

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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SENATE BILL 513

Short Title: Various Administrative Law Changes.-AB (Public)

Sponsors: Senators Galey and Sanderson (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 6, 2021

A BILL TO BE ENTITLED

AN ACT TO UPDATE THE PROCESS FOR LEGISLATIVE REVIEW OF RULES, TO DESIGNATE THE NORTH CAROLINA ADMINISTRATIVE CODE PUBLISHED ONLINE AS THE OFFICIAL VERSION AND REMOVE THE REQUIREMENT TO PUBLISH AND PROVIDE PRINTED COPIES, TO CLARIFY THAT CONSULTATION WITH THE JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS FOR TEMPORARY AND EMERGENCY RULES THAT ESTABLISH OR INCREASE A FEE IS NOT REQUIRED, TO UPDATE THE MODEL CODE OF JUDICIAL CONDUCT FOR STATE ADMINISTRATIVE LAW JUDGES, AND TO MAKE CLARIFYING CHANGES TO THE OCCUPATIONAL LICENSING LAWS.

The General Assembly of North Carolina enacts:

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

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

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

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

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

~~A bill specifically disapproves a rule if it contains a provision that refers to the rule by appropriate North Carolina Administrative Code citation and states that the rule is disapproved.~~



1 Notwithstanding any rule of either house of the General Assembly, any member of the General  
2 Assembly may introduce a bill during the first 30 legislative days of any regular session to  
3 disapprove a rule that has been approved by the Commission and that either has not become  
4 effective or has become effective by executive order under subsection (c) of this section.

5 (b2) ~~Objection.— Any person who objects to the adoption of a permanent rule may submit~~  
6 ~~written comments to the agency. If the objection is not resolved prior to adoption of the rule, a~~  
7 ~~person may submit written objections to the Commission. If the Commission receives written~~  
8 ~~objections from 10 or more persons, no later than 5:00 P.M. of the day following the day the~~  
9 ~~Commission approves the rule, clearly requesting review by the legislature in accordance with~~  
10 ~~instructions posted on the agency's Web site pursuant to G.S. 150B-19.1(c)(4), and the~~  
11 ~~Commission approves the rule, the rule will become effective as provided in subsection (b1) of~~  
12 ~~this section. The Commission shall notify the agency that the rule is subject to legislative~~  
13 ~~disapproval on the day following the day it receives 10 or more written objections. When the~~  
14 ~~requirements of this subsection have been met and a rule is subject to legislative disapproval, the~~  
15 ~~agency may adopt the rule as a temporary rule if the rule would have met the criteria listed in~~  
16 ~~G.S. 150B-21.1(a) at the time the notice of text for the permanent rule was published in the North~~  
17 ~~Carolina Register. If the Commission receives objections from 10 or more persons clearly~~  
18 ~~requesting review by the legislature, and the rule objected to is one of a group of related rules~~  
19 ~~adopted by the agency at the same time, the agency that adopted the rule may cause any of the~~  
20 ~~other rules in the group to become effective as provided in subsection (b1) of this section by~~  
21 ~~submitting a written statement to that effect to the Commission before the other rules become~~  
22 ~~effective.~~

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

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

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

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

- 42 (1) ~~A "legislative day" is a day on which either house of the General Assembly~~  
43 ~~convenes in regular session.~~
- 44 (2) ~~The "day of adjournment" of a regular session held in an odd-numbered year~~  
45 ~~is the day the General Assembly adjourns by joint resolution or by operation~~  
46 ~~of law for more than 30 days.~~
- 47 (3) ~~The "day of adjournment" of a regular session held in an even-numbered year~~  
48 ~~is the day the General Assembly adjourns sine die.~~

49 (e) ~~OSHA Standard. – A permanent rule concerning an occupational safety and health~~  
50 ~~standard that is adopted by the Occupational Safety and Health Division of the Department of~~  
51 ~~Labor and is identical to a federal regulation promulgated by the Secretary of the United States~~

1 Department of Labor becomes effective on the date the Division delivers the rule to the Codifier  
2 of Rules, unless the Division specifies a later effective date. If the Division specifies a later  
3 effective date, the rule becomes effective on that date.

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

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

10 **"§ 150B-21.3B. Legislative review of rules.**

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

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

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

31 (d) Disapproval Bills. – Notwithstanding any rule of either house of the General  
32 Assembly, any member of the General Assembly may introduce a bill during the first 30  
33 legislative days of the regular session of any given calendar year to specifically disapprove a rule  
34 that is subject to review by the General Assembly pursuant to subsection (b) of this section, which  
35 has been approved by the Commission and that has not become effective or has become effective  
36 by executive order under subsection (f) of this section. A bill specifically disapproves a rule if it  
37 contains a provision that refers to the rule by the appropriate North Carolina Administrative Code  
38 citation and states that the rule is disapproved.

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

(f) Executive Order Exception. – The Governor may, by executive order, make effective a permanent rule that has been approved by the Commission but the effective date of which has been delayed in accordance with subsection (e) of this section upon finding that it is necessary that the rule become effective in order to protect public health, safety, or welfare. A rule made effective by executive order becomes effective on the date the order is issued or at a later date specified in the order. When the Codifier of Rules enters in the North Carolina Administrative Code a rule made effective by executive order, the entry must reflect this action. A rule that is made effective by executive order remains in effect unless it is specifically disapproved by the General Assembly in a bill enacted into law before August 1 of the calendar year following the calendar year the executive order is issued. A rule that is made effective by executive order and that is specifically disapproved by a bill enacted into law is repealed as of the date specified in the bill. If a rule that is made effective by executive order is not specifically disapproved by a bill enacted into law within the time set by this subsection, the Codifier of Rules must note this in the North Carolina Administrative Code."

**SECTION 3.** G.S. 150B-21.18 reads as rewritten:

**"§ 150B-21.18. North Carolina Administrative Code.**

The Codifier of Rules must compile all rules into a Code known as the North Carolina Administrative Code. The format and indexing of the Code must conform as nearly as practical to the format and indexing of the North Carolina General Statutes. The Codifier must publish ~~printed copies of the Code~~ electronically on the website of the Office of Administrative Hearings and may publish the Code in other forms. The electronic version of the Code published on the website of the Office of Administrative Hearings shall be considered the official publication of the North Carolina Administrative Code. The Codifier may authorize and license the private indexing, marketing, sales, reproduction, and distribution of the Code. The Codifier must keep superseded rules."

**SECTION 4.** G.S. 150B-21.25 is repealed.

**SECTION 5.** G.S. 12-3.1(c) reads as rewritten:

"(c) Exceptions. – This section does not apply to any of the following:

- (1) ~~Rules establishing fees or charges that~~ establish a new fee or increase an existing fee or charge to State, federal or local governmental units.
- (1a) Temporary and emergency rules that establish a new fee or increase an existing fee.
- (2) A reasonable fee or charge for copying, transcripts of public hearings, State publications, or mailing a document or other item.
- (3) Reasonable registration fees covering the cost of a conference or workshop.
- (4) Reasonable user fees covering the cost of providing data processing services."

**SECTION 6.** G.S. 7A-754 reads as rewritten:

**"§ 7A-754. Qualifications; standards of conduct; removal.**

Only persons duly authorized to practice law in the General Court of Justice shall be eligible for appointment as the Director and chief administrative law judge or as an administrative law judge in the Office of Administrative Hearings. The Chief Administrative Law Judge and the administrative law judges shall comply with the ~~Model Code of Judicial Conduct for State Administrative Law Judges, as adopted by the National Conference of Administrative Law Judges, Judicial Division, American Bar Association, (revised August 1998), American Bar Association Model Code of Judicial Conduct for State Administrative Law Judges dated August 2018,~~ as amended from time to time, except that the provisions of this section shall control as to the private practice of law in lieu of Rule 3.10 of Canon 4G-3, and G.S. 126-13 shall control as to political activity in lieu of ~~Canon 5-4.~~ Failure to comply with the applicable provisions of the Model Code may constitute just cause for disciplinary action under Chapter 126 of the General Statutes and grounds for removal from office. Neither the chief administrative law judge nor any administrative law judge may engage in the private practice of law as defined in G.S. 84-2.1

1 while in office; violation of this provision shall constitute just cause for disciplinary action under  
2 Chapter 126 of the General Statutes and shall be grounds for removal from office. Each  
3 administrative law judge shall take the oaths required by Chapter 11 of the General Statutes. An  
4 administrative law judge may be removed from office by the Director of the Office of  
5 Administrative Hearings for just cause, as that term is used in G.S. 126-35 and this section."

6 **SECTION 7.** G.S. 93B-8.1(a)(1) reads as rewritten:

7 "(1) Applicant. – A person who makes application for licensure from an  
8 occupational licensing ~~board~~ board or a State agency licensing board."

9 **SECTION 8.** Sections 1, 2, 3, and 4 of this act become effective January 1, 2022.

10 The remainder of this act is effective when it becomes law.