



INTRODUCTION

Crossover 2021 has officially passed. This is the deadline for policy-related bills to cross from one chamber to the next in order to remain at play this session. The deadline always results in a flurry of activity and late nights at the building in the weeks leading up to Crossover, and this year was no exception. In the past two weeks, House Rules heard 195 bills in seven lengthy meetings. The House clerk estimated that the House heard approximately 180 bills, not counting all the bills that were keeping the Senate busy this week. Although it's more of an uphill battle now for policy-related bills to be passed this biennium if they didn't make the deadline, it's not altogether unheard of and as we know strange things can happen at the General Assembly! Sometimes bill language from a "dead" bill can make its way into another piece of legislation that passed before the deadline or is otherwise exempt. That is why this time of year, it is especially important to keep a lookout for amendments and Proposed Committee Substitutes (PCS), because you never know what may end up in a bill!

BUDGET TALKS UNDERWAY

Now that Crossover is behind us, we can expect the legislature to start really focusing in on the state budget. Speaker Moore said on the House floor that he expects a proposed state budget in the "not too distant future." Senate leader Berger also said this week that the House and Senate are getting closer to an agreement on a target spending number for the state budget.

PPP DEDUCTIBILITY

With the tax filing deadline on Monday, the Senate adjourned session last week without taking action on House Bill 334, Temp Align PPP Treatment to Federal Treatment. This bill would have addressed the issue of deductibility of expenses paid for with PPP loan proceeds. This will continue to be discussed and debated as the session continues, but despite a strong push for action by House leadership businesses will head into Tax Day with the issue unresolved.

SENATE BILL 300, CRIMINAL JUSTICE REFORM

The Senate unanimously passed Senate Bill 300 last week, which would make various changes to the state's criminal justice laws. Many of this bill's proposed changes are inspired by recent events, including last summer's Black Lives Matter protests and the recent killing of Andrew Brown Jr. in Elizabeth City by members of the



NORTH CAROLINA SECURITY AND LOW VOLTAGE ASSOCIATION



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Sheriff's Department. In response to outrage over body cam footage in the killing of Brown by Sheriff's deputies, Senate Bill 300 would provide that a victim's family can see body camera footage within five days of a police killing or serious injury, unless the police receive approval from a judge to exclude parts of the footage or the entire video. This would basically reverse the current law, which makes the victim's family seek approval from a judge in order to see the footage. The bill also would: establish a duty for officers to intervene and report to superiors any excessive use of force they witness; create a database of law enforcement certifications that have been suspended or revoked so police chiefs and sheriffs would have a better sense of whether someone applying for a job has a troublesome record at his or her past department; require police to get training on mental health, use of force, racial bias, ethics, and more; and would enact felony offenses for resisting arrest when an officer is injured. The bill is now in the House Rules Committee.

HOUSE BILL 47, ELECTED OFFICIALS CONCEALED CARRY

This controversial bill passed the House, 69-45. It would allow elected officials with a concealed carry permit to carry their weapon while handling their official duties, so long as they're not drinking. In particular, this bill, if passed, would allow legislators to carry a gun anywhere at the General Assembly. Although the focus of press reports was on the General Assembly, the bill would allow all elected officials to carry a concealed weapon. The bill is now in the Senate Rules Committee.

HOUSE BILL 890, ABC OMNIBUS LEGISLATION

House Bill 890 passed the House last week, 100-10. This bill would make several changes to the laws concerning ABC stores, distilleries, and other alcohol-related statutes. The bill would allow online orders from ABC stores, allow personalized labels on spiritous liquor purchases, allow ABC stores to have free tastings, eliminate the requirement on the town of Cary to issue alcoholic beverage licenses (a local request and bill run by Rep. Adcock that Rep. Moffitt added to the ABC omnibus), expand the size of growlers from two liters to four, and establish the NC Spiritous Liquor Council among other things. The bill is now in the Senate Rules Committee.

HOUSE BILL 805, PREVENT RIOTING AND CIVIL DISORDER

House Bill 805 was approved in the House last week, 88-25, with a floor amendment that was unanimously approved that was brought forward by Democratic Rep. Lofton. The amendment aimed to clarify that a person's "mere presence alone without an overt act is not sufficient to sustain a conviction." This was in light of concerns that this bill would have a chilling effect on freedom of speech by subjecting any peaceful protestor to felony charges for the potential actions of others. The Speaker made it clear that the bill is aimed at those who willfully engage in rioting. The bill is now in the Senate Rules Committee.

SENATE BILL 35, MAX 4-YR AGE DIFFERENCE TO MARRY UNDER 18 YEARS

Senate Bill 35 passed the Senate last week unanimously, with a floor amendment that raised the age to get married in our state from 14 years of age to 16. North Carolina currently has the lowest minimum age to marry in the country at just 14 years old. Sen. Vickie Sawyer, an advocate for this provision, said that she found that most child marriages involved abuse and poverty, and end in divorce. The new language raises the minimum age to 16, leaves a less-than-four-year age difference requirement in place, and leaves the requirement for parental consent or court approval to marry under the age of 18. The bill is now in the House Rules Committee.

HOUSE BILL 581, DRIVERS LICENSE DESIGNATION/AUTISM

House Bill 581 passed the House unanimously last week. It would create a new voluntary driver's license designation for people on the autism spectrum. It would further require training for law enforcement on the designation, specifically on how to recognize and appropriately interact with persons with autism spectrum disorder. It has now been referred to the Senate Rules Committee.

HOUSE BILL 740, DEFINE MERGING AREAS/ZIPPER MERGE

House Bill 740 was approved by the House, 110-4, last week. It encourages "zipper merging" on North Carolina highways. The bill says that, when two lanes merge, people should use both lanes as long as they can, then merge. If approved, this merge procedure would be added to driver education manuals. The bill is now in the Senate Rules Committee.

THIS WEEK AT THE LEGISLATURE

The Speaker has announced that the House will not be holding votes on Monday or Tuesday of this week. The Speaker told House members that he believes the gas shortage should be resolved by Wednesday, so he expects to hold a voting session then. If it has not been resolved, he will re-evaluate closer to that time.

ALARMS SYSTEMS LICENSING ACT CHANGES

HOUSE BILL 933, Alarm Systems Licensing Act/Revisions, would make various changes to the Alarms Systems Licensing Act that were worked on between the Licensing Board and the Association several years ago. The bill would make the following changes:

Name Change

- retitle GS Chapter 74D, as Electronic Security Systems (was Alarm Systems) and make changes throughout the Chapter to refer to "electronic security systems" rather than "alarm systems."

Definitions

- define *electronic security systems business* to include any person, firm, association, or corporation that, unless exempt, (1) sells or attempts to sell an electronic security system by engaging in any personal solicitation to advise, design, or consult on specific types and specific locations of electronic security system devices and/or (2) installs, services, monitors, or responds to electrical, wireless or hardwired electronic or mechanical alarm signal devices and security systems, integrated automation of a residence or business that includes a security element, burglar alarms, monitored access control, or cameras used to detect or observe other illegal activity.

Qualifying Agent

- define a *qualifying agent* as an individual who is a full-time employee in a management position licensed under the Chapter and who is registered with the Electronic Security Systems Board (Board; previously did not specify full-time employment);
- establish that a business entity required to be licensed under the Chapter is subject to the specified requirements regarding a qualifying agent (previously subject upon engaging in the business), and allow the business entity to notify the Board by letter or using the Board's

online form upon its qualifying agent ceasing to perform his or her duties (previously only specified notification be in writing);

- authorize the Director of the Board, in his or her discretion, to extend the 90-day period by which the business entity must obtain a substitute qualifying agent for an additional 30 days for good cause upon written request, and prohibit any person (rather than licensee) from serving as the qualifying agent for more than one business entity without Board approval;
- make the qualifying agent responsible for maintaining current contact information with the Board;
- add minimum qualifications for qualifying agents in addition to age, experience, and character qualifications in existing law, require the applicant to have (1) successfully completed or kept current a Certified Alarm Technician Level II course offered by the Electronic Security System Association, and (2) proof of how in-State activities of the licensee are to be monitored, including a business plan setting forth the type of activities to be performed in this State, such as telephone solicitation, residential and commercial installation, or monitoring. The applicant must update the plan promptly as activities change;
- include a prayer for judgement continued, adjudication withheld, or an equivalent in provisions regarding the applicant's character;
- eliminate the authority of the Board to require an examination of applicants;
- provide that an alarm monitoring company located in another state and licensed by that state which demonstrates to the Board's satisfaction that it does not conduct any business through a personal representative present in this State, but which solicits and conducts business solely through interstate communication facilities, such as telephone, earth satellite relay stations, the internet, and the United States Postal Service, upon receipt by the Board of a certificate of good standing the state of licensure, is not required to register employees;
- require out-of-state monitoring companies not licensed in any state to be licensed by the Board and to register employee amend provisions regarding criminal background checks of applicants for licensure or registration.

Criminal Background Checks

- replace references to the Department of Public Safety with the State Bureau of Investigation (SBI), and authorize the SBI's Division of Criminal Information Network to provide criminal record checks for applicants through the Board and to charge applicants a fee for conducting the criminal history checks;
- make an exception to the confidentiality provisions set forth for information obtained through an applicant's criminal history check, allowing such information to support the denial of an application or a disciplinary matter in a contested case.

Exemptions

- modify the Chapter's exemptions to:
 - exempt installation or service (was, installation only) of an electronic alarm system on property owned or leased to the installer, and entities through which a customer accesses marketing or advertising material or installation instructions for an electronic security system;

- eliminate the exemptions for out-of-state monitoring companies and persons or businesses providing services to a state agency or local government for five or more years.

Alarm Systems Licensing Board

- rename the Alarm Systems Licensing Board the Electronic Security Systems Licensing Board (Board);
- except the Secretary of Public Safety or a designee from the prohibition against a Board member serving more than two complete three-year consecutive terms;
- require the Board to set a travel allowance in addition to per diem compensation of members who are not also State officers or employees;
- modify and add to the powers of the Board to:
 - authorize the Board to determine minimum qualifications and establish minimum education, experience, and training standards for registrants in addition to applicants and licensees and conduct investigations of alleged violations to determine if unlicensed individuals or entities are in violation of the Chapter, in addition to investigating licensees' and registrants' compliance with the Chapter;
 - authorize the Board to issue written cease and desist orders for violations with the concurrence of the Secretary of Public Safety;
 - allow the Board to take disciplinary action against registrants who fail to satisfy requirements of the Chapter or the Board;
 - allow the Board the power to acquire, rent, encumber, and deal with real property as a private person or corporation, subject to approval of the Governor and the Council of State;
 - limit collateral pledged by the Board for an encumbrance to the assets, income, and revenues of the Board;
- provide that the regulation of electronic security business is exclusive to the Board, though local governments may require registration and reporting of businesses operating within its jurisdiction and even require revocable permits for an alarm user (there is currently a typo in the bill in this provision that we will attempt to correct) if there is an automatic signal transmission to law enforcement;
- expand the investigative powers of the Secretary of Public Safety to include complaints, allegations, or suspicions of wrongdoing or violation of the Chapter involving unlicensed individuals in addition to licensed or to-be-licensed individuals.

Denial of a License or Registration

- limit the statute to grounds for denial for registration (was, licensure or registration);
- amend the grounds for the denial of registration to include conviction of any crime involving the illegal use, carrying, or possession of a firearm; felonious assault or an act of violence; felonious sexual offense; felonious larceny; or felonious fraud (was, conviction of any crime involving fraud only);
- define *conviction* to mean and include the entry of a plea of guilty, plea of no contest, or a verdict entered in open court by a judge or jury, including a prayer for judgment continued, adjudication withheld, or equivalent;
- provide that the specified misdemeanors, if convictions within the previous 10 years, are prima facie evidence that the applicant lacks good moral character and temperate habits, and include in the specified misdemeanor convictions crimes involving assault (was, felonious assault) and sexual offenses;

- no longer include offenses involving moral turpitude;
- add to the definition of *conviction to include* a prayer for judgment continued, adjudication withheld, or equivalent;
- establish being registered as a sex offender in any state as grounds for denial of registration.

Branch Office

- specify that branch office certificates must be obtained by branch offices in the state with an electronic security systems business;
- extend the period for temporary approval by the Director of the Board from 10 working days to 45 days.

Registration of Persons Employed

- amend the described employees of a licensee who must register under GS 74D-8 to include employees who conduct personal sales in a private residence or who install or service an electronic security system in a private residence only; **no longer includes registration of employees who install or service a system in a commercial business establishment;**
- amend the requirements to be met by the licensee of an electronic security systems business when registering the licensee's employees with the Board under GS 74D-8 as follows to:
 - more specifically prohibit a licensee from employing any employee required to register under the Chapter until the Board approves the registration;
 - allow a licensee to employ an applicant as a probationary employee for 20 consecutive days, and, in order to continue employment as a regular employee, require registration of the employee within 30 days after the probationary employment ends unless the Director, in his or her discretion, extends the time for good cause;
 - require a probationary employee to complete training and requires a criminal record check before the probationary employee engages in services, and require the licensee to give the Director a list of probationary employees monthly and specifies information that must be provided.

Apprenticeship Registration

- amend the requirements for an apprentice registration permit to no longer require applicants to be currently enrolled in high school or to have a valid driver's license, and remove the requirement that one of the applicant's letters of recommendation be from an official at the applicant's school.

Liability Insurance

- increase the required minimum amount of liability insurance to: (1) \$250,000 (was, \$50,000) because of bodily injury or death of one person as a result of the negligent act of the principal insured or his or her agents operating in the course and scope of employment and \$500,000 (was, \$100,000) because of bodily injury or death of two or more persons and (2) \$100,000 (was, \$20,000) because of injury to or destruction of property of others as a result of the negligent act of the principal insured or his or her agents operating in the course and scope of their agency.

Suspension or Revocation of Licenses and Registrations

- amend the instances in which the Board may suspend or revoke a license or registration as follows:
 - violations of any rule adopted (was, any rule promulgated) by the Board;

- convictions of any felony in GS 74D-6(2) (conviction of a crime involving fraud; the illegal use, carrying, or possession of a firearm; felonious assault or an act of violence; felonious sexual offense; felonious larceny; or felonious fraud), or any crime involving moral turpitude under GS 74D-6(3) (lack of good moral character or temperate habits) (was, convictions of any crime involving moral turpitude or any other crime involving violence or the illegal use, carrying, or possession of a dangerous weapon only);
- engaging in or permitting any employee to engage in any electronic security systems business without possessing a valid registration (was, a valid license);
- committed an unlawful breaking or entering, *burglary, larceny, sexual offense, trespass, fraud*, assault, battery, or kidnapping
- clarifies that the instances include failure to maintain the required certificate of liability insurance; and
- adds that engaging in conduct that constitutes dereliction of duty or deceiving, defrauding, or harming the public in the course of professional activities or services includes fraudulently claiming a change in business ownership, fraudulently claiming dissolution of a competing business, fraudulently claiming to be a representative of the consumer's current service provider, misrepresentation of employer, or misrepresenting an upgrade of equipment as a sales tactic.

Education Fund

- rename the Alarm Systems Education Fund as the Electronic Security Systems Education Fund.

Licensing Fees

- increase the licensing fees to:
 - \$500 for an initial application;
 - \$1,000 for a new license or renewal; \$500 for a late license renewal;
 - \$100 for a new or renewed registration;
 - \$25 for a re-registration;
 - \$300 for a branch office certificate; and
 - \$40 for a late registration fee;
- eliminate the \$50 fee for reconsideration of a license or registration permit that has been filed or returned to the applicant for correctable errors.

Introduced by Representatives Boles and Hardister and referred to the House Finance Committee.

BILLS OF INTEREST

HOUSE BILL 850, Economic Security for All, would advance economic security for all in North Carolina by:

- increasing the state minimum wage in phases to \$15 per hour over five years;
- mandating equal pay for equal work;
- requiring paid sick leave and family medical leave;
- increasing the tipped minimum wage;
- ending wage theft;
- requiring the fair assessment of persons with criminal histories by "banning the box";
- repealing public employee collective bargaining restrictions;

- reenacting the earned income tax credit and tax credits for child and dependent care expenses;
- eliminating immunity from liability relating to the coronavirus pandemic;
- creating a rebuttable presumption that first responders, health care workers, and essential service workers infected by the coronavirus contracted the disease in the course of employment;
- requiring that local government employers credit first responders and health care workers for leave taken while quarantined during the coronavirus pandemic;
- mandating hazard pay for essential state employees fighting the pandemic and appropriating funds for that purpose;
- directing the Legislative Research Commission to study the provision of hazard pay to private and local governmental employees; and
- appropriating funds to settle pandemic-related State employee workers' compensation claims.

Introduced by Representatives Harrison, Fisher, Brown, and A. Baker and referred to the House Rules Committee.

HOUSE BILL 865, Private Commercial Inspection System, would authorize private inspectors who are certified and registered to conduct inspections of commercial buildings and structures for compliance with the North Carolina State Building Code, except sections pertaining to boilers and elevators. The NC Code Officials Qualification Board would: (1) provide for the certification and registration of private commercial inspectors; (2) establish minimum standards and level of education and experience for private commercial inspector instructors; (3) conduct and encourage research by public and private agencies to be designed to improve education and training in private commercial inspection; and (4) ensure the minimum standards for education of private commercial inspectors includes specific instruction on the duties and responsibilities imposed by law on such inspectors. The bill would prohibit a private commercial inspector from inspecting any property in which the inspector, or a person with whom the inspector has a close familial, business, or other associational relationship, has ownership or direct financial interest. **Introduced by Representatives Brody, Hardister, Moffitt, and Arp and referred to the House Committee on Local Government - Land Use, Planning and Development.**

HOUSE BILL 876, Vaccination Private Choice Protection Act, would: (1) protect individual decision making and health information with regard to an individual's private choices about receiving a COVID-19 vaccine; (2) prohibit the state or any political subdivision of the state from issuing a COVID-19 vaccine passport; (3) protect against employment-related discrimination based on an employee's refusal of experimental vaccines; (4) protect the individual's right against required vaccinations of any sort during declared disasters and emergencies; and (5) prohibit required disclosure of any vaccine status regarding any adult or child under any circumstance whether related to education, health care, occupational licensing, health insurance, or driving privileges. **Introduced by Representatives Moffitt, Warren, Kidwell, and Setzer and referred to the House Rules Committee.**

HOUSE BILL 886, Auth. License Plate Readers in State ROW, would authorize the Department of Transportation to enter into agreements with the State Bureau of Investigation for the placement and use of automatic license plate reader systems within land or rights-of-way owned by the DOT or otherwise being lawfully occupied by a public utility, if (1) use of the land or right-of-way is temporary in nature, (2) the automatic license plate reader system is completely above ground,

moveable, and contains no combustible fuel, and (3) the placement and use does not unreasonably interfere with the operation and maintenance of associated public utility facilities or cause the facilities to fail to comply with all applicable laws, codes, and regulatory requirements. The bill would prohibit use of the data for the enforcement of traffic violations that are infractions of specified motor vehicle laws related to speeding, and would direct the SBI to annually report to the Joint Legislative Oversight Committee on Justice and Public Safety on the number of requests made by law enforcement agencies for captured data obtained by the systems. **Introduced by Representatives Faircloth and Greene and referred to the House Transportation Committee.**

HOUSE BILL 887, Automatic and Online Voter Registration, would include provisions to: (1) provide for automatic voter registration at drivers license offices, public agencies, community colleges, and colleges and universities of the University of North Carolina; (2) require the State Board of Elections to implement an outreach campaign informing citizens about automatic voter registration; and (3) allow individuals who meet the criteria to register to vote or change voter registration online. **Introduced by Representatives Hawkins, Dahle, Hunt, and Meyer and referred to the House Rules Committee.**

HOUSE BILL 888, Fair Access to Financial Services Act, would require a financial institution operating in this State to make each financial product or service that it offers available on proportionally equal terms to all persons engaged in a lawful activity and prohibit the financial institution from denying any person that is engaged in a lawful activity a financial product or service based on a personal, ideological, moral, or political opinion. If the North Carolina Commissioner of Banks finds that a financial institution has committed a violation, the Commissioner could revoke, suspend, or refuse to renew the financial institution's charter, license, or registration. **Introduced by Representatives Moffitt, Kidwell, Setzer, and Paré and referred to the House Banking Committee.**

HOUSE BILL 892, Reenact Nonpartisan Judicial Elections/Fund, would reenact nonpartisan judicial elections, including provisions to:

- require justices of the Supreme Court, judges of the Court of Appeals, and superior and district court judges to be elected using the nonpartisan primary election method, and that there be a primary to narrow the field of candidates to two candidates for each position to be filled if, when the filing period closes, there are more than two candidates for a single office or the number of candidates for a group of offices exceeds twice the number of positions to be filled; and
- establish the North Carolina Public Campaign Fund as an alternative source of campaign financing for candidates who demonstrate public support and voluntarily accept strict fund-raising and spending limits, including provisions to:
 - make the Fund available to candidates for justice of the Supreme Court and judges of the Court of Appeals in elections held in 2022 and thereafter, and provide that the Fund is to finance the election campaigns of certified candidates for office and pay administrative and enforcement costs of the State Board of Elections;
 - include the following as sources of money in the Fund: (1) designations made by taxpayers to the Fund, (2) Fund revenues distributed for an election that remain unspent or uncommitted at the time the recipient is no longer a certified candidate in the election, (3) money ordered returned to the Fund, (4) voluntary donations made directly to the Fund, and (5) money collected from the \$50 surcharge on attorney membership fees; and

- allow a civil penalty of up to \$10,000 per violation or three times the amount of any financial transaction involved in the violation, whichever is greater, and for good cause shown, could require candidates to return distributed amounts to the Fund.

Introduced by Representatives John, Morey, and A. Jones and referred to the House Rules Committee.

HOUSE BILL 897, Address False Campaign Claims, would seek to expedite the resolution of certain lawsuits against political candidates and campaigns so that the public will know whether campaign claims are false or defamatory prior to casting votes in an election. The bill would require a claim for relief against a person arising from any act of the person which could reasonably be construed as an act in furtherance of the person's seeking elected public office to be subject to a motion to dismiss or strike unless the court determines that (1) the nonmoving party's claim has a substantial basis in law or a substantial argument for modifying the law and (2) the nonmoving party has established that there is a probability of that party prevailing on the claim. The bill would require the hearing of the motion to be advanced and take precedence over all other cases on the court calendar according to the number of days prior to the election that the motion is filed. An order granting or denying a motion to dismiss or a motion to strike would be subject to an immediate appeal. The bill also would provide \$100,000 to the Administrative Office of the Courts and \$10,000 to the State Board of Elections to implement these provisions. **Introduced by Representatives Szoka, Meyer, Bell, and Reives and referred to the House Judiciary I Committee.**

HOUSE BILL 899, North Carolina Work and Save, would establish the North Carolina Small Business Retirement Program and set out requirements that the Program must meet, including to: (1) provide a process to facilitate voluntary enrollment for covered employers, covered employees, and self-employed persons; (2) require the IRA to which contributions are made to be a Roth IRA, with the Board allowed to add an option for participants to elect to contribute to a traditional IRA as an alternative to the Roth IRA; (3) require the standard package to be a Roth IRA with a target date fund investment, and a contribution rate that begins at 5% of salary or wages; (4) provide for a uniform annual increase in the participant's contribution rate of up to 1%; (5) allow a covered employer to withhold payroll deductions from a covered employee's paycheck for making a covered employee contribution to the Program funds; (6) include an account status notification process for covered employees to be notified about and track their investments; and (7) ensure that the Program is designed to be financially self-sustaining over time. The bill would require outreach to individuals, employers, other stakeholders, and the public regarding the Program, and would provide \$400,000 this year and \$600,000 next year to the Department of Commerce to: (1) enable or facilitate the start-up and continuing operation, maintenance, administration, and management of the Program until the Program becomes financially self-sustaining, and (2) hire an individual to serve as the initial executive director. **Introduced by Representatives Hardister, Hanig, Warren, and Harris and referred to the House Commerce Committee.**

HOUSE BILL 902, Funds to Record & Store Highway Camera Video, would provide \$10 million to the Department of Transportation to record and store video from the Department's highway cameras and include provisions regarding the disclosure of the recordings. The Department could only disclose a recording to the following: (1) a person whose image or voice is in the recording; (2) a personal representative of an adult person whose image or voice is in the recording, if the adult person has consented to the disclosure; (3) a personal representative of a minor or of an adult person under lawful guardianship whose image or voice is in the recording; (4) a personal

representative of a deceased person whose image or voice is in the recording; or (5) a personal representative of an adult person who is incapacitated and unable to provide consent to disclosure. When disclosing the recording, the Department could disclose only those portions of the recording that are relevant to the person's request. The bill includes provisions regarding factors the Department may consider in determining if a recording is disclosed, appeal of disclosure denial, release of recordings by court order and for law enforcement purposes, retention, fees, and use. **Introduced by Representatives Logan, Garrison, and Roberson and referred to the House Transportation Committee.**

HOUSE BILL 910, Law Enforcement Conduct Act, would include provisions to: (1) establish a duty to intervene and add to mandatory in-service and entry-level training for law enforcement officers on specified issues; (2) increase funding for the Criminal Justice Fellows Program; (3) direct the Department of Justice to develop model law enforcement agency protest response and engagement policies; (4) require the State Bureau of Investigation to investigate officer-involved deadly force incidents; (5) increase powers of the Joint Legislative Oversight Committee on Justice and Public Safety; and (6) establish a statewide database for use by law enforcement agencies that tracks all law enforcement officer separations from employment, whether voluntary or involuntary, related to the use of force of a law enforcement officer. **Introduced by Representatives Logan, Morey, and K. Smith and referred to the House Appropriations Committee.**

HOUSE BILL 911, Regulatory Reform 2.0, would direct the Building Code Council and Code enforcement officials to not require an automatic sprinkler system in one- or two-family dwellings where there are fewer than 100 dwelling units on a single public or private fire apparatus access road with access from one direction. **Introduced by Representatives Riddell, Bradford, Moffitt, and Yarborough and referred to the House Regulatory Reform Committee.**

HOUSE BILL 929, North Carolina Medical Cannabis Act, would legalize the medical use of cannabis, establish a licensing process for the cultivation of medical cannabis and the manufacturing of medical cannabis products, direct the NC Alcoholic Beverage Control Commission to adopt rules for the establishment, licensing, and operation of medical cannabis dispensaries, and include provisions to expunge misdemeanor and felony marijuana offenses, specify unlawful conduct involving the medical use of cannabis; tax medical marijuana; and establish a University Cannabis Equity Investment Fund. **Introduced by Representatives Alexander, Harrison, Cunningham, and Carney and referred to the House Rules Committee.**

HOUSE BILL 932, Body-Worn Camera Recordings, would require most law enforcement officers to wear and activate body-worn cameras during certain interactions with the public, establish a use policy for body-worn cameras and dashboard cameras, provide \$5 million in each of the next two years to the Governor's Crime Commission to provide grants to law enforcement agencies to purchase and maintain body-worn cameras. The bill also would amend provisions regarding law enforcement agency recordings to:

- prohibit the release of recordings in the custody of a law enforcement agency as a public record for 15 days following the date of the recorded occurrence, and upon the expiration of that period, would require the automatic release as a public record unless a custodial law enforcement agency or a person authorized to receive disclosure has filed an action requesting the court to order that the recording not be released as public record;

- limit the court's order to 30 days from the date of the recorded occurrence, and require the automatic release as public record after the earlier of the order's expiration or 30 days from the date of the recorded occurrence;
- include provisions regarding the form of the petition, hearing priority, and considerations of the court;
- add to the persons required to receive notice of proceedings regarding appeal of denied disclosure by a law enforcement agency, and required to be given the opportunity to be heard at such proceedings: any person whose image or voice is in the recording or is a criminal defendant or is the subject of a criminal investigation related to the recording; and the immediate family members of any person whose image or voice is in the recording and is a criminal defendant or is the subject of a criminal investigation related to the recording.

Introduced by Representatives Brockman, Hawkins, K. Smith, and Hunter and referred to the House Rules Committee.

HOUSE BILL 937, Automatic Police Body Cam Analysis, would require the automatic analysis of police body-worn camera recordings to flag certain behavior and improve officer training. The bill also would provide \$3 million to the Department of Public Safety to provide grants to law enforcement agencies to purchase natural language processing technologies and develop natural language processing technology review protocols, and \$100,000 to the Governor's Crime Commission to develop guidelines and procedures for the administration and distribution of grants.

Introduced by Representative Alexander and referred to the House Rules Committee.

HOUSE BILL 940, IRC Update, would:

- effective for tax years beginning on or after January 1, 2020, repeal the statutes that require an individual or corporate taxpayer to add the amount of any expense deducted under the Code to the extent that payment of the expense results in forgiveness of a covered loan (includes PPP loans) pursuant to section 1106(b) of the federal CARES Act, and the income associated with the forgiveness excluded from gross income pursuant to section 1106(i) of the CARES Act;
- modify the allowable itemized deduction an individual may elect to deduct from their gross income for mortgage expense and property tax, and prohibit the amount allowed as a deduction for interest paid or accrued during the taxable year under the Code with respect to any qualified residence from including the amount for mortgage insurance premiums treated as qualified residence interest for taxable years 2014 through 2021 (currently limited to taxable years 2014 through 2020); and
- modify the required adjustments to an individual's gross income, which are decoupled from federal requirements, to:
 - require the taxpayer to add the amounts excluded from the taxpayer's gross income for the discharge of qualified principal residence indebtedness and qualified tuition and related expenses under the Code for taxable years 2014 through 2025 (currently limited to taxable years 2014 through 2020);
 - require the taxpayer to add the amounts excluded from the taxpayer's gross income for payment by an employer of principal or interest on any qualified education loan incurred by the taxpayer for education of the taxpayer for taxable years 2020 through 2025 (currently limited to taxable year 2020), expanding the purpose of the provision to include decoupling from the federal exclusion of payments under the Consolidated Appropriations Act, 2021;

- add a new decoupling provision for taxable years 2021 and 2022 to require a taxpayer to add an amount equal to the amount which the taxpayer's deduction under of the specified section of the Code, regarding business-related expenses for food and beverages provided by a restaurant, exceeds the deduction that would have been allowed under the Code enacted as of May 1, 2020, stating the purpose of the provision is to decouple from the increased federal deduction under the Consolidated Appropriations Act, 2021;
- add a new decoupling provision for taxable years 2021 through 2025 to require a taxpayer to add the amount excluded from the taxpayer's gross income for the discharge of a student loan under the specified section of the Code, stating the purpose of the provision is to decouple from the exclusion from income for the discharge of a student loan under the American Rescue Plan Act of 2021.

Introduced by Representatives Setzer, Szoka, Bradford, and Winslow and referred to the House Finance Committee.

HOUSE BILL 950, Expand Broadband-Unserved/Underserved Areas, would allow counties to identify eligible areas within the county to coordinate with a qualified private provider to expand broadband service to unserved households and to initiate a bid process with a qualified private provider to provide broadband service to an eligible area. In addition, the bill would provide \$25 million to the County Broadband Deployment Fund to be allocated to counties. **Introduced by Representatives Gillespie, Saine, Farkas, and Wray and referred to the House Energy and Public Utilities Committee.**

HOUSE BILL 957, Authorize Broadband Cooperatives, would create a nine-member North Carolina Rural Broadband Authority, consisting of four legislative appointments and five gubernatorial appointments for four-year terms. The purpose of the Authority would be to secure broadband service for areas where service is not being rendered or is inadequate. The Authority would not be a rate-making body and would not have the power to fix rates or service charges, or to order the extension of broadband by telecommunication providers. The bill would also establish a quarterly regulatory fee for broadband membership corporations, set at the greater of (1) the legislatively established rate for that fiscal year based on the number of customer connections for broadband service for each broadband membership corporation, or (2) 25 cents for each customer connection for broadband service for each broadband membership corporation. The bill would allow one or more persons in an unserved area desiring to form a broadband membership corporation to apply with the Authority for permission to form the corporation. The powers, governance and procedures for such a corporation would be established through the bill. **Introduced by Representatives Szoka, Gillespie, and Goodwin and referred to the House Committee on Energy and Public Utilities.**

HOUSE BILL 958, Hire NC Workers, is identical to Senate Bill 512, summarized in the April 23, 2021, Legislative Report. **Introduced by Representatives Hurtado, Gailliard, Farkas, and Cooper-Suggs and referred to the House Rules Committee.**

BILL UPDATES

HOUSE BILL 324, Ensuring Dignity & Nondiscrimination/Schools. The provisions of this bill were removed in the House Education K-12 Committee and replaced with new provisions that would:

- prohibit public school units from promoting the following concepts:
 - one race or sex is inherently superior to another race or sex;
 - an individual, solely by virtue of his or her race or sex, is inherently racist, sexist, or oppressive, whether consciously or unconsciously;
 - an individual should be discriminated against or receive adverse treatment solely or partly because of his or her race or sex;
 - an individual's moral character is necessarily determined by his or her race or sex;
 - an individual, solely by virtue of his or her race or sex, bears responsibility for actions committed in the past by other members of the same race or sex;
 - any individual, solely by virtue of his or her race or sex, should feel discomfort, guilt, anguish, or any other form of psychological distress;
 - the belief that the United States is a meritocracy is racist or sexist or was created by members of a particular race or sex to oppress members of another race or sex;
- define “promote” as any of the following: (1) compelling students, teachers, administrators, or other school employees to affirm or profess belief in these concepts; (2) including these concepts in curricula, reading lists, seminars, workshops, trainings, or other educational or professional settings in a manner that could reasonably give rise to the appearance of official sponsorship, approval, or endorsement; and (3) contracting with, hiring, or otherwise engaging speakers, consultants, diversity trainers, and other persons for the purpose of advocating these concepts;
- specify that the statute does not prohibit constitutionally protected speech; individually accessing materials that advocate the described belief concepts for research or independent study; or stating the described belief concepts or assigning materials that incorporate such concepts for educational purposes in contexts that make clear the public school unit does not sponsor, approve, or endorse such concepts or work; and
- require charter schools, regional, laboratory, and renewal school systems to comply with these requirements.

The bill was further amended on the House floor to instead prohibit public school units from promoting the belief that the United States is a meritocracy is inherently racist or sexist in belief, or that the United States was created by members of a particular race or sex for the purpose of oppressing members of another race or sex. **The bill as amended was approved by the House and will next be considered by the Senate Rules Committee. There is a great deal of controversy surrounding this bill and the debate was heated.**

SENATE BILL 35, Max 4-Yr Age Diff to Marry Under 18 Yrs. After much controversy over this bill and its failure to raise the legal age to marry, the bill was amended on the Senate floor to:

- raise the legal age to marry from 14 to 16;
- require persons under 18 to file with the register of deeds a certified copy of an order issued by a district court authorizing the marriage prior to being issued a marriage license; and
- eliminate provisions regarding marriage by persons under 16, and specify that a district court judge can issue an order authorizing a marriage between a person 16 years of age and under 18 years of age, to a person no more than four years older upon making required findings.

The bill as amended was approved by the full Senate and will next be considered by the House Rules Committee.

SENATE BILL 300, Criminal Justice Reform, was amended in the Senate Judiciary Committee to amend provisions regarding law enforcement agency recordings to require any portion of a recording in the custody of a law enforcement agency that depicts a death or serious bodily injury to be disclosed, if requested, unredacted to a personal representative of the deceased, the injured individual, or a person representative on behalf of the injured individual, within five business days of (1) submission of the request or (2) the law enforcement agency petitioning the court to redact any portion of the recording. **The bill as amended was approved by the Senate Judiciary Committee. After an amendment on the Senate floor, the bill was approved by the full Senate and will next be considered by the House Rules Committee.**

SENATE BILL 316, Gen. Contractors/Plumbing/Electr. Exempt., was amended in the Senate Commerce and Insurance Committee to:

- remove the proposed new criteria of GS 87-1.1 that must be satisfied for plumbing and heating contractors licensed under Article 2 (Article 2 licensees) and electrical contractors licensed under Article 4 (Article 4 licensees) of GS Chapter 87 to be exempt from the general contractor licensure requirements, electrical contractor licensure requirements, and plumbing and heating licensure requirements, to require that the total amount of work that falls under either Article 2 (Plumbing and Heating Contractors) or Article 4 (Electrical Contractors) not exceed the percentage of the total bid price pursuant to rules established by the State Board of Plumbing, Heating, and Fire Sprinkler Contractors and the State Board of Examiners of Electrical Contractors;
- remove the provision that would have exempted Article 4 licensees from the plumbing and heating licensure requirements of Article 2 when the licensee is bidding and contracting directly with the owner of a building project and certain criteria are met; and
- remove the statute that exempted Article 2 licensees from the electrical contractor licensure requirements of Article 4 when the licensee is bidding and contracting directly with the owner of a building project and certain criteria are met.

The bill as amended was approved by the full Senate and will next be considered by the House Rules Committee.

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