proper management of solid waste. Any measures created would expire within 60 days after the state of emergency expires or it is rescinded by the Governor.

Section 4 amends S.L. 2019-224 to require the Wildlife Resources Commission (“WRC”) to: (1) provide notice to any determinable owner of an “abandoned or derelict vessel,” as clarified by the bill; (2) post notice on the vessel itself; and (3) allow 30 days for response prior to taking actions to remove and dispose of the abandoned or derelict vessel.

Section 9 extends the expiration date of Sec. 4.23 of the COVID-19 Recovery Act [[Senate Bill 704 \(SL 2020-3\)](#)], which temporarily shortened the waiting period for retirees to return to work for positions needed due to COVID-19, to August 31, 2020.

Sections 10 and 11 move the reporting dates for: (1) the annual mine reclamation for mine operators, and (2) the DEQ reports.

Sections 12 and 13 make technical and conforming changes to solid waste statutes.

Section 15 clarifies that the Environmental Management Commission (“EMC”) may issue permits, certifications, authorizations, or other approvals by electronic delivery, registered or certified mail, or any other means authorized by G.S. 1A-1, Rule 4.

Section 16 adds water and sewer lines owned by a private water or sewer utility serving 10,000 or fewer customers to the type of lines that the Department of Transportation must pay to relocate for transportation improvement projects. This Section applies retroactively to March 1, 2020, and applies to nonbetterment costs for State transportation improvement projects incurred on or after that date.

Section 17 requires the EMC to adopt a rule allowing the use of mechanical liquid detecting sensors for interstitial leak detection on spill buckets replaced on underground storage tanks installed prior to November 1, 2007, if those spill buckets meet certain requirements. This Section applies to all spill buckets replaced on or after August 1, 2020.

Section 18 prevents certain rules adopted by the North Carolina Building Code Council and approved by the Rules Review Commission from taking effect.

Section 20 conforms a Section in the new Chapter 160D with a change made in Chapter 153A in [Senate Bill 315 \(SL 2020-18\)](#), and Section 21 updates cross-references.

Section 23 exempts certain investor financial information obtained during an investigation conducted by the Secretary of State from public records requests.

Section 24 allows an individual self-insurer, upon receiving its license from the North Carolina Commission of Insurance, to pay its required initial assessment over a period of time instead of paying the initial assessment in full upfront.

Section 25 allows campus police agencies a teaching hospitals affiliated with, but not part of, any constituent institution of The University of North Carolina to assign its campus police officers to any other facility that is a part of the teaching hospital's system network.

Section 26 allows local confinement facilities to provide inmates with wireless communication devices without committing a felony under certain conditions and with certain restrictions. This Section became effective August 1, 2020, and applies to offenses committed on or after that date.

Section 27 extends the authorization for emergency remote notaries and video witnessing to March 1, 2021.

Section 28 allows commercial architectural projects with a value of \$200,000 or an area of less than 3,000 square feet be completed without an architectural license.

Section 29 makes modifications to the North Carolina Board of Architecture.

Section 30 clarifies that when easements held by electric membership corporations and their subsidiaries are constructing or maintaining lines or broadband fiber on, over, under, or across property owned by a railroad company for the purposes of electrification and to supply high-speed broadband, the corporations and subsidiaries must comply with applicable requirements related to notice, safety, and permitting.

Section 31 amends G.S. 160D-1106 to only require a design or proposal for a component or element in a construction building be completed under valid seal of an architect or engineer when the North Carolina State Building Code requires for the city to approve the design or proposal.

Except as otherwise provided, the bill became effective July 1, 2020.

[Senate Bill 488 \(SL 2020-77\)](#) – DMV/MV Dealer Changes.

See summary under Business Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1087 \(SL 2020-79\)](#) – Water/Wastewater Public Enterprise Reform.

See summary under Government & Public Sector.

[Senate Bill 361 \(SL 2020-82\)](#) – Healthy NC.

See summary under Health Law.

[House Bill 471 \(SL 2020-85\)](#) – Exempt Direct Primary Care from DOI Regs.

See summary under Health Law.

[House Bill 1053 \(SL 2020-87\)](#) – PED/Military OL & Audiology Interstate Compact.

See summary under Military & Veterans Law.

[Senate Bill 808 \(SL 2020-88\)](#) – Medicaid Funding Act.

Senate Bill 808 appropriates funds to various projects and statewide initiatives.

Effective July 1, 2020, Part I appropriates funds for planning purposes for the Dorothea Dix relocation project with Department of Health and Human Services (“DHHS”).

Part II of the bill makes the following appropriations: (1) funds for operations and maintenance expenses for the North Carolina Families Accessing Services Through Technology (“NC FAST”) system and investment in infrastructure modernization, document management, and other NC FAST projects; (2) funds for updates and changes to the child welfare case management component of NC FAST, including child welfare program changes in accordance with the federal Family First Prevention Services Act; (3) funds to update for the Comprehensive Child Welfare Information System; (4) funds for the Independent Verification and Validation contract; and (5) funds for risk assessment tool changes under Rylan's Law.

Part III makes various appropriations from the Coronavirus Relief Fund established in Section 2.2 of [House Bill 1043 \(SL 2020-4\)](#). Part VIII also makes a few budgetary changes.

Part IV prohibits DHHS, Division of Health Benefits, from transferring to DHHS, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, any portion of the certified Medicaid budget surplus calculated for the 2019-2020 Fiscal Year to offset any reduction in single stream funding. This Part became effective June 30, 2020.

Part V provides funds for the operation of the Medicaid program with varying effective dates.

Part VI places duties on county departments of social services in regard to Medicaid eligibility redeterminations and post-eligibility verification processes during the nationwide COVID-19 public health emergency.

Part VII makes a variety of changes related to Medicaid Transformation, including, but not limited to: (1) delaying the implementation of Medicaid transformation to July 1, 2021; (2) making appropriations from the Medicaid Transformation Fund for Medicaid Transformation needs; (3) repealing past budget provisions directing the elimination of Medicaid graduate medical education reimbursements; (4) requiring DHHS to ensure that the existing DHHS hotline is responsive to Medicaid transformation questions posed by Medicaid beneficiaries, providers, or the general public; (5) setting a rate floor for durable medical equipment; (6) allowing DHHS to contract with Indian managed care entities or Indian health care providers to assist with the provision of health-care related services; (7) revises the supplemental payment program for eligible medical professional providers; (8) codifies the Medicaid Contingency Reserve to be used for budget shortfalls in the Medicaid or NC Health Choice program; (9) updates, revises, and replaces hospital assessment statutes (effective July 1, 2021); (10) adds prepaid health plans to types of organizations subject to gross premiums tax and insurance regulatory charges, includes capitation payments, establishes a tax rate of 1.9% for prepaid health plan gross premiums, and allows deductions for capitation payments refunded by prepaid health plans; (11) establishes the Hospital Uncompensated Care Fund; and (12) specifies intent for the General Assembly to enact changes to Medicaid nontax revenue prior to the start of the 2021-2022 Fiscal Year.

Except as otherwise provided, the bill became effective July 2, 2020.

## **ANTI-TRUST & COMPLEX BUSINESS DISPUTES**

[House Bill 1043 \(SL 2020-4\)](#) – 2020 COVID-19 Recovery Act.

See summary under General Interest.

[House Bill 455 \(SL 2020-51\)](#) – Amend Various Motor Vehicle Laws.

See summary under Business Law.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.



## APPELLATE PRACTICE

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

## BANKRUPTCY

[Senate Bill 729 \(SL 2020-23\)](#) – GSC Modernize Partition Laws.

See summary under Real Property.

[Senate Bill 720 \(SL 2020-25\)](#) – GSC Conforming Amends./2019 Land-Use Changes.

See summary under Zoning, Planning & Land Use.

[Senate Bill 364 \(SL 2020-75\)](#) – NC Commercial Receivership Act Revisions

Senate Bill 364, as proposed by the North Carolina Bar Association’s Bankruptcy Section, enacts the North Carolina Commercial Receivership Act as a new Article 38A of Chapter 1 of the General Statutes, repeals corresponding statutory provisions governing receiverships and assignments for the benefit of creditors, and requires any action seeking appointment of a general receiver for an entity debtor with assets worth at least \$5 million to be designated a mandatory complex business case. Per the bill’s title, this Act only applies to commercial receiverships. The bill becomes effective January 1, 2021, and applies to receiverships commenced on or after that date.

[Senate Bill 488 \(SL 2020-77\)](#) – DMV/MV Dealer Changes.

See summary under Business Law.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

## BUSINESS LAW

[House Bill 1079 \(SL 2020-6\)](#) – Various Sales Tax Changes.

See summary under Tax.

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

**[House Bill 307 \(SL 2020-40\)](#) – Mod. Utility Vehicle Classification.**

House Bill 307 amends the motor vehicle laws to create a definition for a modified utility vehicle in order for these vehicles to be registered and operated on highways in North Carolina under certain conditions. The bill also sets the registration fee at \$36 unless it is offered for rent (raising the fee to \$66). This bill becomes effective October 1, 2020.

**[House Bill 455 \(SL 2020-51\)](#) – Amend Various Motor Vehicle Laws.**

House Bill 455 extends deadlines related to loaner dealer registration plates and dealer data requirements, and also includes out-of-state titles in the “titled in transit” process. Section 1 adds a time extension of 4 years for when a new motor vehicle dealer must display a loaner dealer plate on a vehicle being loaned to a service customer under certain circumstances, and makes conforming changes. Section 2 adds a 7-month time extension for the implementation of new dealer data protection laws enacted in S.L. 2019-125. Sections 3 allows a motor vehicle dealer to transfer title to a vehicle currently titled out-of-state when a certificate of title is unavailable. To do this, the motor vehicle dealer must certify to Division of Motor Vehicles (“DMV”) that the title was unavailable, but that if the motor vehicle dealer subsequently receives or finds the title, it will be submitted to DMV. The bill became effective June 30, 2020.

**[House Bill 920 \(SL 2020-52\)](#) – Condominium Association Changes.**

See summary under Real Property.

**[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.**

See summary under Tax.

**[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.**

See summary under General Interest.

**[Senate Bill 739 \(SL 2020-73\)](#) – Personal Delivery Device/PDD/Delivery Robots.**

Senate Bill 739 authorizes businesses to operate personal delivery devices in pedestrian areas and on portions of highways in North Carolina. The devices will now be required to operate as a pedestrian, subject to additional requirements and restrictions. Specifically, the bill removes personal delivery devices from the definition of vehicle in Chapter 20, making provisions in that Chapter regulating the operation of vehicles inapplicable to personal delivery devices. Any business that operates a personal delivery device would be required to maintain general liability insurance covering at least \$100,000 per claim for damages arising from operation of the device. During the first two years, local governments are authorized to adopt ordinances to regulate the time and place of operation of devices, but they cannot prohibit their use. After the first two years, local governments are authorized to

adopt ordinances prohibiting use of personal delivery devices if the local government finds it necessary. Any ordinance regulating time and place adopted in the first two years would remain in effect unless the local government repeals it. A violation of the operating and equipment requirements is an infraction, punishable by a fine up to \$100. A violation of the insurance requirement is a Class 2 misdemeanor, punishable by a fine up to \$1,000. Except for the provision amending local regulation authority, which becomes effective December 1, 2022, the bill becomes effective December 1, 2020, and applies to offenses committed on or after that date.

#### [Senate Bill 364 \(SL 2020-75\)](#) – NC Commercial Receivership Act Revisions

See summary under Bankruptcy.

#### [Senate Bill 488 \(SL 2020-77\)](#) – DMV/MV Dealer Changes.

Senate Bill 488 makes temporary and permanent changes to DMV processes.

Section 1 temporarily authorizes DMV to utilize commission contractors to process certificates of title and renewals of vehicle registrations under certain conditions. This Section became effective July 1, 2020, and expires on December 31, 2020.

Section 2 allows DMV to utilize commission contractors to distribute temporary registration plates to dealers under certain conditions.

Sections 3 allows a debtor to sign an application for a notation of a security interest in a vehicle title electronically without notarization, and a secured party to sign instead of the debtor without signed documentary evidence of the debtor's interest. This Section became effective July 1, 2020, and applies to applications for notation of security interests submitted to DMV on or after that date, but before December 1, 2020.

Section 4 provides a physical and electronic method for dealers to apply and pay for temporary registration plates and markers. This Section becomes effective October 1, 2020, and applies to dealer applications for temporary registration plates or markers submitted on or after that date.

Section 5 clarifies that an applicant's fingerprints would not be used as part of a criminal record check of an applicant for a license and that an occupational licensing board or State agency licensing board cannot require an applicant to consent to a criminal record check or use of his or her fingerprints or other identifying information as a condition of granting a license. This Section became effective July 1, 2020, and applies to applications for licensure or renewal received on or after that date.

Section 6 requires DMV to grant or deny a license renewal within 30 days after receiving it and creates a grace period of 30 days after a license has expired for it to remain valid in DMV's database if the application for renewal was submitted prior to its expiration. This Section becomes effective October 1, 2020, and applies to licenses that expire on or after that date.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

[House Bill 471 \(SL 2020-85\)](#) – Exempt Direct Primary Care from DOI Regs.

See summary under Health Law.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

[House Bill 902 \(SL 2020-90\)](#) – P&C Changes/Glob. Tranp./Prison Pilot.

See summary under Government & Public Sector.

## CONSTITUTIONAL RIGHTS & RESPONSIBILITIES

[House Bill 1169 \(2020-17\)](#) – Bipartisan Elections Act of 2020.

House Bill 1169 contains numerous provisions regarding upcoming elections. Section 1 provides the following for 2020 elections: (1) mail-in absentee ballots are allowed to be marked in the presence of one qualifying witnesses instead of two for the general elections; (2) only one of three positions of chief judge and judge of a precinct is required to be a resident of the precinct, and only one of the assistants is required to be a resident of the precinct in this year's remaining elections; and (3) any individual working as part of a multi-partisan team trained and authorized by a county board of elections team is allowed to assist any voter in completing a request form for mail-in absentee ballots and may serve as a witness for casting of absentee ballots in the general election.

Section 2 allows completed written requests for absentee ballots to be returned to the county board by hand-delivery, mail, e-mail, or fax by the voter, voter's near relative or verifiable legal guardian, or a member of a multipartisan team. "Multipartisan team" was added as a

definition in G.S. 163-226.3. Section 2 also requires the Department of Health and Human Services and the State Board to develop guidance for the bipartisan teams to assist registered voters within hospitals, clinics, nursing homes, assisted living facilities, and other congregate living situations in the elections during the COVID-19 pandemic.

Effective September 1, 2020, Section 3 provides that all container-return envelopes for mail-in absentee ballots are required to have a bar code or other unique identifier to allow the ballot to be tracked upon return by the voter.

Section 4 changes the time period for county board of elections public meetings to give the county board two additional weeks to approve or disapprove the applications for absentee ballots. It also requires precinct officials to include the number of provisional ballots cast in that precinct in the totals on election night that were provided to the board of elections. The county board of elections is required to provide the county wide total number of provisional ballots cast in that county by 5:00PM the day after the election.

Section 5 clarifies that request forms for mail-in absentee ballots are available online. The voter is allowed to call the State or county board and request that the blank form be mailed, e-mailed, or faxed as opposed to the voter having to go to the physical offices to pick them up. As provided in Section 6, the State Board does not have the authority to deliver mail-in absentee ballots to any eligible voter that did not submit a valid request form.

Section 7 requires that the State Board establish a secure online portal, in compliance with requirements laid out in Section 7, for qualified voters to submit the request for mail-in absentee ballots by September 1, 2020. It provides a contract exemption for establishing the portal. The exemption expires December 31, 2020.

Section 8 creates a new Class I felony for members serving on State or county boards of election to knowingly send or deliver absentee ballots to any person that did not validly request an absentee ballot. This section became effective July 1, 2020, and applies to offenses committed on or after that date.

Section 9 requires the DMV to offer online renewal for special identification cards on the DMV website.

Section 10 adds identification cards issued by the state for a government program of public assistance, whether or not the identification card contains an expiration or issuance date, to the list of acceptable photo identifications for voting. Additionally, Section 10.5 requires

county boards of elections to include the number of undervotes and overvotes on the ballot when reporting election returns to the precinct of the voter within 30 days of the election.

Sections 11.1 and 11.2 contain appropriations. Section 11.3 requires that: (1) counties coordinate with local political parties to enhance or maintain the partisan balance of election day workers; (2) the State Board to purchase and distribute personal protective equipment to counties for the elections; (3) the State Board provides counties with examples of eligible expenses under the Help America Vote Act and the CARES Act; and (4) the State Board to submit a report of expenses to the Joint Legislative Elections Oversight Committee, Fiscal Research Division, and the Joint Legislative Oversight Committee on General Government by February 1, 2021.

Unless otherwise provided, this bill became effective on June 12, 2020.

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.

See summary under General Interest.

[Senate Bill 782 \(SL 2020-84\)](#) – Merchandise Sales Limit/Meck Dist Ct.

See summary under Judicial Independence & Integrity.

## CONSTRUCTION LAW

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

[Senate Bill 720 \(SL 2020-25\)](#) – GSC Conforming Amends./2019 Land-Use Changes.

See summary under Zoning, Planning & Land Use.

[House Bill 920 \(SL 2020-52\)](#) – Condominium Association Changes.

See summary under Real Property.

[House Bill 873 \(SL 2020-61\)](#) – System Development Fee/ADU Sewer Permit.

See summary under Government & Public Sector

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.

See summary under General Interest.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

[House Bill 1087 \(SL 2020-79\)](#) – Water/Wastewater Public Enterprise Reform.

See summary under Government & Public Sector.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

## CRIMINAL JUSTICE

[House Bill 1187 \(SL 2020-15\)](#) – Raise the Age Funding.

See summary under Juvenile Justice & Children’s Rights.

[House Bill 1169 \(2020-17\)](#) – Bipartisan Elections Act of 2020.

See summary under Constitutional Rights & Responsibilities.

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

[Senate Bill 720 \(SL 2020-25\)](#) – GSC Conforming Amends./2019 Land-Use Changes.

See summary under Zoning, Planning & Land Use.

[Senate Bill 562 \(SL 2020-35\)](#) – The Second Chance Act.

Senate Bill 562 makes changes to the expunction laws of the State. Section 1 allows for the expunction of misdemeanors and Class H or I felonies that were: (1) committed prior to December 1, 2019; (2) while a person was at least 16 years of age but less than 18 years of age; and (3) not an offense involving impaired driving or an offense requiring registration as a sex offender. This Section becomes effective December 1, 2019, and applies to offenses committed before that date.

Section 2 amends G.S. 15A-151.5 regarding prosecutor access to records of expunged offenses and adds certain expunctions to the types of expunction records law enforcement agencies and the boards that certify law enforcement officers are allowed to access for employment or certification purposes only. This Section becomes effective December 1, 2020.

Section 3 amends G.S. 15A-146 which governs expunctions of dismissed charges or charges resulting in findings of not guilty to: (1) allow the district attorney to petition for the expunction; (2) remove the requirement that the petitioner not have any previous felony convictions and the requirement for a hearing; (3) create a process for all dismissals, not guilty, or not responsible findings when the charges in the case are disposed on or after December 1, 2021, and all of the charges in the case are dismissed or result in a finding of not guilty or responsible; and (4) require the Department of Public Safety to develop and submit a report in conjunction with the Department of Justice and the Administrative Office of the Courts on recommendations and costs involved to make the expunction process automated for all State agencies with records subject to expunction orders. This Section generally becomes effective December 1, 2020.

Section 4 amends G.S. 15A-145.5, which allows expunction of certain nonviolent misdemeanors and nonviolent felonies, to allow for expunctions of more than one misdemeanor conviction after a seven year waiting period and modifies the requirements to allow the expunction of offenses if the expunctions have been previously granted under other expunction statutes. This Section becomes effective December 1, 2020, and applies to petitions filed on or after that date.

#### **[House Bill 511 \(SL 2020-47\)](#) – North Carolina First Step Act.**

House Bill 511 increases judicial discretion in sentencing for drug trafficking offenses. Section 2 allows a sentencing court to deviate from the minimum and maximum sentencing mandates for drug trafficking offenses. This Section becomes effective December 1, 2020, and applies to sentences ordered on or after that date. Section 3 requires the Administrative Office of the Courts to publish an annual report of the number of sentences modified under the new G.S. 90-95(h)(5a). Section 3 became effective June 26, 2020. Section 4 allows a person sentenced solely for trafficking, or conspiracy to commit trafficking, to file a Motion for Appropriate Relief to have the sentence modified. This Section becomes effective December 1, 2020, and applies to sentences ordered on or before November 30, 2020. Lastly, Section 5 authorizes the Department of Information Technology to study the collection of criminal justice data elements, and requires the findings to be reported no later than December 1, 2021.

#### **[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.**

See summary under Government & Public Sector.



[House Bill 463 \(SL 2020-54\)](#) – Education in Prisons.

House Bill 463 removes the restriction that prohibits funds from being used for Associate of Arts, Associate of Science, and Associate of General Education degrees for prison inmates. This bill became effective July 1, 2020.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.

[House Bill 885 \(SL 2020-68\)](#) – Only Allow Courts to Charge FTA Fee Once.

House Bill 885 clarifies that the fee for a defendant for failing to appear in court in a criminal case may only be collected once. The bill becomes effective December 1, 2020, and applies to costs assessed on or after that date.

[House Bill 1064 \(SL 2020-72\)](#) – GSC Clarifying Bingo License Statute.

See summary under Sports & Entertainment Law.

[Senate Bill 739 \(SL 2020-73\)](#) – Personal Delivery Device/PDD/Delivery Robots.

See summary under Business Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 593 \(SL 2020-83\)](#) – JCPC/Detention/CAA and Other Fees.

See summary under Juvenile Justice & Children’s Rights.

[House Bill 902 \(SL 2020-90\)](#) – P&C Changes/Glob. Tranp./Prison Pilot.

See summary under Government & Public Sector.

## DISPUTE RESOLUTION

[House Bill 32 \(SL 2020-65\)](#) – Collaborative Law.

Collaborative law is a voluntary alternative dispute resolution process in which parties make a good faith effort to resolve their dispute without the intervention of a court or other tribunal. House Bill 32 is a modified version of the Uniform Collaborative Law Act as approved by the Uniform Law Commission. The bill places the collaborative law process in the General Statutes with the following key features: (1) requires a lawyer to provide specified information regarding the collaborative law process to a client to ensure that the client makes an informed decision as to whether the collaborative law process is a good fit

for their case; (2) establishes requirements for a collaborative law participation agreement; (3) provides that once a notice of a collaborative law process is filed, any pending proceedings are stayed and the court or other tribunal is precluded from dismissing the proceeding without giving the collaborative lawyers an opportunity to be heard; (4) allows a court or other tribunal, to issue emergency orders to protect the health, safety, welfare, or interest of a party or otherwise preserve the status quo during the collaborative law process; (5) provides that a collaborative lawyer and a lawyer in an associated law firm are disqualified from appearing before a court or other tribunal in a proceeding related to the collaborative matter unless a certain exception applies; and (6) encourages candor between the parties by providing for the confidentiality of collaborative law communications and privileges against their disclosure in later legal proceedings. This Act does not apply to claims or proceedings arising under G.S. 35A (Incompetencies and Guardianships), G.S. 35B (Adult Guardianship) or G.S. 50 (Divorce and Alimony). The bill becomes effective October 1, 2020.

[Senate Bill 361 \(SL 2020-82\)](#) – Healthy NC.

See summary under Health Law.

## EDUCATION LAW

[Senate Bill 560 \(SL 2020-1\)](#) – Scholarships for Children of Wartime Veterans.

See summary under Military & Veterans Law.

[House Bill 1079 \(SL 2020-6\)](#) – Various Sales Tax Changes.

See summary under Tax.

[Senate Bill 476 \(SL 2020-7\)](#) – School-Based Mental Health.

Senate Bill 476 requires the State Board of Education to adopt a school-based mental health policy and directs K-12 school units to adopt and implement a school-based mental health plan that includes mental health training and a suicide risk referral protocol. The policy must be made by December 1, 2020 and be made available to each school unit by December 31, 2020. The mental health training program must address youth mental health, suicide prevention, substance abuse, sexual abuse prevention, sex trafficking prevention, and teenage dating violence. The model suicide risk referral protocol must be given to personnel working with grades six through twelve and provide guidelines on the identification of students at risk of suicide, and procedures and referral sources that address actions that should be taken to address students. Both plans must be reviewed every five years starting August 1, 2025. Governing bodies of K-12 units, as well as its employees and

agents, are given civil immunity for damages to any party for loss or damage caused by acts or omissions relating to the programs outside of gross negligence. The bill became effective when signed into law on June 8, 2020.

**[Senate Bill 818 \(SL 2020-45\)](#) – Compensation of Certain School Employees.**

Among other things, Senate Bill 818 does the following: (1) provides teachers, instructional support personnel, and assistant principals with salary increases based on years of experience; (2) provides \$350 bonuses for teachers and instructional support personnel; (3) encourages the Governor to give additional \$600 bonuses for teachers, instructional support personnel, and noncertified personnel from funds provided to the Governor through the CARES Act; (4) clarifies the salaries of, and bonuses to, principals for the 2020-2021 Fiscal Year; and (5) provides funds to reflect an increase in the average salary of various public school employee positions. The bill became effective July 1, 2020.

**[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.**

See summary under Government & Public Sector.

**[Senate Bill 113 \(SL 2020-49\)](#) – Education Omnibus.**

Senate Bill 113 replaces the authorization to use additional remote instruction days during a state of emergency order that closes schools with authorization for the governing body of a public school unit to use additional remote instruction days if the body determines it is needed to promote the health and safety of students. In addition, the bill modifies the definition of year-round schools, and modifies the definition of single-track year-round schools to be those providing an average of between 44 and 46 instructional days, followed by an average of 15-20 vacation days throughout the calendar year. Further, the bill grants limited immunity for nonpublic schools for claims related to tuition and fees paid for the 2019-2020 academic year that arise from alleged acts or omissions taken by the institution of higher education in response to COVID-19. Nonpublic schools would be able to assert this immunity if the alleged acts or omissions were reasonably related to protecting the public health, safety, or welfare in response to COVID-19 executive orders or guidance from the Centers for Disease Control and Prevention and if the nonpublic school offered remote learning options for students to complete the academic year. This provision is limited to alleged acts or omissions occurring between March 10, 2020, and July 1, 2020. The bill also exempts certain school psychologists from the North Carolina Psychology Board Licensure. Except as otherwise provided, the bill became effective June 29, 2020.

**[House Bill 463 \(SL 2020-54\)](#) – Education in Prisons.**

See summary under Criminal Justice.

### [House Bill 1050 \(SL 2020-55\)](#) – PED/Low-Performing School Districts.

House Bill 1050 requires plans for improvement and comprehensive needs assessments of low-performing local school administrative units to include consideration and examination of early childhood learning. The bills requires that the superintendent include specific strategies to improve early childhood learning along with measurable goals in the preliminary plan for improving the school performance grade and school growth score of each low-performing school in a low-performing local education agencies (“LEA”). The bill also requires that the Department of Public Instruction ensure that an examination of early childhood learning is included in the comprehensive needs assessment tool used to provide support for low-performing LEA. The bill became effective June 30, 2020, and applies beginning with plans of improvement and comprehensive needs assessments for local school administrative units identified as low-performing based on data from the 2020-2021 school year.

### [House Bill 1096 \(SL 2020-56\)](#) – UNC Omnibus Changes/UNC Lab School Funds.

House Bill 1096 makes various changes to statutes related to the programs and operation of The University of North Carolina System, transfers \$200,000 from existing funds to the laboratory school program, and directs the Board of Governors of The University of North Carolina System to study the feasibility of offering accelerated undergraduate degree programs at constituent institutions. More specifically, Part I repeals the statutory requirement that the Board of Governors monitor all employee salary increases and certain new personnel positions at constituent institutions and within the UNC System Office above a certain threshold. Part II makes various changes to: (1) laboratory schools (effective for the 2021-2022 school year) and (2) laboratory admissions and student assignments (effective for the 2020-2021 school year). Part III extends until July 30, 2020, the date by which the UNC Board of Governors Planning Task Force must submit its report containing the UNC System Plan and any legislative recommendations to the Joint Legislative Capital Improvements Oversight Committee and the Fiscal Research Division. Part IV changes the Future Teachers of North Carolina course to a symposium-based program introducing high school students to the teaching profession administered by the Future Teachers of North Carolina Advisory Council, rather than a high school-based course developed with a college partner. Among other things, Section V modifies the North Carolina Teaching Fellows Program (effective for loans beginning with the 2022-2023 academic years) and, on July 1, 2020, raised the amount provided for all program participants in the New Teacher Support Program to \$2,200, with a priority for teachers serving in low-performing schools. Part VI exempted the North Carolina School of Arts and the North Carolina School of Science and Math from the public school unit definition. Part VII exempts commissioned police officers of UNC from most of the North Carolina Human Resources Act. Lastly, Part VIII allowed UNC affiliated institutions to have real property designated as a “Millennial Campus” and

required the Board of Governors of UNC to study the feasibility of offering accelerated undergraduate degree programs. Except as otherwise provided, the bill became effective June 30, 2020.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.

[Senate Bill 816 \(SL 2020-64\)](#) – CC Funds/CIHS Funds/CR Funds and Offsets.

Senate Bill 816 makes various appropriations relating to education as a result of the COVID-19 pandemic. First, the bill allocates funds to the Community Colleges System Office and for additional cooperative innovative high schools (“CIHS”) for the 2020- 2021 school year. The Department of Public Instruction is directed to report on funding for CIHSs by development tier area, and a moratorium is placed on new CIHSs for the 2021-2022 school year while approvals for certain new CIHSs are limited. It also appropriates funds from the Coronavirus Relief Fund to offset general fund appropriations across state government for allowable expenses. The bill became effective July 1, 2020.

[Senate Bill 733 \(SL 2020-66\)](#) – UNC Capital Projects.

Senate Bill 733 authorizes financing and construction of capital improvement projects by the constituent institutions of The University of North Carolina listed in the bill. The projects are to be financed through bonds and other funds available to the institutions, but excludes tuition and appropriations from the General Fund. The bill became effective July 1, 2020.

[Senate Bill 208 \(SL 2020-70\)](#) – COVID-19 Immunity/IHEs.

Senate Bill 208 provides that an institution of higher education (“IHE”) has immunity for claims related to tuition and fees based on alleged acts or omissions related to COVID-19, under certain requirements. IHEs would be able to assert this immunity if: (1) the alleged acts or omissions were reasonably related to protecting the public health, safety, or welfare in response to COVID-19 executive orders or guidance from the Centers for Disease Control and Prevention; and (2) if the IHE offered remote learning options for students to complete spring semester coursework. The immunity is not available for losses or damages resulting solely from breach of an express contractual provision that allocated liability in the event of a pandemic, or if the losses or damages were caused by an act or omission that was in bad faith or malicious. This immunity is limited to alleged acts or omissions occurring between March 10, 2020, and June 1, 2020. The bill became effective July 1, 2020, and applies to actions commenced on or after March 27, 2020.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

[Senate Bill 212 \(SL 2020-81\)](#) – Capital Appropriations/R&R/DIT/Cybersecurity.

See summary under Government & Public Sector.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

## ELDER & SPECIAL NEEDS LAW

[Senate Bill 476 \(SL 2020-7\)](#) – School-Based Mental Health.

Summary under Education Law.

[House Bill 1169 \(2020-17\)](#) – Bipartisan Elections Act of 2020.

See summary under Constitutional Rights & Responsibilities.

[Senate Bill 379 \(SL 2020-29\)](#) – Retirement Systems Admin. Changes.

Senate Bill 379 makes changes to laws relating to the State Treasurer, the Teachers' and State Employees' Retirement System ("TSERS"), the Local Governmental Employees' Retirement System ("LGERS"), the Consolidated Judicial Retirement System ("CJRS"), and the Legislative Retirement System ("LRS"), including, but not limited to: (1) remitting service purchase provisions; (2) requiring the TSERS and LGERS Board to agree on contributory death benefits before they take effect; (3) states payment of contribution based benefit cap liability will be 12 months after the effective date of retirement; (4) allowing electronic debt initiated by government to satisfy financial obligations of the state under G.S. 147-68; and (5) allowing the Retirement System to have employing agencies pay a portion of return to work overpayment given to a retiree if actions by the employer are found to have caused the overpayment in some way.

In addition, the bill authorizes the State Treasurer to obtain criminal background checks on employees, contractors, or agents, and the Legislative Services Commission to obtain criminal record checks on any prospective employees, volunteers, or contractors of the General Assembly and permits the Department of Public Safety to provide them. Except as otherwise provided, the bill became effective June 19, 2020.

[Senate Bill 818 \(SL 2020-45\)](#) – Compensation of Certain School Employees.  
See summary under Education Law.

[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.  
See summary under Government & Public Sector.

[Senate Bill 595 \(SL 2020-50\)](#) – Changes to Real Property Statutes.  
See summary under Estate Planning & Fiduciary Law.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.  
See summary under Tax.

[House Bill 736 \(SL 2020-60\)](#) – Elective Share-Joint Accounts.  
See summary under Estate Planning & Fiduciary Law.

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.  
See summary under General Interest.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.  
See summary under Administrative Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.  
See summary under General Interest.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.  
See summary under General Interest.

[Senate Bill 361 \(SL 2020-82\)](#) – Healthy NC.  
See summary under Health Law.

[House Bill 471 \(SL 2020-85\)](#) – Exempt Direct Primary Care from DOI Regs.  
See summary under Health Law.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.  
See summary under Litigation.

## ENVIRONMENT, ENERGY & NATURAL RESOURCES LAW

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

[House Bill 873 \(SL 2020-61\)](#) – System Development Fee/ADU Sewer Permit.

See summary under Government & Public Sector

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1087 \(SL 2020-79\)](#) – Water/Wastewater Public Enterprise Reform.

See summary under Government & Public Sector.

## ESTATE PLANNING & FIDUCIARY LAW

[Senate Bill 729 \(SL 2020-23\)](#) – GSC Modernize Partition Laws.

See summary under Real Property.

[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

[Senate Bill 595 \(SL 2020-50\)](#) – Changes to Real Property Statutes.

Senate Bill 595 was the product of the Estate Planning & Fiduciary Law and Real Property Sections. Parts I and II of the bill, as recommended by the Estate Planning and Fiduciary Law Section, recodifies, reorganizes, and modifies the law governing tenancy by the entirety and joint tenancy. Part III of the bill, as recommended by the Real Property Section, makes two technical corrections to S.L. 2018-80. Part III became effective August 1, 2020, and the remainder of the bill became effective June 30, 2020.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.



[House Bill 736 \(SL 2020-60\)](#) – Elective Share-Joint Accounts.

House Bill 736 limits spousal share with respect to jointly-held property to a rebuttable presumption of in-kind contribution unless otherwise established by clear and convincing evidence. Section 1 changes the calculation of property considered owned by the deceased spouse and subject to a claim by the surviving spouse. Property held by the decedent and surviving spouse as joint tenants with right of survivorship will be presumed to be owned by the decedent in an amount equal to the decedent's pro rata share. This presumption can be rebutted by clear and convincing evidence in all cases involving property held as joint tenants with right of survivorship. Section 1 became effective June 30, 2020, and applies to estates of decedents dying on or after that date and applies to estate proceedings to determine the elective share which are not final on that date because the proceeding is subject to further judicial review.

Sections 2 and 3 require a \$200 fee for filing a claim for an elective share, and becomes effective December 1, 2020, applying to estates of decedents dying on or after that date.

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.

See summary under General Interest.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

## FAMILY LAW

[Senate Bill 595 \(SL 2020-50\)](#) – Changes to Real Property Statutes.

See summary under Estate Planning & Fiduciary Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

## GENERAL INTEREST

### [House Bill 1041 \(SL 2020-2\)](#) – Appointments Bill 2020.

House Bill 1041 appoints persons to various public offices upon the recommendation of the Speaker of the House of Representatives and President Pro Tempore of the Senate. The bill became effective May 2, 2020.

### [Senate Bill 704 \(SL 2020-3\)](#) – COVID-19 Recovery Act.

Senate Bill 704 was a bill broken into four sections that mirrored the House COVID-19 Work Groups: economic support, education, health, and continuity of government operations.

Part I, “Economic Support,” provides tax relief that mirrors federal law and waives accrual of interest on underpayment of tax, as well as extending tax related administrative and appeals-related deadlines. It also includes unemployment law changes to provide flexibility in administration.

Part II, “Education,” provides the following: testing and report card waivers, extending various report deadlines, waiving certain curriculum and testing requirements, adjusting school calendars while allowing for remote learning, extending teacher license requirements, and waiving UNC student debt interest.

Part III, “Health,” starts with the General Assembly providing definitions relating to COVID-19 and supported actions taken in response to COVID-19 before providing policy changes. The bill’s changes work to increase access to medical supplies necessary to respond to COVID-1; support health care providers, such as dentists and immunizing pharmacists, to respond to COVID-19; increase flexibility for the Department of Health and Human Services to respond (through extending time for establishing connectivity to HealthConnex, temporarily waiving three-year fingerprinting for child care providers and for foster and adoptive parents, and modifying facility inspections and training); and increasing access to health care through telehealth to respond to COVID-19. One of the most talked about provisions is the waiver of health care liability protection of emergency or disaster treatment under specific circumstances. A Pandemic Health Care Workforce Study was also created in this Part.

Part IV, “Continuity of State Operations,” has something for almost every member in the North Carolina Bar Association and is worth a read. It allows for emergency video notarizations and remote witnesses if specific requirements are met. It also waives the “presence of two qualified witnesses” requirement for Health Care Powers of Attorneys and

Advanced Directives so long as it is still property acknowledged by a notary and is between the effective date and prior to the termination of the State of Emergency Declared by Governor Cooper. Marriage licenses may also be issued remotely until August 1, 2020, and new attorneys may be sworn in through live video conferencing technology. It makes various changes to criminal statutes surrounding masks, search warrants, and gives the chief district court judges the discretion to modify order of confinement or imprisonment if all the listed conditions exist. Relief changes were also made to lottery laws, the service process for residents at long-term care facilities, the Good Funds Settlement Act, and the Administrative Procedure Act. Civil liability immunity is provided to essential businesses for injuries or death resulting from customers or employees contracting COVID-19 at the business (including law firms). License requirements and compliance and reporting deadlines for various state agencies are relaxed, and the bill allows for official meetings of public bodies to be conducted remotely. This Section contains several August 1, 2020, expiration dates. Remote notarization and remote witnessing requirements were extended until March 1, 2021 in [House Bill 308 \(SL 2020-74\)](#).

The majority of this bill became effective when it was signed into law May 4, 2020.

#### [House Bill 1043 \(SL 2020-4\)](#) – 2020 COVID-19 Recovery Act.

House Bill 1043 appropriated funds directed to various programs and state agencies to provide Coronavirus Relief. Additional highlights include: (1) extended driver’s license and registration expiration deadlines; (2) waiving interest accrued on income tax bills after April 15; (3) authorizing remote marriage licenses and notarizations; (4) modifications to end-of-grade testing requirements for public schools; (5) adjustments to 2020-21 K-12 public school calendar; (6) allowing pharmacists to administer a COVID-19 vaccine once it is developed; and (7) adding liability protections for essential businesses and hospitals. Except as otherwise provided, the bill became effective May 4, 2020.

#### [House Bill 1169 \(2020-17\)](#) – Bipartisan Elections Act of 2020.

See summary under Constitutional Rights & Responsibilities.

#### [Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

Senate Bill 315 makes various changes to laws concerning agriculture in the State.

Section 1 creates a process under Chapter 62 of the General Statutes by which the underlying fee owner of land encumbered by any easement acquired by a utility company, on which the utility company has not commenced construction within 20 years of the date of acquisition, may file a complaint with the Utilities Commission for an order requiring the utility company to terminate the easement in exchange for payment by the underlying fee

owner of the current fair market value of the easement. If the parties cannot agree on the fair market value, Commissioners may be appointed by the Clerk of Superior Court in the county in which the easement is located to determine the fair market value in accordance with eminent domain valuation process. This Section becomes effective October 1, 2020, and applies to easements acquired on or after that date.

Section 2 prohibits motor vehicles from passing self-propelled farm equipment proceeding in the same direction when the farm equipment is making, or signaling that it intends to make, a left turn. This Section becomes effective December 1, 2020, and applies to offenses committed on or after that date.

Section 3 amends G.S. 136-129 to expand outdoor advertising near highway rights-of-way for bona fide farm property by increasing the size of the sign allowed to three feet, broadening the area where the sign could be placed, allowing all bona fide farms to place signs, and allowing the sign to stand year-round.

Section 5 adds hunting, fishing, and equestrian activities to the definition of agritourism, and limits county regulation of catering by bona fide farms.

Section 6 establishes the “North Carolina Sweet Potato Act.” Among other things, the Act allows the Commissioner of Agriculture to register, license, and protect a trademark for the sale and promotion of North Carolina sweet potatoes, as well as collect a reasonable royalty or license fee for use of the mark.

Section 7 allows the North Carolina Soil and Water Conservation Commission to grant engineering job approval authority to Soil and Water Conservation District technical staff.

Section 8 provides that, if a tax assessor determines that a property loses its eligibility for present-use value classification for a reason other than failure to file a timely application required due to transfer of the land, the assessor must provide written notice of the decision. The decision can be appealed within 60 days of receipt of the decision.

Section 10 provides that all information that is collected by soil and water conservation districts from farm owners, animal owners, agricultural producers or owners of agricultural land must be held confidential by the soil and water conservation districts if it is deemed confidential under federal or State law. This does not include cost share assistance applications and associated contract documents that require approval by Soil and Water Conservation districts or the Commission. This Section becomes effective October 1, 2020.

Section 11 allows the Environmental Management Commission to issue or modify a permit to authorize the construction, operation or expansion of an animal waste management system serving a swine farm that employs an anaerobic lagoon as the primary method of treatment and land application of waste by means of a spray field as the primary method of waste management. The permitting action cannot result in the increased permitting capacity of the swine farm.

Sections 12 and 13 provide Environmental Quality grant funding changes and makes Department of Environmental Quality reporting requirements.

Section 14 directs the Agriculture and Forestry Awareness Study Commission to study policy options available to support the dairy industry in North Carolina.

Lastly, Section 15 specifies that the total maximum daily load transport factor applies when offsetting certain permitted wastewater discharges.

Except as otherwise provided, this bill became effective June 12, 2020.

[House Bill 679 \(SL 2020-46\)](#) – Rules of Civ Procedure/E-Filing and Service.

See summary under Litigation.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.

[House Bill 32 \(SL 2020-65\)](#) – Collaborative Law.

See summary under Dispute Resolution.

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.

House Bill 1072, recommended by the General Statutes Commission, contains corrections of a technical nature to the General Statutes and session laws. The bill also includes an amendment recommended by NCBA to provide that the register of deeds does not need to verify the capacity or authority of the person listed as the drafter of a deed or deed of trust. Except as otherwise provided, the bill became effective July 1, 2020.

[House Bill 1064 \(SL 2020-72\)](#) – GSC Clarifying Bingo License Statute.

See summary under Sports & Entertainment Law.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

### **[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.**

Senate Bill 681 enacts agency policy directives for the 2019-2021 fiscal biennium, consistent with certain policy directives in ratified House Bill 966 of the 2019 Regular Session. Some of these directives include: (1) various directives to the Department of Public Instruction; (2) authorizing the Department of Health and Human services to raise the maximum number of state-county special assistance in home payments until June 30, 2021; (3) modifying Medicaid eligibility for families, individuals with disabilities, children in foster care, and more; (4) policy directives involving agriculture and consumer services; (5) changing reporting requirements for the Department of Commerce, Environmental Equality, Natural and Cultural Resources, and the Wildlife Resources Commission; and (6) providing the Industrial Commission can use electronic mail to send decisions. It also clarifies that parties to an intergovernmental support agreement with a major military installation that operates a Public Safety Answering Point may use 911 funds for next generation 911 system compatibility. Except as otherwise provided, this bill became effective July 1, 2020.

### **[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.**

S.L. 2020-4 provided for approximately \$1.425B in nonrecurring and nonreverting funds to various agencies and entities to address needs and economic harm occasioned by the COVID-19 pandemic. House Bill 1023 (S.L. 2020-80) increases the relief funding for the COVID-19 pandemic to just under \$2.096B. Among other things, the bill: (1) provides additional and revised uses for federal Coronavirus relief funds; (2) directs the Office of State Budget Management (“OSBM”) to distribute funds to municipalities with a population less than 150,000 that has a hospital located within its borders that has filed for bankruptcy to offset expenses incurred in responding to COVID-19; (3) provides funding for Caitlyn’s Courage, Inc. for domestic violence prevention programs; (4) provides additional funding for school nutritional needs; (5) extends the ability of certain governmental retirees to engage in part-time employment without affecting retirement; (6) provides funding for the implementation of the School Business System Modernization Plan; and (7) waives match requirements for certain grant processes for nonprofits. Finally, the bill extends the sunset on remote notary and video witnessing authorization from August 1, 2020, to March 1, 2021. Except as otherwise provided, the bill became effective July 1, 2020.

### **[House Bill 1235 \(SL 2020-92\)](#) – Modifications to 2020 Appointments.**

House Bill 1235 makes modifications to appointments made in the 2020 Appointments Bill. The bill became effective July 8, 2020.

## GOVERNMENT & PUBLIC SECTOR

### [House Bill 1169 \(2020-17\)](#) – Bipartisan Elections Act of 2020.

See summary under Constitutional Rights & Responsibilities.

### [Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

### [Senate Bill 720 \(SL 2020-25\)](#) – GSC Conforming Amends./2019 Land-Use Changes.

See summary under Zoning, Planning & Land Use.

### [Senate Bill 379 \(SL 2020-29\)](#) – Retirement Systems Admin. Changes.

See summary under Elder & Special Needs Law.

### [House Bill 158 \(SL 2020-30\)](#) – COVID-19 New Driver Response.

House Bill 158 requires the Division of Motor Vehicles to temporarily waive the road test requirement for Level 2 limited provisional licenses. This Section of the bill became effective June 19, 2020, and applies to applications for provisional licenses submitted on or after that date. In addition, the bill provides accommodations for driver education coursework interrupted by school closures in the spring semester of 2020.

### [Senate Bill 836 \(SL 2020-32\)](#) – State Operations/Increase Federal Funds Use.

Senate Bill 836 increases the amount of funds appropriated from the Coronavirus Relief Fund for the continuity of State government by \$70,000,000. Additionally, Section 4 directs the Office of State Budget and Management to work with relevant State agencies to identify expenditures that may be offset with these funds and do so where possible. The bill became effective when it was signed into law June 19, 2020.

### [Senate Bill 562 \(SL 2020-35\)](#) – The Second Chance Act.

See summary under Criminal Justice.

### [Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

Senate Bill 719 amends statutes to various state and local retirement and trust funds. Part I makes technical changes to retirement accounts and Achieving a Better Life Experience (“ABLE”) Program Trust, as well as clarifies certain contribution policies are not subject to the Administrative Procedures Act. Part II amends TSERS statutes to require testing of the retirement system every five years. Part II-B makes amendment regarding the Pension Solvency Fund. Part III makes unclaimed real and personal property changes through the North Carolina Unclaimed Property Act. Part IV makes pension protection changes in TSERS

and LGERS statutes, the Administrative Procedure Act, and the Criminal Procedure Act. Lastly, Part V amends special insurance benefit plan offerings by repealing GS. 143-166.60(d)(1). Except as otherwise provided, the bill became effective June 26, 2020.

**[House Bill 873 \(SL 2020-61\)](#) – System Development Fee/ADU Sewer Permit.**

House Bill 873 begins with Sections 1 and 2 clarifying the timing of the collection of system development fees by providing that the fees for new developments involving the subdivision of land would be collected at the later of the time of application for a building permit or when the water or sewer service is committed by the local government unit. System development fees cannot be charged on other new developments if a system development fee had been with respect to that land upon recordation of the plat subdividing the land, so long as the capacity usage that the system development fee was based upon is not increased at the time of application for the building permit. Sections 1 and 2 become effective January 1, 2021. Section 3 authorizes the use of collected system development fees, based upon the combined cost method of calculation, for (1) previously completed capital improvements for which capacity still exists and (2) capital rehabilitation projects. This Section became effective July 1, 2020, and applies to system development fees expanded or encumbered on or after that date. Section 4 requires the Department of Environmental Quality to amend a rule to allow a sewer shared with an accessory building on the same property as a permitted single building to be deemed permitted. Except as otherwise provided, this bill became effective June 30, 2020.

**[House Bill 694 \(SL 2020-62\)](#) – Designate Legacy Airports.**

House Bill 694 requires the North Carolina Department of Transportation to designate airports as legacy airports if they have contributed significantly to the development of aviation in this state and meet other requirements. The bill became effective July 1, 2020.

**[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.**

See summary under General Interest.

**[Senate Bill 217 \(SL 2020-71\)](#) – UI/Precinct Workers/2020 General Election.**

See summary under Insurance Law.

**[House Bill 1064 \(SL 2020-72\)](#) – GSC Clarifying Bingo License Statute.**

See summary under Sports & Entertainment Law.

**[Senate Bill 739 \(SL 2020-73\)](#) – Personal Delivery Device/PDD/Delivery Robots.**

See summary under Business Law.



[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

[Senate Bill 488 \(SL 2020-77\)](#) – DMV/MV Dealer Changes.

See summary under Business Law.

[House Bill 1087 \(SL 2020-79\)](#) – Water/Wastewater Public Enterprise Reform.

House Bill 1087 makes various, wide-ranging changes, amendments and appropriations. Part I of the bill: (1) establishes a process for identifying and assessing distressed public water systems and wastewater systems; (2) establishes the Viable Utility Fund, within the Department of Environmental Quality (“DEQ”), to be used for assisting public water and wastewater systems to become self-sustaining; (3) establishes a process for a water or wastewater system created under Chapter 162 of the General Statutes to request merger or dissolution of that system; (4) requires DEQ to study the statutes and rules governing subbasin transfers and make recommendations as to whether the statutes and rules should be amended; and (5) requires the Department of State Treasurer to study and make recommendations as to the feasibility of authorizing historical charters for units of local government that have become, or are on the brink of becoming, defunct.

Parts II through IV of the bill contain various appropriations. Part II provides funds to the Viable Utility Reserve and the Southern Regional Area Health Education Center. Part III appropriates \$30.6 million from the Volkswagen Litigation Environmental Mitigation Fund to DEQ in order to carry out phase one of the Department's Beneficiary Mitigation Plan. Part IV allocates \$28.4 million to provide State matching funds for various federally-funded water resources development projects. Except as otherwise provided, the bill became effective July 1, 2020.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

[Senate Bill 212 \(SL 2020-81\)](#) – Capital Appropriations/R&R/DIT/Cybersecurity.

Senate Bill 212 appropriates funds for various capital projects for state agencies and the University of North Carolina, and enacts statutory changes relating to funding, commencing, and administering capital projects. In addition, the bill establishes pilot programs and a satellite-based broadband grant program within the Department of Information Technology (“DIT”). The bill also makes additional changes relating to broadband infrastructure, including: (1) streamlining leases and lease renewals for broadband infrastructure (effective from July 1, 2020, but expiring January 1, 2025); and (2) appropriating money to the DIT.

Further, the bill creates a statutory definition of “year-round school” that applies starting in the 2021-2022 school year. The bill generally became effective July 1, 2020.

[House Bill 593 \(SL 2020-83\)](#) – JCPC/Detention/CAA and Other Fees.

See summary under Juvenile Justice & Children’s Rights.

[Senate Bill 782 \(SL 2020-84\)](#) – Merchandise Sales Limit/Meck Dist Ct.

See summary under Judicial Independence & Integrity.

[House Bill 425 \(SL 2020-86\)](#) – Implement Conner’s Law.

House Bill 425 provides funding to implement Session Law (S.L.) 2019-228, otherwise known as "Conner's Law." Conner’s Law provided a new death benefit for public safety employees murdered in the line of duty. Section 1 transfers funds, and Section 2 appropriates the transferred funds for the 2020-2021 Fiscal Year to be used to pay benefits provided under S.L. 2019-228. The bill became effective July 1, 2020.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

[House Bill 902 \(SL 2020-90\)](#) – P&C Changes/Glob. Tranp./Prison Pilot.

House Bill 902 makes various changes, including changes to state procurements statutes. Part I provides that the Division of Purchase and Contract of the Department of Administration shall review protests on contracts and receive reports on emergency purchases by State departments, institutions, and agencies if the dollar amount exceeds the expenditure benchmark established by the Secretary of Administration. Part II creates an exemption from the State Property Fire Insurance Fund for certain buildings within the NC Global Transpark. Part II becomes effective October 1, 2020, and applies to projects initiated or contracts entered into, renewed or modified on or after that date. Part III creates a prison software management pilot program to: (1) transform the State Prison Management Information Systems with software infrastructure and equipment upgrades; and (2) deploy a mobile inmate tracking system. This Part of the bill became effective July 1, 2020, and expires on July 1, 2022. Part IV clarifies the authority of owners’ associations to impose charges for statements of unpaid assessments. Part V clarifies district attorney discretion in registration requirement reviews. This Part became effective August 1, 2020, and applies to individuals notified of the right to contest required registration as a sex offender on or after that date. Part VI creates a new article in Chapter 99E which provides limited immunity from COVID-19-related claims arising from the reopening of privately-owned community swimming pools, and applies to claims arising on or after July 2, 2020. Except as otherwise provided, the bill became effective July 2, 2020.

[House Bill 77 \(SL 2020-91\)](#) – DOT 2020-2021 FY Budget/Governance.

House Bill 77 adjusts the Department of Transportation's ("DOT") 2020-2021 Fiscal Year Certified Budget and implements various financial governance provisions, including the restructuring of the Board of Transportation. Part I appropriates funds to DOT for the 2020-2021 Fiscal Year, as adjusted by the General Assembly. Part II contains the current operations and availability schedules for the Highway Fund and Highway Trust Fund, as adjusted by this act for the 2020-2021 Fiscal Year. Part III contains the adjustments to the programs and fund codes of DOT for the 2020-2021 Fiscal Year. Among other things, Part IV requires the DOT, in collaboration with the Office of State Budget and Management, to develop a five-year revenue forecast. Part V amends current law as it relates to the membership, powers and duties, and requirements of the Board of Transportation. The section terminated the current membership of the Board as of July 30, 2020, and reconstituted and increased the membership of the Board to 20 voting members beginning July 31, 2020. The Governor appoints 14 Highway Division members, and the General Assembly appoints six at-large members, three upon recommendation of the President Pro Tem and three upon recommendation of the Speaker. Except as otherwise provided, the bill became effective July 1, 2020.

[Senate Bill 232 \(SL 2020-93\)](#) – Repeal Death Invest Conf/Masks/Health&Safety.

See summary under Health Law.

## HEALTH LAW

[Senate Bill 476 \(SL 2020-7\)](#) – School-Based Mental Health.

Summary under Education Law.

[House Bill 1169 \(2020-17\)](#) – Bipartisan Elections Act of 2020.

See summary under Constitutional Rights & Responsibilities.

[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

[Senate Bill 361 \(SL 2020-82\)](#) – Healthy NC.

Senate Bill 361 makes various changes to the state’s health care regulations and statutes.

Part I enacts the Psychology Interjurisdictional Licensure Compact (“PSYPACT”) to allow a psychologist to provide services via telepsychology in other states, and in-person services in other compact states, under certain conditions. A Psychology Interjurisdictional Compact Commission was established to provide oversight, create rules, and resolve disputes among Compact States and between Compact and Non-Compact States. This Part becomes effective March 1, 2021.

Part II allows marriage and family therapists to conduct the first-level exam for involuntary commitment and becomes effective October 1, 2020.

Part III provides that if the annual inspection of the adult care home is conducted separately from the physical plant and life-safety inspection (required every two years), the adult care home cannot receive a citation from the Department of Health and Human Services for a violation that overlaps with a physical plant and life-safety inspection area in the annual inspection unless the failure to address the violation poses a risk to residents’ health or safety. This Part became effective July 1, 2020.

Part IV modifies step therapy protocols by requiring insurance companies to grant exceptions to their policies in certain circumstances to allow patients to access more expensive treatment options, provided that the patient receives a doctor’s note saying the patient previously used an alternative drug or device and it was detrimental to the patient’s health. This part becomes effective October 1, 2020, and applies to insurance contracts issued, renewed, or amended on or after that date.

Part V clarifies the use of coronavirus relief funds, specifically detailing what North Carolina Community Health Center Association incurred costs can be offset. This bill became effective when it became law on July 1, 2020.

[House Bill 593 \(SL 2020-83\)](#) – JCPC/Detention/CAA and Other Fees.

See summary under Juvenile Justice & Children’s Rights.

**[House Bill 471 \(SL 2020-85\)](#) – Exempt Direct Primary Care from DOI Regs.**

House Bill 471 clarifies that medical direct primary care agreements are not insurance, therefore not subject to the provisions of Chapter 58 (Insurance), and establishes standards for medical direct primary care agreements. Primary care providers are not required to be licensed or certified to market, sell, or offer to sell primary care agreements under the new language. The bill provides definitions for the terms "medical direct primary care," "primary care provider," and "primary care service." The bill became effective when it was signed into law on July 1, 2020.

**[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.**

See summary under Litigation.

**[Senate Bill 232 \(SL 2020-93\)](#) – Repeal Death Invest Conf/Masks/Health&Safety.**

Senate Bill 232 repeals confidentiality of certain death investigation information and authorizes individuals to wear masks and face coverings for health purposes. The bill repeals Section 2.5 of Senate Bill 168, 2019 Regular Session, which prohibited certain death investigation information from becoming public record. The bill became effective July 10, 2020.

## INSURANCE LAW

**[Senate Bill 379 \(SL 2020-29\)](#) – Retirement Systems Admin. Changes.**

See summary under Elder & Special Needs Law.

**[Senate Bill 818 \(SL 2020-45\)](#) – Compensation of Certain School Employees.**

See summary under Education Law.

**[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.**

See summary under Government & Public Sector.

**[Senate Bill 595 \(SL 2020-50\)](#) – Changes to Real Property Statutes.**

See summary Estate Planning & Fiduciary Law.

**[House Bill 1229 \(SL 2020-53\)](#) – Unemployment Insurance Program Integrity.**

House Bill 1229 appropriates funds to enhance the program integrity of the unemployment insurance program in the Division of Employment Security ("DES") and authorizes the Department of Health and Human Services to seek a temporary waiver related to the Food and Nutrition Services Program in response to COVID-19. The bill directs that the State

Controller transfer two million dollars (\$2,000,000) for the current Fiscal Year from the Coronavirus Relief Reserve to the Coronavirus Relief Fund. The funding will be used to: (1) enhance existing unemployment insurance (“UI”) fraud and compliance alerting capability to prevent and detect cybersecurity attacks on DES information technology assets and resources during the pandemic; (2) provide DES with COVID-19-related program fraud detection analytics and information reporting; (3) provide pandemic UI assistance documentation analysis; and (4) enhance modeling for underground economy analysis relative to COVID-19 claims. The effective date of the bill was June 30, 2020.

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.

See summary under General Interest.

[Senate Bill 217 \(SL 2020-71\)](#) – UI/Precinct Workers/2020 General Election.

Senate Bill 217 prevents certain payments to precinct officials working in the 2020 general election (September 1, 2020, until November 5, 2020) from reducing their unemployment insurance benefits. The bill became effective when it was signed into law on July 1, 2020.

[Senate Bill 739 \(SL 2020-73\)](#) – Personal Delivery Device/PDD/Delivery Robots.

See summary under Business Law.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

[Senate Bill 361 \(SL 2020-82\)](#) – Healthy NC.

See summary under Health Law.

[House Bill 471 \(SL 2020-85\)](#) – Exempt Direct Primary Care from DOI Regs.

See summary under Health Law.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

[House Bill 902 \(SL 2020-90\)](#) – P&C Changes/Glob. Tranp./Prison Pilot.

See summary under Government & Public Sector.

## INTELLECTUAL PROPERTY LAW

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

## INTERNATIONAL LAW

[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

See summary under Tax.

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.

See summary under General Interest.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

## JUDICIAL INDEPENDENCE & INTEGRITY

[Senate Bill 782 \(SL 2020-84\)](#) – Merchandise Sales Limit/Meck Dist Ct.

Senate Bill 782 increases the maximum amount per election cycle that a political party executive committee or an affiliated committee can raise with exempted sales to \$20,000, effective for the 2020 election cycle and forward. In addition, the bill requires that elections for district court judges in Mecklenburg County be conducted at large. All elections in 2020 are to be conducted in accordance with the Consent Order as it was filed on November 27, 2019, in *Alexander v. North Carolina State Board of Elections*, 19 CVS 011321, Wake County. Except as otherwise provided, the bill became effective July 1, 2020.

## JUVENILE JUSTICE & CHILDREN'S RIGHTS

### [Senate Bill 476 \(SL 2020-7\)](#) – School-Based Mental Health.

Summary under Education Law.

### [House Bill 1187 \(SL 2020-15\)](#) – Raise the Age Funding.

House Bill 1187 transfers funds in the Statewide Misdemeanant Confinement Fund to the Department of Public Safety to be used for various Raise the Age projects. This bill became effective July 1, 2020.

### [Senate Bill 562 \(SL 2020-35\)](#) – The Second Chance Act.

See summary under Criminal Justice.

### [Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

### [House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

### [House Bill 593 \(SL 2020-83\)](#) – JCPC/Detention/CAA and Other Fees.

House Bill 593 makes various changes regarding juvenile crimes, ordinance declarations, and criminal statutes. Part I makes certain modifications to current law related to Juvenile Crime Prevention Councils. Part II clarifies that persons under 18 held in custody must be held in a juvenile detention facility in accordance with “Raise The Age.” Part III makes conforming changes to current law related to inmates held in the Statewide Misdemeanant Confinement Program and transferred for medical treatment. Part IV increases court-appointed attorney fees in criminal cases and increases court costs to support Indigent Defense Services and the Criminal Justice Education and Training Standards Commission. Part V modifies deadlines related to the payment of radiological emergency planning fee by allowing the Department of Public Safety to set the schedule. Part VI creates an opportunity for an individual notified to register as a sex offender, based on an out of state or federal conviction, to petition a court to review the registration requirement. This Part became effective August 1, 2020. Part VII provides additional direction to municipalities and counties regarding the publication of prohibitions and restrictions imposed by a declaration. Except as otherwise provided, the bill became effective July 1, 2020.

### [House Bill 902 \(SL 2020-90\)](#) – P&C Changes/Glob. Tranp./Prison Pilot.

See summary under Government & Public Sector.



## LABOR & EMPLOYMENT

[Senate Bill 379 \(SL 2020-29\)](#) – Retirement Systems Admin. Changes.

See summary under Elder & Special Needs Law.

[Senate Bill 562 \(SL 2020-35\)](#) – The Second Chance Act.

See summary under Criminal Justice.

[Senate Bill 818 \(SL 2020-45\)](#) – Compensation of Certain School Employees.

See summary under Education Law.

[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

[House Bill 1229 \(SL 2020-53\)](#) – Unemployment Insurance Program Integrity.

See summary under Insurance Law.

[House Bill 1096 \(SL 2020-56\)](#) – UNC Omnibus Changes/UNC Lab School Funds.

See summary under Education Law.

[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.

See summary under General Interest.

[Senate Bill 217 \(SL 2020-71\)](#) – UI/Precinct Workers/2020 General Election.

See summary under Insurance Law.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

## LITIGATION

[Senate Bill 476 \(SL 2020-7\)](#) – School-Based Mental Health.

Summary under Education Law.

[Senate Bill 720 \(SL 2020-25\)](#) – GSC Conforming Amends./2019 Land-Use Changes.

See summary under Zoning, Planning & Land Use.

**[House Bill 679 \(SL 2020-46\)](#) – Rules of Civ Procedure/E-Filing and Service.**

House Bill 679 amends two Rules of Civil Procedure under Chapter 1A of the General Statutes. First, the bill amends Rule 3 to allow electronic filing made in accordance with Rule 5 of the General Rules of Practice for the Superior and District Courts if electronic filing is available in the county of filing. Second, the bill amends Rule 5 to allow service by email and through the court's electronic filing system. If the court does not have an electronic filing system, service may be made via e-mail with consent. The bill becomes effective October 1, 2020, and applies to filings and service effected on or after that date.

**[House Bill 920 \(SL 2020-52\)](#) – Condominium Association Changes.**

See summary under Real Property.

**[Senate Bill 208 \(SL 2020-70\)](#) – COVID-19 Immunity/IHEs.**

See summary under Education Law.

**[House Bill 1064 \(SL 2020-72\)](#) – GSC Clarifying Bingo License Statute.**

See summary under Sports & Entertainment Law.

**[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.**

See summary under Administrative Law.

**[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.**

House Bill 118 provides limited immunity from liability for claims based on transmission of COVID-19. Section 1 of the bill provides immunity in any claim arising from acts or omissions alleged to have resulted in contraction of COVID-19 unless the act or omission amounts to gross negligence, willful or wanton conduct, or intentional wrongdoing. The bill also requires persons to provide reasonable notice of actions taken by them to prevent COVID-19 on premises owned by them or under their control, except for premises owned by an individual that are not used in operating a sole proprietorship. House Bill 118 does not apply to worker compensation claims. The bill applies to claims arising no later than 180 days after the expiration or rescission of [Executive Order No. 116](#), issued on March 10, 2020. This bill, as clarified in Section 2, does not affect any immunity provided in Session Law 2020-3. The bill became effective July 2, 2020, and applies to claims arising on or after that date.

**[House Bill 902 \(SL 2020-90\)](#) – P&C Changes/Glob. Tranp./Prison Pilot.**

See summary under Government & Public Sector.

## MILITARY & VETERANS LAW

### [Senate Bill 560 \(SL 2020-1\)](#) – Scholarships for Children of Wartime Veterans.

Senate Bill 560 appropriates funds to the Department of Military and Veterans Affairs in the amount of \$2,400,000 for both the 2019-2020 Fiscal Year and the 2020-2021 Fiscal Year to increase funds available for room and board expenses to students receiving a North Carolina Scholarship for Children of Wartime Veterans. The bill became effective July 1, 2019.

### [House Bill 1169 \(2020-17\)](#) – Bipartisan Elections Act of 2020.

See summary under Constitutional Rights & Responsibilities.

### [Senate Bill 801 \(SL 2020-24\)](#) – Military Presence Stabilization Fund/Funding.

Senate Bill 801 directs the Department of Commerce to transfer funds from the Film and Entertainment Grant Fund to the Department of Military and Veterans Affairs for deposit in the Military Presence Stabilization Fund. The funds are to be used to sustain and maintain the State's military programs and activities by providing grants for local communities or military installations, updates to strategic planning, and identification of measures to increase the military value of installations. The bill became effective July 1, 2020.

### [Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

### [Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

### [House Bill 1053 \(SL 2020-87\)](#) – PED/Military OL & Audiology Interstate Compact.

House Bill 1053 implements recommendations from the Program Evaluation Division to improve the occupational licensing process for military-trained applicants and military spouses. In Part I, the bill requires a board to issue a license, certification, or registration no later than 15 days to a military-trained applicant or military spouse who has satisfied the requirements for licensure, and shortens the time period for a board to provide notice to an applicant to 15 days if that applicant's training or experience does not satisfy the requirements for licensure. This Part of the bill becomes effective December 1, 2020, and applies to applications for licensure received on or after that date. In addition, Part II of the bill creates a new Article in Chapter 90 of the General Statutes to implement the Interstate Compact for Audiology and Speech Pathology with the goal of improving public access to audiology and speech-language pathology services. This Part becomes effective when at least 10 states have enacted the Compact.

[House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

## PRIVACY & DATA SECURITY

[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

[House Bill 455 \(SL 2020-51\)](#) – Amend Various Motor Vehicle Laws.

See summary under Business Law.

[House Bill 1229 \(SL 2020-53\)](#) – Unemployment Insurance Program Integrity.

See summary under Insurance Law.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[Senate Bill 232 \(SL 2020-93\)](#) – Repeal Death Invest Conf/Masks/Health&Safety.

See summary under Health Law.

## REAL PROPERTY

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

[Senate Bill 729 \(SL 2020-23\)](#) – GSC Modernize Partition Laws.

Senate Bill 729 modernizes the partition of property statutes by reorganizing them into a new chapter, updating and clarifying language, and making substantive changes. Some of the substantive changes include the following: (1) the court is to allocate among all the cotenants reasonable attorneys' fees incurred for their benefit; (2) unless the spouse is a cotenant, the petitioner is not required to serve or join spouses of cotenants of real property; (3) a cotenant of real property has a right to contribution for payment of the property's carrying costs and improvements; and (4) if a party to whom a share of real property has

been apportioned in an actual partition, that party may obtain an order for possession of the share. Technical, conforming, and modernizing amendments are also made to the elective life estate statute. The bill becomes effective October 1, 2020, and Parts I and II of the bill apply to partition proceedings commenced on or after that date.

[Senate Bill 720 \(SL 2020-25\)](#) – GSC Conforming Amends./2019 Land-Use Changes.

See summary under Zoning, Planning & Land Use.

[Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

[Senate Bill 595 \(SL 2020-50\)](#) – Changes to Real Property Statutes.

See summary under Estate Planning & Fiduciary Law.

[House Bill 920 \(SL 2020-52\)](#) – Condominium Association Changes.

House Bill 920 makes various changes to the Condominium Act.

Section 1 specifies the items to be included in the architect or engineer's certification of what is depicted by the condominium plat or plan and the statutory requirements with which a professional land surveyor must certify the plat to be compliant.

In addition to making technical corrections, Section 2 amends the statutory requirements for the contents of a condo declaration to: (1) clarify how a declaration may define a unit; (2) require declarations that do not provide a date by which development rights or declarant rights must be exercised to exercise those rights by the latter of July 1, 2027, or 7 years from the date the declaration was recorded; and (3) allowing an option provided in the declaration to extend the time for exercising development or special declarant rights to no more than 10 years if a vote is held and at least 67% of the votes in the association are allocated.

Section 3 creates a presumption in favor of valid establishment of a condominium and valid amendment of the declaration if these are done in compliance with statutory requirements. Additionally, it provides a mechanism for a unit owners' association to bring a civil action seeking judicial reformation of a declaration to correct ambiguities, errors, or inconsistencies in condominium instruments that give rise to legal and other disputes pertaining to the rights and responsibilities of the association or individual unit owners.

Section 5 recognizes actual as-constructed boundaries of units as surveying monuments in an encroachment easement provision (G.S. 47C-2-114(a)).

Section 6 deems title to a unit marketable if, in the four years following recordation of the condominium declaration, plats or plans, and deed to the unit, no challenge has been brought to the validity of the documents establishing the condominium.

Sections 7 through 10 conform provisions in the Condominium Act to match those of the Planned Community Act regarding meetings of executive board members and officers.

Except as otherwise provided, the effective date of the bill was June 30, 2020.

**[House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.**

See summary under Tax.

**[House Bill 736 \(SL 2020-60\)](#) – Elective Share-Joint Accounts.**

See summary under Estate Planning & Fiduciary Law.

**[House Bill 873 \(SL 2020-61\)](#) – System Development Fee/ADU Sewer Permit.**

See summary under Government & Public Sector.

**[House Bill 1072 \(SL 2020-69\)](#) – GSC Technical Corrections 2020.**

See summary under General Interest.

**[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.**

See summary under Administrative Law.

**[Senate Bill 364 \(SL 2020-75\)](#) – NC Commercial Receivership Act Revisions**

See summary under Bankruptcy.

**[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.**

See summary under General Interest.

**[House Bill 902 \(SL 2020-90\)](#) – P&C Changes/Glob. Tranp./Prison Pilot.**

See summary under Government & Public Sector.

## SPORTS & ENTERTAINMENT LAW

### [House Bill 1064 \(SL 2020-72\)](#) – GSC Clarifying Bingo License Statute.

Among other things, House Bill 1064 clarifies the bingo license statute as recommended by the General Statutes Commission. The bill also replaces references to the State Bureau of Investigation with references to the Alcohol Law Enforcement Division to conform to the current organization of the Department of Public Safety. This Section becomes effective October 1, 2020, and applies to applications submitted on or after that date.

In addition, Section 2 amends the Rules of Civil Procedure and the Criminal Procedure Act to clarify that good cause for a continuance includes any service carrying out any duties as a member of the General Assembly and expands the definition of good cause to also include service on any other board, commission or authority as an appointee of the Governor, Lieutenant Governor, or the General Assembly. Section 2 of the bill becomes effective December 1, 2020.

### [House Bill 118 \(SL 2020-89\)](#) – COVID-19 Liab. Safe Harbor.

See summary under Litigation.

## TAX

### [House Bill 1079 \(SL 2020-6\)](#) – Various Sales Tax Changes.

House Bill 1079 has three parts consisting of various sales and use tax changes, as recommended by the Revenue Laws Study Committee.

Part I of the bill seeks to address an issue that arose through the marketplace facilitator provision passed in 2019. The marketplace facilitator provision made a person who sells and collects payment for third-party seller's items through a marketplace operated by that person a retailer required to collect sales tax. The provision was made primarily for large online retailers who conduct third party sales (Amazon is an example), but it effectively made certain auctioneers or operators of estate sales marketplace facilitators. To provide clarity to auctioneers and estate sale companies in areas of confusion, the bill expands a sales tax exemption to include livestock, and, due to the confusion, provides relief from liability if they can demonstrate a good faith effort to comply with tax laws for tax due for a reporting period prior to July 1, 2020. This Part also provides an eight-month grace period to companies to come into compliance with the marketplace facilitator provision.

Part II of the bill expands the scope of the sales and use tax exemption for equipment purchased by a large fulfillment facility to include (1) when the items are purchased by a contractor or subcontractor if the purchase is for the use in the performance of a contract with the facility; and (2) equipment used for baling previously used packaging for resale, sanitizing as required by federal law, and material handling.

Parts I and II became effective July 1, 2020, and apply to sales on or after that date.

In an effort to clarify a bill passed last year, Part III of the bill makes the following changes with respect to the sales tax on digital property: (1) clarifies that the provision of an "educational service" by public or private K-12 schools or institutions of higher education, regardless of whether all or a portion of the instruction is delivered through an online class that is live or pre-recorded, is not a nontaxable "educational service;" (2) exempts from tax sales of digital audio works and digital audiovisual works that qualify as an educational expense under G.S. 115C-595(a)(3) when purchased by the operator of a homeschool; and (3) exempts sales of digital audio works and digital audiovisual works that consist of nontaxable service content when the transfer occurs contemporaneously with the provision of the nontaxable service in real-time. A grace-period from October 1, 2019, to August 1, 2020, is provided for digital audio works or digital audiovisual works consisting of continuing education instruction approved by an occupational licensing board or of professional development instruction for school board members, administrators, or staff.

The grace period became effective when it became law on June 5, 2020, and the other provisions under Part III applied retroactively to October 1, 2019, applying to sales occurring on or after that date.

#### [Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

#### [Senate Bill 719 \(SL 2020-48\)](#) – Retirement Tech./Protect./& Other Changes.

See summary under Government & Public Sector.

#### [House Bill 1080 \(SL 2020-58\)](#) – Revenue Laws Recommendations.

House Bill 1080 makes various tax changes. Part I updates North Carolina's Code references in response to the new federal tax laws from January 1, 2019, to May 1, 2020. Part II modifies and provides clarification on various excise tax laws. Part III covers Sales and Use Tax changes. Part IV makes various Personal Income Tax changes, including: (1) codifying existing Department of Revenue ("DOR") practice regarding nonresident partners; (2) requiring full tax payer identification numbers when tax documents are filed with the DOR;



and (3) clarifying that a taxpayer conference can only be rescheduled upon mutual agreement of the DOR and the taxpayer. Part V contains Corporate Tax Changes. Part VI provides new tax enforcement and administrative changes. Part VII extends the following sunsets: (1) the opportunity for individual taxpayers to donate all, or a portion of, their State tax refunds to aid in early detection of breast and cervical cancers to January 1, 2026; (2) cities ability to finance certain infrastructure needs through special assessments to July 1, 2025; (3) the Natural Gas Economic Development Infrastructure Cost Recovery Program to July 1, 2026; and (4) the Jobs Development Investment Grant Program to January 1, 2030. Part VIII statutorily sets the insurance regulatory charge at 6.5%. Lastly, Part IX moves \$36M for the 2020-20201 Fiscal Year from the Medicaid Transformation Reserve to the General Fund. Except as otherwise provided, the bill became effective June 30, 2020.

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

[House Bill 1023 \(SL 2020-80\)](#) – Coronavirus Relief Fund/Additions & Revisions.

See summary under General Interest.

## WORKERS' COMPENSATION

[Senate Bill 681 \(SL 2020-78\)](#) – Agency Policy Directives/2019-2020.

See summary under General Interest.

## ZONING, PLANNING & LAND USE

[Senate Bill 315 \(SL 2020-18\)](#) – North Carolina Farm Act of 2019-20.

See summary under General Interest.

[Senate Bill 720 \(SL 2020-25\)](#) – GSC Conforming Amends./2019 Land-Use Changes.

Senate Bill 720 completes the consolidation of land-use provisions into one chapter of the General Statutes as directed by S.L. 2019-111 (Part II of which was proposed by the Zoning, Planning & Land Use Section), as recommended by the General Statutes Commission. This bill also: (1) brings forward other provisions from Article 19 and Article 18 that were inadvertently not already added to Chapter 160D; (2) updates or corrects cross-references and updates terms to match the new definitions and usage in Chapter 160D while making stylistic updates to conform to the requirements of the General Assembly's drafting manual; (3) makes other stylistic, conforming, and clarifying amendments; (4) reorganizes and

restates G.S. 160D-1116, while also removing an optional bond requirement that has not yet become effective; and (5) accelerates the effective date of the new Chapter 160D and its accompanying changes from January 1, 2021, to the date this bill become effective, June 19, 2019, while also extending the deadline for local governments to come into compliance with Chapter 160D to July 1, 2021.

[House Bill 873 \(SL 2020-61\)](#) – System Development Fee/ADU Sewer Permit.

See summary under Government & Public Sector.

[House Bill 308 \(SL 2020-74\)](#) – Regulatory Reform Act of 2020.

See summary under Administrative Law.

[House Bill 1087 \(SL 2020-79\)](#) – Water/Wastewater Public Enterprise Reform.

See summary under Government & Public Sector.