GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

S 2

SENATE BILL 1279 Judiciary Committee Substitute Adopted 8/10/98

Short Title: 1998 Technical Corrections.	(Public)
Sponsors:	_
Referred to:	_

May 27, 1998

1 A BILL TO BE ENTITLED

AN ACT TO MAKE VARIOUS TECHNICAL AMENDMENTS TO THE GENERAL STATUTES AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION, AND TO MAKE OTHER TECHNICAL CORRECTIONS AND OTHER CHANGES TO THE GENERAL STATUTES AND SESSION LAWS.

The General Assembly of North Carolina enacts:

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Section 1. G.S. 14-34.6(a)(2) reads as rewritten:

"(2) An A medical responder."

Section 2. G.S. 14-399(c) reads as rewritten:

"(c) Any person who violates this section in an amount not exceeding 15 pounds and not for commercial purposes is guilty of a Class 3 misdemeanor punishable by a fine of not less than one hundred dollars (\$100.00) nor more than five hundred dollars (\$500.00) for the first offense. In addition, the court may require the violator to perform community service of not less than eight hours nor more than 24 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed. Any second or subsequent offense within three years after the date of a prior offense is punishable by a fine of not less than one hundred dollars (\$100.00) nor more than one thousand dollars (\$1,000). In addition, the court may require the violator to perform community service of not less than 16 hours

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42 43 nor more than 50 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed."

Section 3. (a) G.S. 14-408 reads as rewritten:

"§ 14-408. Violation of § 14-406 or 14♦ Any person, firm, or corporation violating any of the provisions of G.S. 14-406 or 14-407-shall be guilty of a Class 2 misdemeanor."

(b) This section becomes effective December 1, 1998. Prosecutions for offenses committed before the effective date of this section are not abated or affected by this section, and the statutes that would be applicable but for this section remain applicable to those prosecutions.

Section 4. (a) G.S. 14-74 reads as rewritten:

"§ 14-74. Larceny by servants and other employees.

If any servant or other employee, to whom any money, goods or other chattels, or any of the articles, securities or choses in action mentioned in the following section, G.S. 14-75, by his master shall be delivered safely to be kept to the use of his master, shall withdraw himself from his master and go away with such money, goods or other chattels, or any of the articles, securities or choses in action mentioned as aforesaid, or any part thereof, with intent to steal the same and defraud his master thereof, contrary to the trust and confidence in him reposed by his said master; or if any servant, being in the service of his master, without the assent of his master, shall embezzle such money, goods or other chattels, or any of the articles, securities or choses in action mentioned as aforesaid, or any part thereof, or otherwise convert the same to his own use, with like purpose to steal them, or to defraud his master thereof, the servant so offending shall be guilty of a felony: Provided, that nothing contained in this section shall extend to apprentices or servants within the age of 16 years. If the value of the money, goods, or other chattels, or any of the articles, securities, or choses in action mentioned in G.S. 14-75, is one hundred thousand dollars (\$100,000) or more, the person is guilty of a Class C felony. If the value of the money, goods, or other chattels, or any of the articles, securities, or choses in action mentioned in G.S. 14-75, is less than one hundred thousand dollars (\$100,000), the person is guilty of a Class H felony."

(b) G.S. 25-7-502 reads as rewritten:

"§ 25-7-502. Rights acquired by due negotiation.

- (1) Subject to the following section <u>G.S. 25-7-503</u> and to the provisions of G.S. 25-7-205 on fungible goods, a holder to whom a negotiable document of title has been duly negotiated acquires thereby:
 - (a) title to the document;
 - (b) title to the goods;
 - (c) all rights accruing under the law of agency or estoppel, including rights to goods delivered to the bailee after the document was issued; and
 - (d) the direct obligation of the issuer to hold or deliver the goods according to the terms of the document free of any defense or claim by him except those arising under the terms of the document or under this article. In

 the case of a delivery order the bailee's obligation accrues only upon acceptance and the obligation acquired by the holder is that the issuer and any indorser will procure the acceptance of the bailee.

- (2) Subject to the following section, G.S. 25-7-503, title and rights so acquired are not defeated by any stoppage of the goods represented by the document or by surrender of such goods by the bailee, and are not impaired even though the negotiation or any prior negotiation constituted a breach of duty or even though any person has been deprived of possession of the document by misrepresentation, fraud, accident, mistake, duress, loss, theft or conversion, or even though a previous sale or other transfer of the goods or document has been made to a third person."
 - (c) G.S. 25-7-507 reads as rewritten:

"§ 25-7-507. Warranties on negotiation or transfer of receipt or bill.

Where a person negotiates or transfers a document of title for value otherwise than as a mere intermediary under the next following section, G.S. 25-7-508, then unless otherwise agreed he warrants to his immediate purchaser only in addition to any warranty made in selling the goods

- (a) that the document is genuine; and
- (b) that he has no knowledge of any fact which would impair its validity or worth; and
- (c) that his negotiation or transfer is rightful and fully effective with respect to the title to the document and the goods it represents."
- (d) G.S. 44A-21 reads as rewritten:

"§ 44A-21. Pro rata payments.

In the event that the funds in the hands of the obligor and the obligor's personal liability, if any, under the previous section <u>G.S. 44A-20</u> are less than the amount of valid lien claims that have been filed with the obligor under this Article the parties entitled to liens shall share the funds on a pro rata basis."

Section 5. G.S. 25-8-103(a) reads as rewritten:

"(a) A share of or similar equity interest issued by a corporation, business trust, joint stock company, or similar entity is a security."

Section 6. G.S. 39-23.3(b) reads as rewritten:

- "(b) For the purposes of G.S. 39-23.4(a)(2) and G.S. 39-23.5, a person gives a reasonably equivalent value if the person acquires an interest of the debtor in an asset pursuant to a regularly conducted, nonexclusive noncollusive foreclosure sale or execution of a power of sale for the acquisition or disposition of the interest of the debtor upon default under a mortgage, deed of trust, or security agreement."
 - Section 7. (a) G.S 50-11(e) reads as rewritten:
- "(e) An absolute divorce obtained within this State shall destroy the right of a spouse to an equitable distribution of the marital property—under G.S. 50-20 unless the right is asserted prior to judgment of absolute divorce; except, the defendant may bring an action or file a motion in the cause for equitable distribution within six months from the date of the judgment in such a case if service of process upon the defendant was by publication

pursuant to G.S. 1A-1, Rule 4 and the defendant failed to appear in the action for divorce."

(b) G.S. 50-11(f) reads as rewritten:

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"(f) An absolute divorce by a court that lacked personal jurisdiction over the absent spouse or lacked jurisdiction to dispose of the property shall not destroy the right of a spouse to an equitable distribution of marital property—under G.S. 50-20 if an action or motion in the cause is filed within six months after the judgment of divorce is entered. The validity of such divorce may be attacked in the action for equitable distribution."

G.S 50-20 reads as rewritten: (c)

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"§ 50-20. Distribution by court of marital and divisible property upon divorce.

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Upon application of a party, the court shall determine what is the marital property and divisible property and shall provide for an equitable distribution of the marital property and divisible property between the parties in accordance with the provisions of this section.

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(b) For purposes of this section:

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'Marital property' means all real and personal property acquired by either spouse or both spouses during the course of the marriage and before the date of the separation of the parties, and presently owned, except property determined to be separate property or divisible property in accordance with subdivision (2) or (4) of this subsection. Marital property includes all vested and nonvested pension, retirement, and other deferred compensation rights, and vested and nonvested military pensions eligible under the federal Uniformed Services Former Spouses' Protection Act. It is presumed that all property acquired after the date of marriage and before the date of separation is marital property except property which is separate property under subdivision (2) of this

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subsection. This presumption may be rebutted by the greater weight of the evidence.

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34 35 (2) 'Separate property' means all real and personal property acquired by a spouse before marriage or acquired by a spouse by bequest, devise, descent, or gift during the course of the marriage. However, property acquired by gift from the other spouse during the course of the marriage shall be considered separate property only if such an intention is stated in the conveyance. Property acquired in exchange for separate property shall remain separate property regardless of whether the title is in the name of the husband or wife or both and shall not be considered to be marital property unless a contrary intention is expressly stated in the conveyance. The increase in value of separate property and the income derived from separate property shall be considered separate property.

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All professional licenses and business licenses which would terminate on transfer shall be considered separate property.

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(3) 'Distributive award' means payments that are payable either in a lump sum or over a period of time in fixed amounts, but shall not include

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- alimony payments or other similar payments for support and maintenance which are treated as ordinary income to the recipient under the Internal Revenue Code.
- (4) 'Divisible property' means all real and personal property as set forth below:
 - a. All appreciation and diminution in value of marital property and divisible property of the parties occurring after the date of separation and prior to the date of distribution, except that appreciation or diminution in value which is the result of postseparation actions or activities of a spouse shall not be treated as divisible property.
 - b. All property, property rights, or any portion thereof received after the date of separation but before the date of distribution that was acquired as a result of the efforts of either spouse during the marriage and before the date of separation, including, but not limited to, commissions, bonuses, and contractual rights.
 - c. Passive income from marital property received after the date of separation, including, but not limited to, interest and dividends.
 - d. Increases in marital debt and financing charges and interest related to marital debt.
- (c) There shall be an equal division by using net value of marital property and not value of divisible property unless the court determines that an equal division is not equitable. If the court determines that an equal division is not equitable, the court shall divide the marital property and divisible property equitably. Factors the court shall consider under this subsection are as follows:
 - (1) The income, property, and liabilities of each party at the time the division of property is to become effective;
 - (2) Any obligation for support arising out of a prior marriage;
 - (3) The duration of the marriage and the age and physical and mental health of both parties;
 - (4) The need of a parent with custody of a child or children of the marriage to occupy or own the marital residence and to use or own its household effects;
 - (5) The expectation of pension, retirement, or other deferred compensation rights that are not marital property;
 - (6) Any equitable claim to, interest in, or direct or indirect contribution made to the acquisition of such marital property by the party not having title, including joint efforts or expenditures and contributions and services, or lack thereof, as a spouse, parent, wage earner or homemaker;
 - (7) Any direct or indirect contribution made by one spouse to help educate or develop the career potential of the other spouse;

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- (8) Any direct contribution to an increase in value of separate property which occurs during the course of the marriage;
- (9) The liquid or nonliquid character of all marital property; property and divisible property;
- (10) The difficulty of evaluating any component asset or any interest in a business, corporation or profession, and the economic desirability of retaining such asset or interest, intact and free from any claim or interference by the other party;
- (11) The tax consequences to each party;
- (11a) Acts of either party to maintain, preserve, develop, or expand; or to waste, neglect, devalue or convert such-the marital property, property or divisible property, or both, during the period after separation of the parties and before the time of distribution; and
- (12) Any other factor which the court finds to be just and proper.
- (c1) Notwithstanding any other provision of law, a second or subsequent spouse acquires no interest in the marital property <u>and divisible property</u> of his or her spouse from a former marriage until a final determination of equitable distribution is made in the marital property <u>and divisible property</u> of the spouse's former marriage.
- (d) Before, during or after marriage the parties may by written agreement, duly executed and acknowledged in accordance with the provisions of G.S. 52-10 and 52-10.1, or by a written agreement valid in the jurisdiction where executed, provide for distribution of the marital property or divisible property, or both, in a manner deemed by the parties to be equitable and the agreement shall be binding on the parties.
- (e) Subject to the presumption of subsection (c) of this section that an equal division is equitable, it shall be presumed in every action that an in-kind distribution of marital or divisible property is equitable. This presumption may be rebutted by the greater weight of the evidence, or by evidence that the property is a closely held business entity or is otherwise not susceptible of division in-kind. In any action in which the presumption is rebutted, the court in lieu of in-kind distribution shall provide for a distributive award in order to achieve equity between the parties. The court may provide for a distributive award to facilitate, effectuate or supplement a distribution of marital or divisible property. The court may provide that any distributive award payable over a period of time be secured by a lien on specific property.
- (f) The court shall provide for an equitable distribution without regard to alimony for either party or support of the children of both parties. After the determination of an equitable distribution, the court, upon request of either party, shall consider whether an order for alimony or child support should be modified or vacated pursuant to G.S. 50-16.9 or 50-13.7.
- (g) If the court orders the transfer of real or personal property or an interest therein, the court may also enter an order which shall transfer title, as provided in G.S. 1A-1, Rule 70 and G.S. 1-228.
- (h) If either party claims that any real property is marital property, property or divisible property, that party may cause a notice of lis pendens to be recorded pursuant to

Article 11 of Chapter 1 of the General Statutes. Any person whose conveyance or encumbrance is recorded or whose interest is obtained by descent, prior to the filing of the lis pendens, shall take the real property free of any claim resulting from the equitable distribution proceeding. The court may cancel the notice of lis pendens upon substitution of a bond with surety in an amount determined by the court to be sufficient provided the court finds that the claim of the spouse against property subject to the notice of lis pendens can be satisfied by money damages.

- (i) Upon filing an action or motion in the cause requesting an equitable distribution or alleging that an equitable distribution will be requested when it is timely to do so, a party may seek injunctive relief pursuant to G.S. 1A-1, Rule 65 and Chapter 1, Article 37, to prevent the disappearance, waste or conversion of property alleged to be marital property—property, divisible property, or separate property of the party seeking relief. The court, in lieu of granting an injunction, may require a bond or other assurance of sufficient amount to protect the interest of the other spouse in the marital or separate property. Upon application by the owner of separate property which was removed from the marital home or possession of its owner by the other spouse, the court may enter an order for reasonable counsel fees and costs of court incurred to regain its possession, but such fees shall not exceed the fair market value of the separate property at the time it was removed.
- (i1) Unless good cause is shown that there should not be an interim distribution, the court may, at any time after an action for equitable distribution has been filed and prior to the final judgment of equitable distribution, enter orders declaring what is separate property and may also enter orders dividing part of the marital property, divisible property or debt, or marital debt between the parties. The partial distribution may provide for a distributive award and may also provide for a distribution of marital property, marital debt, divisible property, or divisible debt. Any such orders entered shall be taken into consideration at trial and proper credit given.

Hearings held pursuant to this subsection may be held at sessions arranged by the chief district court judge pursuant to G.S. 7A-146 and, if held at such sessions, shall not be subject to the reporting requirements of G.S. 7A-198.

- (j) In any order for the distribution of property made pursuant to this section, the court shall make written findings of fact that support the determination that the marital property and divisible property has been equitably divided.
- (k) The rights of the parties to an equitable distribution of marital property <u>and divisible property</u> are a species of common ownership, the rights of the respective parties vesting at the time of the parties' separation."

Section 8. G.S. 62-268 reads as rewritten:

"§ 62-268. Security for protection of public; liability insurance.

No certificate or broker's license shall be issued or remain in force until the applicant shall have procured and filed with the Division of Motor Vehicles such security bond, insurance or self-insurance for the protection of the public as the Commission shall by regulation require. The Commission shall require that every motor carrier for which a certificate or license is required by the provision-provisions of this Chapter, shall maintain

liability insurance or satisfactory surety of at least fifty thousand dollars (\$50,000) 1 2 because of bodily injury to or death of one person in any one accident and, subject to said 3 limit for one person, one hundred thousand dollars (\$100,000) because of bodily injury to 4 or death of two or more persons in any one accident, and fifty thousand dollars (\$50,000) 5 because of injury to or destruction of property of others in any one accident; and the 6 Commission may require any greater amount of insurance as may be necessary for the protection of the public. Notwithstanding any rule or regulation to the contrary, the 7 8 Commission shall not require that any insurance procured and filed be provided in any 9 single policy of insurance or through a single insurer, if the insurers involved are 10 otherwise qualified. A motor carrier may satisfy the requirements of the Commission by procuring insurance with coverage and limits of liability required by the Commission in 11 12 one or more policies of insurance issued by one or more insurers. 13

Notwithstanding any other provisions of this section or Chapter, bus companies shall file with the Commission proof of financial responsibility in the form of bonds, policies of insurance, or shall qualify as a self insurer, with minimum levels of financial responsibility as prescribed for motor carriers of passengers pursuant to the provisions of 49 U.S.C. § 10927(a)(1). 31138. Provided, further, that no bus company operating solely within the State of North Carolina and which is exempt from regulation under the provisions of G.S. 62-260(a)(7) shall be required to file with the Commission proof of the financial responsibility in excess of one million five hundred thousand dollars (\$1,500,000)."

Section 9. G.S. 78C-16(b) reads as rewritten:

It is unlawful for any person required to be registered as an investment adviser under this Chapter to employ an investment adviser representative unless the investment adviser representative is registered under this Chapter. The registration of an investment adviser representative is not effective during any period when the investment adviser representative is not employed by (i) an investment adviser registered under this Chapter; or (ii) an investment adviser covered under federal law who has made a notice filing pursuant to the provisions of G.S. 78C-17(a1). When an investment adviser representative begins or terminates employment or association with an investment adviser who is registered under this Chapter, the investment adviser shall notify promptly the Administrator. When an investment adviser representative begins or terminates employment or association with an investment adviser covered under federal law, the investment adviser representative shall, and the investment adviser may, notify promptly the Administrator. No investment adviser representative may be registered with more than one investment adviser unless each of the investment advisers which employs or associates the investment adviser representative is under common ownership or control. No investment adviser representative may be registered with more than one investment adviser or investment adviser covered under federal law unless each of the investment advisers which employs or associates the investment adviser representative is under common ownership or control."

Section 10. G.S. 90-113.40(a)(8) reads as rewritten:

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Section 11. G.S. 110-91(10) reads as rewritten:

"(10)Each operator or staff member shall attend to any child in a nurturing and appropriate manner, and in keeping with the child's developmental needs.

Each child care facility shall have a written policy on discipline, describing the methods and practices used to discipline children enrolled in that facility. This written policy shall be discussed with, and a copy given to, each child's parent prior to the first time the child attends the facility. Subsequently, any change in discipline methods or practices shall be communicated in writing to the parents prior to the effective date of the change.

The use of corporal punishment as a form of discipline is prohibited in child-child care facilities and may not be used by any operator or staff member of any child care facility, except that corporal punishment may be used in religious sponsored child religious sponsored child care facilities as defined in G.S. 110-106, only if (i) the religious sponsored ehild religious sponsored child care facility files with the Department a notice stating that corporal punishment is part of the religious training of its program, and (ii) the religious sponsored child-religious sponsored child care facility clearly states in its written policy of discipline that corporal punishment is part of the religious training of its program. The written policy on discipline of nonreligious sponsored child nonreligious sponsored child care facilities shall clearly state the prohibition on corporal punishment."

Section 12. G.S. 115C-404(a) reads as rewritten:

Written notifications received in accordance with G.S. 7A-675.1-G.S. 7A-675.2 are confidential records, are not public records as defined under G.S.132-1, and shall not be made part of the student's official record under G.S. 115C-402. Immediately upon receipt, the principal shall maintain these documents in a safe, locked record storage that is separate from the student's other school records. The principal shall maintain these documents until the principal receives notification that the judge dismissed the petition under G.S. 7A-637, the judge transferred jurisdiction over the student to superior court under G.S. 7A-608, or the judge granted the student's petition for expunction of the records. At that time, the principal shall shred, burn, or otherwise destroy the documents

to protect the confidentiality of this information. In no case shall the principal make a copy of these documents."

Section 13. G.S. 130A-233 reads as rewritten:

"§ 130A-233. Definitions.

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The following definitions apply to this Part:

- (1) Coastal fishing waters, as defined waters. Defined in G.S. 113-129(4).
- (2) Inland fishing waters, as defined waters. Defined in G.S. 113-129(9)."

Section 14. (a) G.S. 139-3.1 is repealed.

(b) The repeal of this section shall not be construed to affect any language currently in the General Statutes.

Section 15. G.S. 143-53(a)(2) reads as rewritten:

Prescribing the routine, including consistent contract language, for securing bids on items that do not not not exceed the bid value benchmark established under the provisions of G.S. 143-53.1 or G.S. 116-31.10.

The purchasing delegation for securing offers, offers (excluding the special responsibility constituent institutions of The University of North Carolina), for each State department, institution, agency, community college, and public school administrative unit shall be determined by the Director of the Division of Purchase and Contract. For the State agencies this shall be done following the Director's consultation with the State Budget Officer and the State Auditor. The Director for the Division of Purchase and Contract may set or lower the delegation, or raise the delegation upon written request by the agency, after consideration of their overall capabilities, including staff resources, purchasing compliance reviews, and audit reports of the individual agency. The routine prescribed by the Secretary shall include contract award protest procedures and consistent requirements for advertising of solicitations for securing offers issued by State departments, institutions, universities (including the special responsibility constituent institutions of The University of North Carolina), agencies, community colleges, and the public school administrative units."

Section 16. G.S. 143-129(f) reads as rewritten:

"(f) The provisions of this Article shall not apply to purchases of apparatus, supplies, materials, or equipment when performance or price competition for a product are not available; when a needed product is available from only one source of supply; or when standardization or compatibility is the overriding consideration. Notwithstanding any other provision of this section, the governing board of a municipality, county, or other subdivision of the State shall approve purchases made under this exception—the purchases listed in the preceding sentence prior to the award of the contract. In the case of purchases by hospitals, in addition to the other exceptions in this subsection, the

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provisions of this Article shall not apply when a particular medical item or prosthetic appliance is needed; when a particular product is ordered by an attending physician for his patients; when additional products are needed to complete an ongoing job or task; when products are purchased for 'over-the-counter' resale; when a particular product is needed or desired for experimental, developmental, or research work; or when equipment is already installed, connected, and in service under a lease or other agreement and the governing body of the hospital determines that the equipment should be purchased. The governing body of a hospital, municipality, county or other political subdivision of the State shall keep a record of all purchases made pursuant to this exception. subsection. These records are subject to public inspection."

Section 17. G.S. 143B-283(a)(8) reads as rewritten:

"(8) One who shall, at the time of appointment, be actively employed by, or recently retired from, an industrial manufacturing facility and knowledgeable in in—the field of industrial air and water pollution control;".

Section 18. G.S. 143B-289.52(e) reads as rewritten:

"(e) The Commission may adopt rules to implement or comply with a fisheries management plan adopted by the Atlantic States Marine Fisheries Commission or an interstate fisheries management council. Notwithstanding G.S. 150B-21.1(a), the Commission may adopt temporary rules under this subsection at any time within six months of the adoption of a fisheries management plan by the Atlantic States Marine Fisheries Council-Commission or an interstate fisheries management council."

Section 19. G.S. 143B-433 reads as rewritten:

"§ 143B-433. Department of Commerce – organization.

The Department of Commerce shall be organized to include:

- 27 (1) <u>a.</u> The North Carolina Alcoholic Beverage Control Commission, Commission.
 - (2) b. The North Carolina Utilities Commission, Commission.
 - (3) c. The Employment Security Commission, Commission.

The following agencies:

- (4) d. The North Carolina Industrial Commission, Commission.
- (5) e. State Banking Commission, Commission.
 - (6) <u>f.</u> Savings and Loan Association Division, Division.
 - (7) g. The State Savings Institutions Commission, Commission.
- 35 (8) h. Credit Union Commission, Commission.
 - (9) i. The North Carolina Milk Commission, Commission.
- 37 (10) j. The North Carolina Mutual Burial Association Commission, 38 Commission.
 - (11) k. North Carolina Cemetery Commission, Commission.
- 40 (12) 1. The North Carolina Rural Electrification Authority. Authority.
 - (13) m. Repealed by Session Laws 1985, c. 757, s. 179(d).
- 42 (14) n. North Carolina Science and Technology Research Center.
 - (15) o. The North Carolina State Ports Authority, Authority.

- p. North Carolina National Park, Parkway and Forests Development (16)1 2 Council, Council. 3 q. Economic Development Board, Board. (17)Labor Force Development Council, Council. 4 (18)5 Energy Policy Council, Council. (19)6 (20)Energy Division. Division. 7 u. Navigation and Pilotage Commissions established by Chapter 76 of (21)8 the General Statutes. 9 (22)v. Repealed by Session Laws 1993, c. 321, s. 313(b). 10 (b) (2) Those agencies which are transferred to the Department of Commerce including the: 11 12 a. Community Assistance Division. Division. (1) b. Community Development Council, Council. 13 (2)14 (3)c. Employment and Training Division, and Division. 15 (4) d. Job Training Coordinating Council; and Council. Such divisions as may be established pursuant to Article 1 of 16 (c) this Chapter." 17
 - Section 20. G.S. 157-35 reads as rewritten:

"§ 157-35. Creation of regional housing authority.

If the board of county commissioners of each of two or more contiguous counties having an aggregate population of more than 60,000 by resolution declares that there is a need for one housing authority to be created for all of such counties to exercise powers and other functions herein prescribed for a housing authority in such counties, a public body corporate and politic to be known as a regional housing authority for all of such counties to exercise powers and other functions herein prescribed for a housing authority in such counties, a public body corporate and politic to be known as a regional housing authority for all of such counties—shall (after the commissioners thereof file an application with the Secretary of State as hereinafter provided) thereupon exist for and exercise its powers and other functions in such counties; and thereupon any housing authority created for any of such counties shall cease to exist except for the purpose of winding up its affairs and executing a deed to the regional housing authority as hereinafter provided: Provided, that the board of county commissioners shall not adopt a resolution as aforesaid if there is a county housing authority created for such county which has any bonds or notes outstanding unless first, all holders of such bonds and notes consent in writing to the substitution of such regional housing authority in lieu of such county housing authority on all such bonds and notes; and second, the commissioners of such county housing authority adopt a resolution consenting to the transfer of all the rights, contracts, obligations, and property, real and personal, of such county housing authority to such regional housing authority as hereinafter provided: Provided, further, that when the above conditions are complied with and such regional housing authority is created and authorized to exercise its powers and other functions, all rights, contracts, agreements, obligations, and property, real and personal, of such county housing authority shall be in the name of and vest in such regional housing authority, and all obligations of such

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 county housing authority shall be the obligations of such regional housing authority and all rights and remedies of any person against such county housing authority may be asserted, enforced, and prosecuted against such regional housing authority to the same extent as they might have been asserted, enforced, and prosecuted against such county housing authority. When any real property of a county housing authority vests in a regional housing authority as provided above, the county housing authority shall execute a deed of such property to the regional housing authority which thereupon shall file such deed in the office provided for the filing of deeds: Provided, that nothing contained in this sentence shall affect the vesting of property in the regional housing authority as provided above.

The board of county commissioners of each of two or more said contiguous counties shall by resolution declare that there is a need for one regional housing authority to be created for all of such counties to exercise powers and other functions herein prescribed in such counties, if such board of county commissioners finds (and only if it finds)

- (1) Insanitary or unsafe dwelling accommodations exist in the area of its respective county and/or there is a lack of safe or sanitary dwelling accommodations in the county available for all the inhabitants thereof and
- (2) That a regional housing authority for the proposed region would be a more efficient or economical administrative unit than a housing authority for an area having a smaller population to carry out the purposes of the housing authorities law and any amendments thereto, in such county.

In determining whether dwelling accommodations are unsafe or insanitary, the board of county commissioners shall take into consideration the following: the physical condition and age of the buildings; the degree of overcrowding; the percentage of land coverage; the light and air available to the inhabitants of such dwelling accommodations; the size and arrangement of the rooms; the sanitary facilities; and the extent to which conditions exist in such buildings which endanger life or property by fire or other causes.

If it shall determine that both (1) and (2) of the above enumerated conditions exist, the board of county commissioners shall adopt a resolution so finding (which need not go into any detail other than the mere finding). After the appointment, as hereinafter provided, of the commissioners to act as the regional housing authority, said authority shall be a public body and a body corporate and politic upon the completion of the taking of the following proceedings:

The commissioners shall present to the Secretary of State an application signed by them, which shall set forth (without any detail other than the mere recital)

- (1) That the boards of county commissioners made the aforesaid determination and that they have been appointed as commissioners;
- (2) The name, and official residence of each of the commissioners, together with a certified copy of the appointment evidencing their right to office, the date and place of induction into and taking oath of

office, and that they desire the housing authority to become a public body and a body corporate and politic under this Article;

- (3) The term of office of each of the commissioners;
- (4) The name which is proposed for the corporation; and
- (5) The location of the principal office of the proposed corporation.

The application shall be subscribed and sworn to by each of said commissioners before an officer authorized by the laws of the State to take and certify oaths, who shall certify upon the application that he personally knows the commissioners and knows them to be the officers as asserted in the application, and that each subscribed and swore thereto in the officer's presence. The Secretary of State shall examine the application and if he finds that the name proposed for the corporation is not identical with that of a person or of any other corporation of this State or so nearly similar as to lead to confusion and uncertainty he shall receive and file it and shall record it in an appropriate book of record in his office.

When the application has been made, filed and recorded, as herein provided, the authority shall constitute a public body and a body corporate and politic under the name proposed in the application; the Secretary of State shall make and issue to the said commissioners, a certificate of incorporation pursuant to this Article, under the seal of the State, and shall record the same with the application.

In any suit, action or proceeding involving the validity or enforcement of, or relating to any contract of the regional housing authority, the regional housing authority shall be conclusively deemed to have been established in accordance with the provisions of this Article upon proof of the issuance of the aforesaid certificate by the Secretary of State. A copy of such certificate, duly certified by the Secretary of State, shall be admissible in evidence in any such suit, action or proceeding, and shall be conclusive proof of the filing and contents thereof."

Section 21. Effective July 1, 1997, subsection (d) of Section 18.22 of S.L. 1997-443 reads as rewritten:

"(d) This <u>act_section_applies</u> only to Columbus, Durham, and Rockingham Counties."

Section 22. Effective July 1, 1997, subsection (e) of Section 18.22 of S.L. 1997-443 reads as rewritten:

"(e) This act section becomes effective October 1, 1997, and expires June 30, 1998."

Section 23. The prefatory language of Section 6 of S.L. 1997-452 reads as rewritten:

"Section 6. Section 115.6(b) of the Charter of the City of Durham, being Chapter 671 of the 1995–1975 Session Laws, as added by Chapter 476 of the 1989 Session Laws and rewritten by Chapter 992 of the 1991 Session Laws, reads as rewritten:".

Section 24. (a) Subsection (b) of G.S. 31B-1 reads as rewritten:

"(b) In no event shall the persons who succeed to the renounced interest receive from the renouncement a greater share than the renouncer would have received. This Chapter shall apply to all renunciations of present and future interests, whether qualified

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or nonqualified for federal and State inheritance, estate, and gift tax purposes, unless expressly provided otherwise in the instrument creating the interest."

(b)

G. S. 31B-2(a) reads as rewritten:

- "(a) To be a qualified disclaimer for federal and State inheritance, estate, and gift tax purposes. An-an instrument renouncing a present interest shall be filed within the time period required under the applicable federal statute for a renunciation to be given effect as a disclaimer for federal estate tax purposes. If there is no such federal statute the instrument shall be filed not later than nine months after the death of the decedent or donee of the power, date the transfer of the renounced interest to the renouncer was complete for the purpose of such taxes."
 - (c) G.S. 31B-3(a) reads as rewritten:
- Unless the decedent or-done of the-a power of appointment, or creator of an "(a) interest under an inter vivos instrument has otherwise provided in the instrument creating the interest, the property or interest renounced devolves as follows:
 - (1) If the renunciation is filed within the time period described in G.S. 31B-2(a), the property or interest renounced devolves as if the renouncer had predeceased the decedent or, if the renouncer is designated to take under a power of appointment exercised by a testamentary instrument, as if the renouncer had predeceased the donee of the power, date the transfer of the renounced interest to the renouncer was complete for the purpose of such taxes, or, in the case of the renunciation of a fiduciary right, power, privilege, or immunity, the property or interest subject to the power devolves as if the fiduciary right, power, privilege, or immunity never existed. A future interest that takes effect in possession or enjoyment after the termination of the estate or interest renounced takes effect as if the renouncer had predeceased the decedent or the donee of the power. A-Any such renunciation relates back for all purposes to the date of the death of the decedent or the donee of the power. the transfer of the renounced interest to the renouncer was complete for the purpose of such taxes.
 - If the renunciation is not filed within the time period described in **(2)** G.S. 31B-2(a), the property or interest devolves as if the renouncer had died on the date the renunciation is filed, or, in the case of the renunciation of a fiduciary right, power, privilege, or immunity, the property or interest subject to the power devolves as if the fiduciary right, power, privilege, or immunity ceased to exist as of the date the renunciation is filed.
 - **(3)** Any future interest that takes effect in possession or enjoyment after the terminator of the estate or interest renounced takes effect as if the renouncer had predeceased the decedent, or the donee of the power, or creator died on the date determined under subdivision (1) or (2) above, and upon the filing of the renunciation the persons in being as of the time the renouncer is deemed to have died will immediately

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become entitled to possession or enjoyment of any such future interest."

- (d) Subdivision (3) of G.S. 31B-4(a) is repealed.
 - (e) G.S. 31B-4 is amended by adding the following new subsection to read:
- "(e) The right to renounce property or an interest in property pursuant to this Chapter is not barred by an acceptance of the property, interest, or benefit thereunder; provided, however, an acceptance of the property, interest, or benefit thereunder may preclude such renunciation from being a qualified renunciation for federal and State inheritance, estate, and gift tax purposes."
- (f) This section becomes effective when it becomes law. This section shall apply to all renunciations executed on or after the effective date of this act, whether qualified or nonqualified for federal and State inheritance, estate, and gift tax purposes. This section shall not apply to any renunciation executed before the effective date of this section whether qualified or nonqualified for federal and State inheritance, estate, and gift tax purposes, of an interest in a testamentary or inter vivos trust, unless the trustee within six months after the effective date of this section executes and records with the clerk of court of the county in which probate proceedings have been commenced, if any, or the county in which the property is located, an instrument evidencing the acceleration of the possession and enjoyment of the renounced interest to persons in esse at the time of the filing of the renunciation. This section shall not apply to remove the rights of a current beneficiary who has received an interest in a trust between the date of the filing of a renunciation and the date of the filing by a trustee pursuant to the preceding sentence.

Section 25. G.S. 75E-3 reads as rewritten:

"§ 75E-3. Investigative and regulatory powers of the Attorney General.

The Attorney General may conduct such investigations as the Attorney General deems necessary to determine compliance by all persons or entities with the provisions of Articles 9 and 9A of Chapter 55 of the General Statutes.—Statutes; and the Attorney General may exempt from the provisions of Article 9 of Chapter 55 of the General Statutes any business combination that is solely an internal corporate restructuring which does not affect any material change in the ultimate ownership of the corporation and does not affect the ongoing applicability of that Article to the

not affect the ongoing applicability of that Article to the corporation or any other entity. In performing any s

corporation or any other entity. In performing any such investigations, the Attorney General shall have all the powers given him by G.S. 75-10. The provisions of G.S. 75-11 and G.S. 75-12 shall apply to this Chapter."

Section 26. (a) G.S. 90-113.38(b) reads as rewritten:

- "(b) The fee to obtain a certificate of certification for a clinical addictions specialist pursuant to G.S. 90-113.41A deemed status may not exceed one hundred dollars (\$100.00). The fee to renew a certificate may not exceed fifty dollars (\$50.00). The fee to obtain a certificate of certification for a clinical addictions specialist under G.S. 90-113.40 pursuant to all other procedures authorized by this Article may not exceed three hundred twenty-five dollars (\$325.00). The fee to renew the certificate may not exceed one hundred dollars (\$100.00)."
 - (b) Section 17 of S.L. 1997-492 reads as rewritten:

"Section 17. Notwithstanding G.S. 90-113.40(c), as enacted by Section 9 of this act, the North Carolina Substance Abuse Professional Certification Board (Board) may certify a person as a 'Clinical Addictions Specialist' during a limited period of one year after the effective date of this act upon completion of any prescribed continuing education requirements that are required during the course of this year for renewal of the original certification, payment of the fee as required for renewal of the original certification, payment of the clinical addictions specialist certification fee, and the submission of proof of one of the following to the Board:

- (1) Certification as a substance abuse counselor holding a master's degree with a clinical application in a human services field; the equivalent of two years of full-time post-graduate supervised substance abuse experience; and three letters of reference from certified substance abuse professionals who have master's degrees.
- (2) Certification as a substance abuse counselor with a bachelors degree in a human services field; the equivalent of five years of full-time, post-graduate, supervised substance abuse experience; a passing score on a master's level written examination; and submission of three letters of reference from certified substance abuse professionals who have master's degrees.
- (3) Certification as a clinical supervisor; a master's degree with a clinical application in a human services field; and three letters of reference from certified substance abuse professionals who have master's degrees.
- (4) Certification as a substance abuse counselor; a master's degree with a clinical application in a human services field with a substance abuse specialty; and three letters of reference from certified substance abuse professionals who have master's degrees.
- (5) Certification before July 1, 1994, as an alcohol counselor, a drug and alcohol counselor, or a substance abuse counselor; the equivalent of 10 years of documented full-time substance abuse work experience; and three letters of reference from certified substance abuse professionals who have master's degrees.
- (6) Certification, licensure, or membership in good standing with a professional discipline that has been granted deemed status under G.S. 90-113.41A, as enacted by Section 11 of this act."
- (c) Section 18 of S.L. 1997-492 reads as rewritten:

"Section 18. Notwithstanding G.S. 90-113.40(c), as enacted by Section 9 of this act, the Board may certify an applicant as a 'Clinical Addictions Specialist' during a limited period of three years beginning October 1, 1998, if the applicant completes any prescribed continuing education requirements that are required during the course of these years for renewal of the original certification, pays the fee as required for renewal of the original certification, pays the clinical addictions specialist certification fee, and submits proof to the Board that the applicant: (i) has been certified as a substance abuse

counselor; (ii) has the equivalent of 10 years of supervised, full-time, substance abuse counseling experience; (iii) has passed a master's level oral and written examination and; (iv) submits three letters of reference from certified substance abuse professionals who hold master's degrees."

- (d) This section is effective on and after October 1, 1997. Section 27. G.S. 95-97 is repealed. Section 28. G.S. 95-128(3) and (4) read as rewritten:
 - "(3) Employees whose safety and health are subject to protection under the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 801) and the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 725), or the Federal Railroad Safety Act of 1970 (45 U.S.C. 431-41); Subtitle V of Title 49 of the United States Code;
 - (4) Railroad employees whose safety and health are subject to protection under the Federal Safety Appliance Act (45 U.S.C. 1-50), or the Federal Railroad Safety Act of 1970 (45 U.S.C. 431-41); Subtitle V of Title 49 of the United States Code;".

Section 29. G.S. 95-174(k) reads as rewritten:

"(k) 'Hazardous chemical' shall mean any element, chemical compound or mixture of elements and/or compounds which is a physical hazard or health hazard as defined in subsection (c) of the NCOSHA-OSHNC Standard or a hazardous substance as defined in subsection (d)(3) of the NCOSHA Standard. standards adopted by the Occupational Safety and Health Division of the North Carolina Department of Labor in Title 13, Chapter 7 of the North Carolina Administrative Code (13 NCAC 7)."

Section 30. G.S. 95-174(p) reads as rewritten:

"(p) 'Material Safety Data Sheets' or 'MSDS' <u>shall</u> mean chemical information sheets drawn up in conformity to standards for material safety data sheets <u>adopted by the Occupational Safety and Health Division of the North Carolina Department of Labor in Title 13, Chapter 7 of the North Carolina Administrative Code (13 NCAC 7). in 13 North Carolina Administrative Code 7C .0101(a)(99) (hereinafter designated as 13 N.C.A.C. 7C .0101(a)(99)."</u>

Section 31. G.S. 95-174(r) reads as rewritten:

"(r) 'NCOSHA OSHNC Standard' shall mean the <u>eurrently adopted current Hazard</u> Communication Standard adopted by the Occupational Safety and Health Division of North Carolina Department of Labor in <u>Title 13</u>, <u>Chapter 7 of the North Carolina Administrative Code (13 NCAC 7).</u> 13 North Carolina Administrative Code 7C .0101(a)(99), as amended."

Section 32. G.S. 95-198(b) reads as rewritten:

"(b) In nonemergency situations, a chemical manufacturer, importer, or employer shall, upon request, disclose a specific chemical identity, otherwise permitted to be withheld under this section, to a health professional, responsible party, as defined in 13 N.C.A.C. 7C .0101(a)(99), the standards adopted in Title 13, Subchapter 7F of the North Carolina Administrative Code (13 NCAC 7F), providing medical or other occupational health services to exposed persons if the request is in writing and states the medical need

for the information. The employer may require that the health care provider responsible party sign a confidentiality agreement prior to release of the information. The parties are not precluded from pursuing noncontractual remedies to the extent permitted by law."

5 rewritten:

- Section 33. (a) G.S. 105-116(a), as amended by S.L. 1998-22, reads as tten:
- "(a) Tax. An annual franchise or privilege tax is imposed on the following:
 (1) An electric power company engaged in the business of furnishing electricity, electric lights, current, or power.
 - (2) A natural gas company engaged in the business of furnishing piped natural gas.
 - (2a) A regional natural gas district created under Article 28 of Chapter 160A of the General Statutes.
 - (3) A water company engaged in owning or operating a water system subject to regulation by the North Carolina Utilities Commission.
 - (4) A public sewerage company engaged in owning or operating a public sewerage system.

The tax on an electric power company is three and twenty-two hundredths percent (3.22%) of the company's taxable gross receipts from the business of furnishing electricity, electric lights, current, or power. The tax on a regional natural gas district is three and twenty-two hundredths percent (3.22%) of the district's taxable gross receipts from the furnishing of piped natural gas.—The tax on a water company is four percent (4%) of the company's taxable gross receipts from owning or operating a water system subject to regulation by the North Carolina Utilities Commission. The tax on a public sewerage company is six percent (6%) of the company's taxable gross receipts from owning or operating a public sewerage company. A company's taxable gross receipts are its gross receipts from business inside the State less the amount of gross receipts from sales reported under subdivision (b)(2). A company that engages in more than one business taxed under this section shall pay tax on each business. A company is allowed a credit against the tax imposed by this section for the company's investments in certain entities in accordance with Division V of Article 4 of this Chapter."

- (b) This section becomes effective July 1, 1999. Section 34. G.S. 130A-24(b) reads as rewritten:
- "(b) Appeals concerning the enforcement of rules adopted by the local board of health and concerning the imposition of administrative penalties by a local health director shall be conducted in accordance with this subsection and subsections (b),—(c) and (d) of this section. The aggrieved person shall give written notice of appeal to the local health director within 30 days of the challenged action. The notice shall contain the name and address of the aggrieved person, a description of the challenged action and a statement of the reasons why the challenged action is incorrect. Upon filing of the notice, the local health director shall, within five working days, transmit to the local board of health the notice of appeal and the papers and materials upon which the challenged action was taken."
 - Section 35. G.S. 143B-475.1 is rewritten by adding a new subsection to read:

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The community service staff shall report to the court in which the community service was ordered, a significant violation of the terms of the probation, or deferred prosecution, related to community service. The community service staff shall give notice of the hearing to determine if there is a willful failure to comply to the person who was ordered to perform the community service. This notice shall be given by either personal delivery to the person to be notified or by depositing the notice in the United States mail in an envelope with postage prepaid, addressed to the person at the address shown on the records of the community service staff. The notice shall be mailed at least 10 days prior to any hearing and shall state the basis of the alleged willful failure to comply. The court shall then conduct a hearing, even if the person ordered to perform the community service fails to appear, to determine if there is a willful failure to complete the work as ordered by the community service staff within the applicable time limits. If the court determines there is a willful failure to comply, it shall revoke any drivers license issued to the person and notify the Division of Motor Vehicles to revoke any drivers license issued to the person until the community service requirement has been met. In addition, if the person is present, the court may take any further action authorized by Article 82 of Chapter 15A of the General Statutes for violation of a condition of probation."

Section 36. G.S. 146-12(c) reads as rewritten:

"(c) Voluntary Easement Applications for Existing Structures. – Riparian or littoral property owners of existing structures may voluntarily obtain an easement under subsection (b) of this section in accordance with the procedures set forth in this section. For purposes of this section, the term 'existing structures' means all presently existing piers, docks, marinas, wharves, and other structures located over or upon State-owned lands covered by navigable waters. Applications for voluntary easements shall be received by the State Property Office within 36 months of the effective date of this section. no later than 1 October 2001."

Section 37. (a) G.S. 163-323(e) reads as rewritten:

- "(e) Candidacy for More Than One Office Prohibited. No person may file a notice of candidacy for more than one office or group of offices described in subsection (b) of this section section, or for an office or group of offices described in subsection (b) of this section and an office described in G.S. 163-106(c), for any one election. If a person has filed a notice of candidacy with a board of elections under this section or under G.S. 163-106(c) for one office or group of offices, then a notice of candidacy may not later be filed for any other office or group of offices under this section when the election is on the same date unless the notice of candidacy for the first office is withdrawn under subsection (c) of this section."
 - (b) This section is effective on and after August 2, 1996.

Section 38. The prefatory language of Section 1 of S.L. 1998-37 reads as rewritten:

"Section 1. <u>G.S. 153A-335</u>, as it applies to Stanly County under Chapter 930 of the 1987 Session Laws, as amended by Chapter 504 of the 1991 Session Laws and Chapter 574 of the 1993 Session Laws, reads as rewritten:".

1	Section 39. Section 5.1 of the Charter of the Town of Forest Hills, being
2	Section 1 of S.L. 1997-345, reads as rewritten:
3	"Section 5.1. Mayor-Council Plan. The Village of Forest Hills operates under the
4	Mayor-Council Plan as provided by Part 3 of Article 7 of Chapter 160B-160A of the
5	General Statutes. The Mayor shall vote only in those cases necessary to break a tie."
6	Section 40. The prefatory language of Section 1 of S.L. 1998-72 reads as
7	rewritten:
3	"Section 1. G.S. 115D-15 reads are as rewritten:".
)	Section 41. This act is effective when it becomes law.