

2019 North Carolina Legislative Session Summary

Compiled by the North Carolina Justice Center

The Legislature adjourned on October 31, 2019, and reconvened on November 13, 2019, to consider bills regarding redistricting, appointments or confirmations, and conference reports. That session was adjourned on November 15, 2019.

The Legislature will reconvene on January 14, 2020 to consider a broader set of bills (see [SJR 694 - Adjourn 2019 Regular Session to November](#)).

The following is a summary of bills that affect North Carolinians and communities with low incomes.

**Denotes legislation worked on by NC Justice Center staff*

BUDGET BILL SUMMARY

Overview

The final legislative budget that passed fell short of the needs in communities and priorities to implement policy commitments to the people of North Carolina ([overview of the legislative budget](#)).

The Governor vetoed the budget presented by the legislature and provided a counteroffer to lawmakers. A comparison of the counteroffer to the final legislative budget can be found [here](#).

Without the votes to override the veto, the legislature has — rather than negotiate with the Governor — proposed piecemeal budgets that fail to present a comprehensive view of the state's investments and fall short of the full commitment needed to ensure NC thrives. A review of these piecemeal budgets can be found [here](#) [an internal document].

The Tax Package

The Governor vetoed legislation that would have cut the franchise tax for businesses. Without a complete final budget, the remaining tax proposals include legislation in [Senate Bill 557](#) that:

- Increases the standard deduction, effective 2020, from \$10,000 to \$10,750 for single taxpayers or married taxpayers filing separately; from \$15,000 to \$16,125 for taxpayers filing as head of household; and from \$20,000 to \$21,500 for married taxpayers filing jointly.
- Enacts market-based sourcing and modifies the definition of a holding company.
- Requires marketplace facilitators to collect and remit sales tax under certain circumstances.

FISCAL POLICY

Legislation Passed:

- **SB 557 (Various Finance Law Changes)** (see description above) includes increases to the standard deduction and expansion of sales tax. Analysis shows that 27 percent of the total net tax cut from the increase in the standard deduction will go to the top 20 percent, while just 7 percent will go to the bottom 20 percent whose income leaves them in poverty each year.
- **SB 578 (Franchise Tax and Expand Film Grants)** would reduce the taxes collected from businesses through the franchise tax providing a greater benefit to the high net worth companies (\$20 million or more) from which 75 percent of total franchise tax collections come.
 - The net fiscal impact will be \$150 million annually.
 - In addition, the legislation made more generous the grants to production companies, particularly those producing television shows.
 - **Vetoed by the Governor**

Legislation Pending:

- **HB114/SB144 (Gross Premiums Tax/PHPs)** would primarily apply the 1.9 percent tax for insurance companies in North Carolina to include Prepaid Health Plans (PHPs), which will become a new feature in the NC insurance landscape as the state's Medicaid program shifts largely to a managed care system.
 - Capitation payments based on per-member-per-month rates are subject to the gross premiums/PHP tax, and revenues would go to the General Fund.
 - To date, the bill has passed the House and was referred to Senate Finance in March. **The bill was rolled into the 2019 budget bill, HB966.**
- ***HB 74 (Taxpayer Refund Act)** issues tax refund checks of \$125 per taxpayer (\$250 for married couples) from the over \$600 million from revenue over collections—which are largely tied to capital gains and dividends.
 - The refund is only provided to tax payers who file 2018 North Carolina Individual Income Tax Returns by October 15, 2019.
 - To date, **the bill has passed the Senate and was referred to the House committee on Finance at the end of August (08/27).**
- ***SB 50 (Reinstate Earned Income Tax Credit)** would reinstate the North Carolina state Earned Income Tax Credit to those eligible for the federal credit in the form of a refundable credit of 5 percent of the federal version.
 - **The bill was referred to the Committee on Rules and Operations of the Senate in Mid-February. It has not moved since.**
- ***HB 238 (Reinstate Earned Income Tax Credit)** would reinstate the North Carolina state Earned Income Tax Credit to those eligible for the federal credit in the form of a refundable credit of 5 percent of the federal version.

- *The bill was referred to the Committee on Rules, Calendar, and Operations of the House in early March. It has not moved since.*
- *Note: Harris brought the Earned Income Tax Credit to the floor as an amendment to the budget. That failed.*
- ***SB 657 (Expand Property Tax Homestead Exclusion)** would expand the property tax circuit breaker to several categories of owner occupants in North Carolina under specific eligibility criteria.
 - *This bill was referred to the Committee on Rules and Operations of the Senate on 4/4/19 and has not moved since.*

ECONOMIC DEVELOPMENT POLICY

Legislation Passed:

- **HB 200 (2019 Storm Recovery/Var. Budget Corrections)** provides state match funding for disaster relief from Hurricane Dorian and other named storms.
 - Designates the NC Office of Recovery and Resiliency of the Department of Public Safety to administer Community Development Grant Disaster Recovery (CDBG-DR) awards to the state.
 - Appropriates \$13.39 million over two years to the Rural Health Care Stabilization Fund.

Legislation Pending:

- **SB 231 (Study Military Economic Zones)** proposes studying the creation of economic zones around military installations and VA hospitals.
 - *Passed Senate. Pending in House.*
- **HB 258 (Expand Eligibility for Utility Account Funds)** provides guidance to the Department of Commerce in adopting rules for administering the Industrial Development Fund Utility Account ("Utility Account") to support local utility improvement projects that lead to job creation; prioritizes Tier 1 counties and rural census tracts.
 - *Passed House. Pending in Senate.*
- **HB 286 (Fayetteville ETJ and Annexation of Shaw Heights)** proposed Committee Substitute (4/29/19) reflects authorization for Fayetteville to exercise Extraterritorial Jurisdiction (ETJ) only (i.e., planning and development only; no annexation).
 - *Pending in House.*
- **HB 352 (Funding for Small Business Loans)** proposes \$3M appropriation to the Carolina Small Business Development Fund.
 - *Pending in House.*
- **HB 431 (FIBER NC Act)** authorizes local governments to construct and lease facilities related to broadband expansion.
 - *Pending in House.*

- [SB 665 \(Omnibus Rural Investment Act\)](#) proposes appropriations for Mobile DMV, rural broadband planning and other initiatives.
 - *Pending in Senate.*
- [HB 667 \(Local Option Sales Tax Flexibility\)](#) provides counties additional flexibility with regard to local sales and use tax.
 - *Passed House. Pending in Senate.*
- [SB 681 \(Rural Health Care Stabilization/Local Sales Tax Flexibility/ Utility Accounts\)](#) combines HB 258 and HB 667 with a proposal to create a loan fund for financially stressed rural health care facilities.
 - *In Conference.*

POST-SECONDARY AND WORKFORCE DEVELOPMENT POLICY

Legislation Passed:

- [HB 664 \(My FutureNC Educational Attainment Goal\)](#) opts the My FutureNC educational attainment goal recommended by the commission.

Legislation Pending:

- [HB665 \(NC Complete College\)](#) aims to support college completion by appropriating funds for community colleges, clarifying transfer credits, and providing for flexibility in scholarship.

EDUCATION POLICY (K-12)

Legislation Passed:

- [HB 57 \(Create Term for Public Schools and Codify NCVPS\)](#) defines “public school units” to include charter schools, lab schools, and other nontraditional public schools and codifies the Virtual Public School Program.
- [*HB 75 \(School Safety Funds, Programs, and Reports\)](#) appropriates funds for School Resource Officers, establishes school safety grant programs, requires development of school mental health crisis response program, and requires DPI to report on school psychologist and counselor positions. **SL 2019-149**
- [HB 107 \(PED Oversight/EPP Changes\)](#) makes changes to the Educator Preparation Program performance standards and data reporting system. **SL 2019-200**
- [*HB 362 \(15 Point Scale for School Performance Grades\)](#) makes the 15 point scale for school performance grades permanent and directs State Board of Education to study reporting methods used for school accountability. **SL 2019-154**

- [HB 411 \(Modify School Quality/Student Success Indicator\)](#) combines career and college readiness indicators for school performance grades to comply with federal law. **SL 2019-142**
- [HB 924 \(Teacher Contract Changes\)](#) clarifies eligibility for extended teacher contracts and requires a course in economics and personal finance as a graduation requirement. **SL 2019-82**
- [HB 961 \(Ensuring Authorization of Federal Funds\)](#) requires DPI to use Maternal and Child Health Block Grant funds to establish an abstinence until marriage program. **SL 2019-192**
- [SB 301 \(Regional School Modifications\)](#) creates a withdrawal process for regional schools. **S.L. 2019-184**
- [SB 343 \(Various Education Law Changes\)](#) makes changes to a variety of education reports and exempts the State Board of Education's charter actions from contested case provisions. **S.L. 2019-165**
- [*SB 392 \(Various Charter School Changes\)](#) would allow the state's two struggling virtual charter schools to expand by 20 percent annually without review by the State Board of Education.
 - It would also allow the Superintendent of Public Instruction to approve private activity bonds for charter school capital costs, require background checks for charter school boards of directors, and alter the charter school renewal standards.
 - The Justice Center successfully led the effort to encourage the governor to veto this legislation due to the poor academic performance and lack of financial accountability of virtual charter schools. This veto will likely be upheld, but some of the provisions that do not relate to virtual charter schools may end up included in other legislation before the session ends.
 - **Vetoed by Gov. Cooper**
- [*SB 438 \(Excellent Public Schools Act\)](#) makes positive changes to Excellent Public Schools Act based on research by the N.C. State Friday Institute's evaluation of the program's effectiveness to date.
 - The bill was still controversial because this program has spent millions of dollars that could have otherwise been used on proven, effective interventions like early childhood education and third grade reading progress has actually declined.
 - **Vetoed by Gov. Cooper**
- [*SB 500 \(Modify Advanced Math Course Enrollment\)](#) makes technical modifications to implementation of advanced math opportunities and courses offered when practicable for grades three and higher. **S.L. 2019-120**
- [*SB 522 \(Low-Perf. Schools/Stand. Student Conduct\)](#) deals with the operation of the Innovative School District (ISD).
 - The Justice Center led the effort to remove the sections dealing with standards for student conduct that would have adversely impacted at-risk children by

removing the requirement that local boards adopt policies to minimize the use of long-term suspensions and expulsions for minor instances of student misbehavior.

- This bill is an improvement over current law which would require four schools go be taken over by the ISD next year and this bill does not put any schools in the ISD until the following year. Schools will be given three years to improve performance.
 - It also allows local boards and the Department of Public Instruction to operate the schools, while current law requires that selected schools to be turned over to a private charter management company which are generally located outside the state and have a track of failure thus far.
 - The downside of this bill is that it requires five schools to go into the ISD each year after the three-year improvement period. However, the inclusion of DPI and local boards as operators will mitigate this harm and the bill also buys time to make further improvements to the program before more schools are taken over.
 - Local advocates who organized to push back on the ISD process, particularly in Wayne County, deserve credit for reducing the harm the ISD model will cause in North Carolina.
 - ***This bill became law without Governor Cooper's signature and in the face of Democratic opposition because, even though the bill makes improvements, the ISD is seen as fatally flawed and in need of a complete repeal. S.L. 2019 - 248***
- ***[SB 621](#) (Testing Reduction act of 2019)** eliminates NC Final Exam for high school students.
 - Requires report on use of local assessments and plan to reduce their use. Requires review of third grade EOGs as they relate to the Read to Achieve program.
 - Requires local funding for economically disadvantages students to participate in graduation projects.
 - Requires Superintendent of Public Instruction to report on North Carolina Personalized Assessment Tool pilot.
 - This bill was dramatically improved as earlier versions would have run afoul of federal law, caused confusion and chaos throughout the school system, and made it more difficult to hold schools and districts accountable for achievement gaps. **S.L. 2019-212**

Legislation Pending:

- **[HB 79](#) (Academic Alignment/Boards of Education and Community College)** would reform the school calendar law to allow calendar flexibility to align local district start and end dates with the start dates of local community colleges.
 - ***Passed House***
- ***[HB 241](#) (Education Bond Act of 2019)** passed the House but has not moved in the Senate and likely will not because the Senate and some House leaders prefer the State Capital and Infrastructure Fund that was included in the conference budget bill, which is essentially a pay-as-you-go model for funding school infrastructure needs.

- The bond bill would direct \$1.5 billion to K-12 school construction needs to begin to address an over \$8 billion backlog across the state.
 - It would also direct \$200 million to community colleges and \$200 million to university capital needs.
 - ***Passed House***
- **[HB 276](#) (Modify Low-Performing School Definition)** removes schools that met expected growth from low-performing school definition.
 - ***Passed House***
- ***[HB 295](#) (Prohibit Corporal Punishment in Public Schools)** – All local districts have now ended this practice, but this bill would officially end corporal punishment in public schools by prohibiting it at the state level.
 - ***Passed House***
- ***[HB 315](#) (Instructional Material Selection)** transfers the adoption of school textbooks and instructional supplies from the State to Local Education Agencies.
 - This bill would also make it possible for essentially anyone to challenge the adoption and use of various textbooks and instructional materials.
 - These challenges would involve an extensive local process and expenditure of money and resources, particularly for librarians, on the part of LEAs to deal with challenges. It would cause chaos and a host of First Amendment issues as people would be able to challenge the use of any textbooks or instructional materials they found offensive.
 - ***Passed House***
- ***[HB 354](#) (Modify Weighting/School Performance Grades)** modifies school performance grades so they would be 50 percent growth and 50 percent achievement. Current law is 20 percent growth and 80 percent achievement leading to the stigmatization of schools and districts with low incomes.
 - ***Passed House***
- ***[HB 895](#) (Opportunity Gap Task Force)** establishes the Opportunity Gap Task Force which would be a panel of public school teachers, principals, superintendents, and some education advocacy groups charged with making recommendations on how the state can reduce or eliminate achievement gaps.
- ***[SB 5](#) (School Safety Omnibus)** requires creation of threat assessment teams, peer to peer support programs, and defines School Resource Officer (SRO) and requires SRO training.
 - The threat assessment teams are highly problematic because it is unclear when they need to be created, they would require the unfunded expenditure of local staff time by a host of school personnel, and has the potential to violate students' rights by requiring threats to be referred to local law enforcement with limited process.
 - ***Passed House***
- ***[SB 123](#) (Geographically Isolated Schools/Transportation Efficiency Buffer/Currituck County Schools; Audit of Attendance and Membership Policies)** – While this is a local bill dealing with Currituck County Schools transportation funding, the Justice Center

worked to include a provision that would audit public school attendance and membership data, including for virtual charter schools that have thus far avoided complying with traditional methods of taking student attendance and submitting membership data for the purposes of school funding tied to Average Daily Membership.

- ***Passed House***
- ***SB 295 (Standards of Student Conduct)** originally contained a number of harmful provisions dealing with local school discipline policies that the Justice Center successfully advocated against, including maintaining the requirement that local board policies minimize the use of long-term suspension and expulsion for minor offenses.
 - The only remaining provision that is concerning requires local boards to consult with local law enforcement agencies (as well as teachers, administrators, and parents) when developing local school discipline policies.
 - The Justice Center also successfully advocated for a provision clarifying that the school discipline statutes apply equally to charter schools.
 - ***Passed House***
- ***SB 609 (K-12 Scholarship Changes)** would expand the school voucher program by broadening income eligibility limits for participants, moving the state further from one of the original justifications of the program of serving children from families with low incomes by allowing more affluent students to participate. It also broadens eligibility for students who have never attended public schools.
 - Both of these provisions mean more students who would have attended private schools even if the voucher program did not exist will receive state funding to cover their costs, costing the state money that otherwise would have gone to public schools.
 - The program expands annually but is already under-enrolled, so this legislation is part of a larger effort by legislators to increasingly expand eligibility to increase the number of applicants.
 - ***Passed Senate***

HOUSING

Legislation Passed:

- **HB 200 (2019 Storm Recovery/Var. Budget Corrections)** provides state match funding for disaster relief from Hurricane Dorian and other named storms.
 - Designates the NC Office of Recovery and Resiliency of the Department of Public Safety to administer Community Development Grant Disaster Recovery (CDBG-DR) awards to the state. Appropriates \$13.39 million over two years to the Rural Health Care Stabilization Fund.
- ***HB 531 (Protect Tenants at Foreclosure Act Restored)** changes to NC General Statutes to reflect restoration of Federal Protecting Tenants at Foreclosure Act.
- **SB 316 (Affordable Housing)** directs municipalities with a population of at least 90,000 to report to the General Assembly on local government funding, subsidies, and activities related to affordable housing.

- [SB 420](#)/[HB 523 \(NC Servicemembers Civil Relief Act\)](#) creates the NC Servicemembers Civil Relief Act – Art. 4 of Ch. 127B. Incorporate into State law the rights, benefits, and protections of the federal Servicemembers Civil Relief Act, Chapter 50 of Title 50 of the United States Code, and to extend those rights, benefits, and protections to members of the North Carolina National Guard serving on State active duty and to members of the National Guard of other states serving on state active duty who reside in North Carolina.
 - Nothing in this Article is a restriction or limitation on any of the rights, benefits, and protections granted to a servicemember under federal law.

- [SB 483](#)/[HB 922 \(Vacation Rental Act Changes\)](#) provides that the existing statutes authorizing local governments to perform periodic inspections for hazardous and unlawful conditions, and limiting local governments' ability to regulate residential real property, apply to properties covered by the Vacation Rental Act.
 - See [Bill Summary SB 483](#)

- *[HB 675 \(2019 Building Code Regulatory Reform\)](#) makes various changes to the laws governing the creation and enforcement of building codes.
 - Includes prohibition against local governments requiring a minimum square footage for residential structures and a provision that could be harmful to the deployment of cost effective energy efficiency improvements in the building code if the council institutes unduly restrictive cost-effective analysis - “The Council shall conduct a cost-benefit analysis for all proposed changes considered after January 1, 2018, to the North Carolina Energy Conservation Code” NCGS 143-138 (a1)(2).

- [SB 313 \(Perf. Guar. To Streamline Afford. Housing\)](#) makes various changes to State law concerning performance guarantees for the successful completion of required improvements.

- [HB 131 \(Repeal Map Act\)](#) repeals the Transportation Corridor Official Map Act, which authorized the North Carolina Department of Transportation, local governments, and transportation authorities to adopt maps for future transportation projects and placed restrictions on properties within mapped corridors.

Legislation Pending:

- [HB 470](#)/[SB 490 \(Administration of Justice Changes\)](#) makes changes and technical corrections requested by the Administrative Office of the Courts (AOC) and the Conference of Superior Court Clerks; clarifies the scope of Judicial Standards Commission investigations. The bill also clarifies the service to the State that may be considered good cause for court continuances.
 - Sections 4, 11, and 12 contain finance-related provisions. The fee changes were recommended by the Conference of Superior Court Clerks and are the same changes enacted by the General Assembly in the budget bill, House Bill 966, on June 27th, and passed by the Senate in House Bill 226 on August 13th. Section 16 amends G.S. 42-34 to make clear that 5 days to pay rent appeal bond means 5 business days. See [Legislative Bill Summary of HB 470](#).
 - ***Pending in House for Concurrence vote.***

- [HB 920 \(Condominium Association Changes\)](#) makes various changes to laws governing condominium associations. See [Bill Summary HB 920](#).
 - *Passed House. Pending in Senate.*
- [HB 594 \(HOAs-Leased Properties\)](#) provides that an amendment to any declaration of covenants or bylaws prohibiting the lease of a lot within a planned community for a term greater than 30 days will not be effective against a lot in a planned community.
 - *Passed House. Pending in Senate.*
- [HB 877 \(HOA and Condo Declaration Amendments\)](#) allows for amendment of a declaration of a planned community or condominium by more than 50 percent of the votes allocated.
 - *Pending in House.*
- [*HB 880 \(Landlord/Tenant Changes\)](#) allows authorized persons to direct the removal or disposal of certain personal property of a decedent located in leased premises. Authorizes collection of certain expenses incurred by a landlord in summary ejectment proceedings.
 - Permits a landlord to charge and collect the administrative complaint-filing fee regardless of whether the summons and complaint are served; provides that the out-of-pocket expenses recoverable by the landlord include the fees charged by the court for filing a complaint and a writ of possession, and also include the costs for service of the writ of possession; provides that nothing in G.S. 42-46 prohibits the landlord and tenant from reaching an agreement to resolve a dispute involving an alleged default under a lease or agreement, provided that the fees, costs, or expenses are permitted under that statute; and amends G.S. 42-51 to provide that the security deposit may be used for any "any fee, cost, or expense" permitted by G.S. 42-46.
 - *Passed House. Pending in Senate.*
- [*HB 796 \(Emotional Support Animals – Rental Units\)](#) requires landlords to make reasonable accommodations for persons with disabilities to have medically approved emotional support animals in a dwelling unit and creates a Class 2 misdemeanor for any person misrepresenting a need for an emotional support animal to a landlord.
 - *Passed House. Pending in Senate.*
- [*HB 708 \(LRC Study – Affordable Housing\)](#) directs Legislative Research Commission to study affordable housing in NC.
 - *Passed House. Pending in Senate.*
- [*HB 881/SB 507 \(Private Process Servers-Evictions\)](#) provides the option for plaintiffs in Summary Ejectment actions to use a private process server in counties with populations of 250,000 or greater.
 - *Both bills pending in respective Chambers.*
- [*HB 1012 \(Safety Updates for Rental Properties\)](#) authorizes local governments to declare housing unfit for human habitation due to fungal growth that may result in medical ailments as a result of prolonged exposure.

- Directs the Public Health Commission to adopt rules establishing statewide parameters and guidelines for exposure to fungal growth that may result in medical ailments.
- ***Pending in House.***
- ***[HB 692](#) (Modify Homestead Circuit Breaker); [HB 695](#) (Provide Certain Property Tax Relief); [SB 657](#) (Expand Property Tax Homestead Exclusion)** provide increased reduction of property taxes for certain homeowners.
 - ***All bills pending in respective Chambers.***
- ***[HB 680](#) (Emotional Support Animals/Revise Laws)** expands certain current protections for law enforcement agency animals, assistance animals, or search and rescue animals to include emotional support animals and creates a new Class H felony, a new Class I felony, a new Class 1 misdemeanor, a new Class 2 misdemeanor and a new Class 3 misdemeanor.
 - ***Pending in House.***
- **[HB 907](#) (Fair Housing Protections – Source of Income)** makes discrimination based on source of income a violation of NC Fair Housing Act.
 - ***Pending in House.***
- **[HB 549](#)/[SB 456](#) (Matching Funds for Affordable Housing)** appropriates \$2.5M to NC Department of Commerce to provide matching funds to non-profit affordable housing developers.
 - ***Both bills pending in respective Chambers.***
- ***[SB 629](#) (Funding for Housing Trust Fund)** directs to the NC Housing Trust Fund - non-recurring \$30M appropriation; 10 percent of General Fund Unreserved Fund Balance, and revenue from documentary stamp tax.
 - ***Pending in Senate.***
- **[HB 564](#) (Create House Select Committee on Homelessness)** – House Resolution.
 - ***Pending in House.***
- **[SB 110](#)/[HB 191](#) (Housing Recovery/Restore Greensboro Funds)** appropriates \$1M to Greensboro for damages caused by tornado in April 2018.
 - ***Pending in respective Chambers.***

CONSUMER

Legislation Passed:

- **[SB 162](#) / [HB 223](#) Session Law 2019-10 (Loan Origination/Late Payment Charge Changes)** was carefully negotiated between NCJC, the Center for Responsible Lending, and BB&T to increase certain origination charges and late payment changes while instituting a 36 percent rate cap provision to ensure the section could not be used to authorize payday, car title, and other high cost loans. NCJC supported the bill.
 - ***HB 223 did not make crossover. Effective April 1, 2019.***

- [*SB 310 / HB 387 Session Law 2019-17 \(Electric Co-Op Rural Broadband Services\)](#) would make it easier for Electric Co-Ops to offer broadband services in rural areas.
 - *Effective May 30, 2019.*
- [*SB 529, Session Law 2019-77 \(Fees/Returned Checks\)](#) increases insufficient funds / bounced check fee from \$25 to \$35.
 - *Effective October 1, 2019.*
- [*HB 628 Session Law 2019-173 \(2019 Banking & Mortgage Corrections & Changes\)](#) made multiple noncontroversial changes including eliminating the requirement for savings banks and savings and loan associations to publish abstracts of statements of financial condition, allowing commercial banks, savings and loan associations, and savings banks to offer savings promotion raffles and replaces a Public Member on the Banking Commission with a member licensed under Fair Enforcement Mortgage Licensing Act (SAFE Act).
 - *Effective July 26, 2019.*
- [*SB 559 /HB 624 \(Storm Securitization\)](#) would, as originally drafted, allow regulated utilities in NC to securitize costs associated with storm recovery and authorize three year rate making and the banding of utility returns on equity. HB 624 did not make crossover.
 - The final bill signed into law by the Governor only contained the storm securitization enabling language and did not include the alternative rate making and banding provisions opposed by the NCJC and others.
 - *The law became effective November 6th, 2019.*

Legislation Pending:

- [*SB 364 / HB 919 \(NC Receivership Act\)](#) would create a new Act governing the appointment of receivers by creditors seeking to recover loans from borrowers. The current version of the bill lacks protections for LMI consumers and is opposed by the NCJC.
 - *SB 364 is currently in House Rules. As of this writing negotiations concerning legislative language changes are ongoing. HB 919 did not make crossover.*
- [*HB 327 \(Fees/Returned Checks/Loan Processing\)](#) was opposed by NCJC and CRL and did not make crossover but would have increased loan processing fees and returned check fees.
- [*HB 787 \(Consumer Credit/Finance Charge Rates\)](#) was opposed by NCJC, CRL, and US Military and did not make crossover but would have increased rates and fee on certain RISA loans.
- [*HB 718 \(Fed. Insured Depository Inst. Interest Rates\)](#) would have authorized NC state-chartered credit unions to charge predatory overdraft fees.
 - *The bill was opposed by NCJC and CRL and is currently in Senate Rules.*

- ***SB587 (Consumer Credit/Finance Charge Rates)** would have increased certain fees on NC RISA loans and was opposed by NCJC and CRL.
 - *The bill is currently in Senate Rules and did not make crossover.*
- ***Harmful Debt Buyer Legislation.** Two national debt buyers worked with House and Senate members to draft legislation eliminating existing consumer protections against aggressive debt buyer collection activity. Due to proactive lobbying by the NCJC and CRL, House and Senate members decided not to introduce the legislation.

HEALTH CARE & PUBLIC BENEFITS POLICY

Health Care

Legislation Passed:

- ***SB86 (Small Business Health Care Act)** treats associations of small businesses and self-employed individuals as “large employer” plans allowing them to circumvent critical ACA protections required for small businesses and individuals.
 - This bi-partisan legislation allows association health plans (AHPs) to do the following: cherry pick younger and healthier enrollees; use discriminatory practices like charging higher rates for people who are older or in rural areas; and not provide Essential Health Benefits as required under the Affordable Care Act.
 - *Became law without Gov. Cooper’s signature on 8/25/19*

Legislation Pending:

- ***HB655 (NC Health Care for Working Families)**, aimed at closing the coverage gap, contains problematic provisions, including the 2 percent premium and the work reporting requirement. There have been legal challenges to the work reporting requirement in other states that have implemented them.
 - The bill closely resembles last years “Carolina Cares” bill, originally filed April 2017.
 - *Bill was heard in the health care committee on September 18 and referred to Rules. It is expected to make it onto the House floor the week of October 21.*
- **SB681 (Rural Health Care/Local Sales Tax Flex/Util. Acct.)** would appropriate funds to be available for eligible rural hospitals to apply to receive loans to alleviate financial distress.
 - The funds would be available to finance the new construction of health care facilities or provide operational costs and would be administered by the UNC Health Care System.
 - *In August, both chambers appointed a conference committee.*
- **HB5 and SB3 (Close the Medicaid Coverage Gap):** Largely symbolic in nature, these bills were introduced by Democratic leaders in both chambers on the first day of session to convey the importance of expanding Medicaid for the state. These bills would expand

Medicaid without erecting any barriers allowing the state to take full advantage of the federal dollars and provide insurance to as many people as possible.

Public Benefits

Legislation Passed:

Legislation Pending:

- [HB 935](#) (**Social Services Reform/DHHS Recommendations**) would establish several regions for the administration and supervision of child welfare and social services programming.
 - The bill also includes provisions specific to child welfare related employee training and background checks, resources for children aging out of foster care, and management and administration of programming.
 - **The legislation was referred to the Committee on Rules, Calendar, and Operations of the House on 9/18/19.**
- ***[HB 762](#) (Nutritional Assistance for Employment Deserts)** would remove the 2016 NCGA imposed ban on DHHS's ability to apply for ABAWD Time-Limit Waivers in SNAP.
 - **Bill was referred to House Rules and did not move.**
- ***[SB 551](#) (Child Support Cooperation Act of 2019)** would make SNAP eligibility conditional on complying with the Child Support Enforcement system.
 - In addition to removing food assistance from parents with low incomes, it has unintended consequences of jeopardizing food assistance of custodial parents and children.
 - Despite early efforts, including advocacy with partners, DHHS, and written documents including fact sheets and blogs, **this bill passed out of the Senate with bipartisan support. Once referred to House Rules (and re-referred to House Health), lobbying and advocacy efforts brought the bill to a halt.**
- [SB387](#) (**Medicaid Work and Community Engagement Opportunity**) would have introduced work requirements for Able-Bodied Adults Without Dependents (ABAWDs) in the traditional Medicaid population, with exemptions limited primarily to individuals under age 19, over age 64, and those who qualify for Medicaid for the Aged, Blind, and Disabled.
 - **The bill was filed and referred to the Senate Rules Committee in March, and no hearing or vote on the bill was held.**

EMPLOYMENT & LABOR POLICY

Legislation Passed:

- ***[HB 770](#) (Freedom to Work/OLB Reform)** requires state agency licensing boards to follow the requirements of G.S. 93B-8.1, the same as occupational licensing boards and allows all licensing boards to deny an application based on a criminal conviction if the

board finds the applicant's criminal history is directly related to the duties and responsibilities of the licensed occupation or is violent or sexual in nature.

- Boards may not deny a license based on a determination that a conviction is for a "crime of moral turpitude." Every board must include in their applications and on their web sites whether the board requires a criminal record check, factors that will be considered pursuant to G.S. 93B-8.1(b1) and the appeals process.
 - Every board must make sure that the applicant has the criminal record that is being used by the Board and allow the applicant an opportunity to correct any inaccuracies in the record and provide evidence of mitigation or rehabilitation.
 - Allows applicants to petition a licensing board at *any time* for a determination on whether their criminal history will disqualify the individual from obtaining a license and determinations issued by boards declaring that the petitioner is eligible for a license will be binding if an applicant fulfills all other requirements for the license and the applicant's submitted criminal history was correct and remains unchanged at the time of application for a license.
 - Requires occupational licensing boards to grant licenses to any applicant who has met the requirements and completed a federally recognized apprenticeship and passed any required examination. See [Bill Summary HB 770](#).
 - Provisions of [SB 305/HB 910](#) are part of final HB 770.
- **[SB 505 \(Rural Job Retention Act\)](#)** expands the types of business eligible for a grant from the Job Maintenance and Capital Development Fund to include a manufacturing business that has been operating in the State for more than 100 years, plans to invest \$325 million of private funds in improvements over a four-year period, employs at least 1,050 full-time employees, and plans to retrain and relocate at least 400 of those employees to a facility located in a tier two area. Increases the total aggregate cost of all agreements the Department of Commerce may enter into under the program from \$139 million to \$154 million.

Legislation Pending:

- **[HB 46 \(Economic Security Act of 2019\)](#)** increases the minimum wage to \$15/hour in phases over five years; mandates equal pay for equal work; requires paid sick leave and family medical leave; increases the tipped minimum wage; ends wage theft; requires fair chance hiring for people with criminal records; repeals public employee collective bargaining restrictions; reenacts NC's Earned Income Tax Credit (EITC) and tax credits for child care and certain employment-related expenses.
 - ***Pending in House.***
- **[HB 244 \(Contractor/Subcontractor Compliance\)](#)** requires all contractors and subcontractors doing business with the state or any political subdivision of the state to use E-Verify.
 - ***Pending in House.***
- **[HB 271 \(NC Adopt Equal Rights Amendment\)](#)** would ratify the Equal Rights Amendment to the U.S. Constitution.
 - ***Pending in House.***

- [HB 366](#) (**Raising Wages for NC Workers**) increases the minimum wage to \$15/hour over five years and set to cost of living adjustment thereafter.
 - Ends sub-minimum wage for people with disabilities, phases out subminimum wage for tipped workers, and ends exemption for agricultural and domestic workers.
 - *Pending in House.*
- [*HB 400](#) (**Omnibus Labor Law Changes**) exempts records of certain ongoing Department of Labor(DOL) investigations and enforcement proceedings from Public Records Act disclosure; excludes trains from the definition of amusement devices regulated by DOL; authorizes DOL's Occupational Safety and Health Division Director to obtain medical records of patients relating to occupational safety and health investigations and enforcement proceedings; limits the admissibility in third-party proceedings of the names of witnesses or complainants in occupational safety and health inspections or investigations in third-party litigation unless the witness or complainant signs a written release permitting the Commissioner to provide the information.
 - *Passed House. Pending in Senate.*
- [*HB 422/SB 234](#) (**Healthy Families & Workplaces/Paid Sick Days**) requires workers have earned sick days to address their own health needs and health needs of family members.
 - *Pending in respective chambers.*
- [*HB 423/SB 223](#) (**Caregiver Relief Act**) expands eligibility for FMLA leave.
 - *Pending in respective chambers.*
- [HB487](#) (**Short-Term Workforce Training Funds**) appropriates additional funds to the Community Colleges for short-term workforce training continuing education programs that lead to a state or industry-recognized credential.
 - *Pending in House.*
- [HB 533](#) (**Retail Workers' Bill of Rights**) ensures fair scheduling and treatment of retail employees.
 - *Pending in House.*
- [HB 551](#) (**LRC Study – Require Paid Work Breaks**) directs Legislative Research Commission (LRC) to study amending the Wage & Hour Act to require employers provide a 20-minute break to any employee working a shift of 6 hours or more.
 - *Pending in House.*
- [HB 669/ SB 130](#) (**State Employees/Paid Parental Leave**) creates paid parental leave program for NC State Employees.
 - *Pending in House.*
- [*HB 696](#) (**NC Families First Act**) creates paid family and medical leave for NC workers
 - *Pending in House.*
- [HB 710](#) (**Repeal Ban/G.S. 95-98**) repeals the prohibition on contracts between governmental entities and labor organizations for the purpose of collective bargaining.

- *Pending in House.*
- *[HB 713 \(Unemployment Insurance Changes/Restoration\)](#) amends NC's Employment Security Laws to eliminate multiple waiting weeks for benefits, the sliding scale duration of benefits, and the \$350 weekly cap on benefits; to reestablish 26 weeks of Eligibility and using the average of the highest two quarters for the benefit formula; and to restore benefits in cases where an individual leaves employment for spousal relocation or health reasons or due to an undue hardship.
 - *Pending in House.*
- [HB 715 \(SHRA/Strengthen Whistleblower Protection\)](#) requires State employees to report violations of state or federal law, fraud, misappropriation, dangers to public health and safety, gross mismanagement, gross waste of monies, or gross abuse of authority verbally or in writing to their department head or the State Auditor when there is evidence of an improper activity by a State department, agency, or institution; adds a requirement that the employee have a "reasonable belief" about the violation reported; provides immunity from civil liability to any State employee who makes a report in good faith; provides the identity of a State employee making a report will remain confidential and is not a public record until the matter is resolved or the employee consents to making the report public; requires the State Auditor to assist State employees in making reports to the State Auditor as an alternative to making them to their employing department, agency, or institution; defines good faith as "honesty in fact with the goal of complying with the duties imposed by this section;" makes a conforming change to clarify that reports made in good faith are protected from retaliation; clarifies that each State department, agency, and institution must post notice and use other appropriate means to inform State employees of their duties and protections, and the availability of assistance from the State Auditor; allows a monetary reward to a State employee for a substantiated allegation of an improper governmental activity that involves fraud, mismanagement, or waste of State resources, if the report results in a savings to the State.
 - *Passed House. Pending in Senate.*
- [HB 727 \(Wage & Hour Withholding Changes\)](#) relates to withholding wages by employers incident to employee theft and other wrongdoing.
 - *Pending in House.*
- [HB 739 \(Protect State Employee and Contractor Rights\)](#) creates an Ombud's Office under State Human Resources Commission for independent review of workplace complaints by state government employees and prohibits the mistreatment of contract employees working in state government.
 - *Pending in House.*
- [HB 805 \(Work Breaks/Tips Not Counted/Allow Pay Talk\)](#) amends the Wage and Hour Laws to require mandatory paid work breaks and paid meal periods; eliminates the subminimum wage for tipped employees by not counting tips as wages; and prohibits discrimination or retaliation against an employee for disclosing wage information.
 - *Pending in House.*

- [HB 817](#) (**Gen. Assembly/Safe Workplace Policies**) creates a confidential process for reporting and resolving incidents of sexual harassment and other improper workplace behavior in the General Assembly.
 - *Pending in House.*
- [HB 830](#) (**Up Minimum Wage/set Rates/COLA**) Increases the state minimum wage; sets wage rates based on size of employer; and provides automatic adjustment based on increases in cost of living.
 - *Pending in House.*
- [HB 831](#) (**NC Fair Wage Act**) requires employees are paid the same wages in the same workplaces for the same quality and quantity of the same classification of work.
 - *Pending in House.*
- [HB 899](#) (**Enact KinCare Act**) requires an employer who provides either paid or unpaid sick leave to employees to allow an employee to use accrued sick leave to provide for care of a family member, for up to five consecutive days.
 - *Pending on House.*
- [*SB 545](#) (**Fair Chance Hiring**) prohibits state agencies from asking about an applicant's criminal record unless the person has been given a conditional offer of employment.
 - Once an applicant's criminal history is reviewed, the state agency must consider several factors, including the length of time since the conviction, the age of the person at the time of the offense, and whether the offense "reasonably relates" to the duties and responsibilities of the job.
 - *Pending in Senate.*
- [*SB 834](#) (**Ban the Box**) prohibits state agencies from inquiring into or considering the criminal record of a job applicant until applicant has been selected for an interview.
 - *Pending in Senate.*
- [*SB 502](#) (**Ban the Box**) prohibits state agencies and local governments from considering a job applicant's criminal record until there has been a conditional offer of employment and establishes criteria for evaluating if a criminal record excludes a job applicant.
 - *Pending in Senate.*
- [SB 340](#) (**NC Skills-Gap Study**)
 - *Pending in Senate.*
- [SB 464](#) / [HB 515](#) (**Full Repeal of HB 2**)
 - *Pending in respective chambers.*

- [SB 473](#) (Various OLB & Administrative Law Changes)
 - *Pending in Senate.*
- [SB 474](#) (Clean Up Obsolete Boards) abolishes several Boards and Commissions.
 - *Passed Senate. Pending in House.*
- [SB 486](#) (NC Equal Pay Act) prohibits discrimination in payment of wages on the basis of gender.
 - *Pending in Senate.*
- [SB 503](#) (Wage Theft Act)
 - *Pending in Senate.*
- [SB 558](#) (Enact NC Healthy Pregnancy Act) prohibits discrimination in employment because of pregnancy and requires reasonable accommodation for pregnant employees.
 - *Pending in Senate.*
- [SB 575](#) (Restore Bargaining Rights) repeals prohibition against public employee collective bargaining.
 - *Pending in Senate.*
- [SB 616/HB 551](#) (Require Paid Work Breaks) amends Wage & Hour Act to require employers to provide a 20 minute paid break to any employee working a shift of 6 hours or more.
 - *Pending in Senate.*
- [*SB 628](#) (Day Laborer Protection Act) creates the “Day Laborer Protection Act.”
 - *Pending in Senate.*

IMMIGRANT ISSUES

Legislation Passed:

- [*HB 198](#) (Human Trafficking Commission Recommendations) makes clarifications to the Human Trafficking Article; criminalizes promoting travel for unlawful sexual conduct; provides a specific civil cause of action for human trafficking victims; and expands the post-conviction relief available to a victim of human trafficking, as recommended by the North Carolina Human Trafficking Commission.

- ***[HB 370](#) (Require Cooperation with ICE Detainers)** requires confinement facilities to comply with detainers and administrative warrants issued by Immigration and Customs Enforcement (ICE); authorizes the removal of a sheriff or officer from office for failing to comply with ICE detainers; requires confinement facilities to submit annual reports to the Joint Legislative Oversight Committee on Justice and Public Safety (JPS Oversight) regarding compliance with ICE detainers.
 - ***Vetoed by Gov. Cooper on 8/21/19***

- ***[SB 250](#) (Remove Foreign Citizens from Voting Rolls)** allows a chief district court judge to delegate hearing jury excuses to the clerk of court; requires clerks to maintain records of persons asking to be excused from jury duty due to disqualification; and share those records with the State Board of Elections (State Board) if the disqualification is due to citizenship for use in voter list maintenance efforts; codifies the case law requirement that jurors be United States citizens; requires applications for excusals from jury duty be made on a form developed by the Administrative Office of the Courts; requires that information shared with the State Board include personal information from the master jury list; creates a process for voter list maintenance removal of non-citizens reported as disqualified from jury duty; requires the State Board to publish quarterly on its Web Site the voter registration status of each non-citizen reported by the clerk of superior court as disqualified from jury duty.
 - ***Vetoed by Gov. Cooper on 11/6/19.***

Legislation Pending:

- ***[HB 135](#)/[SB 341](#) (Enjoin Sanctuary Ordinances)** declares a sanctuary county or city ordinance null and void; authorizes any person to bring an action for injunctive relief against a county or city enacting a sanctuary ordinance; and appropriates \$15,000, in nonrecurring funds, for the 2019-2020 fiscal year to provide education for the public and for local governments on the contents of this act.
 - ***Passed the House and is pending in NC Senate.***

- **[HB 319](#) (In State Tuition Equity)** authorizes certain immigrant youth to receive in-state tuition at UNC system and NC Community Colleges.

- **[HB 355](#) (Notary Public/Noncitizens)** seeks to clarify meaning of reside legally as used in Notary Public Statutes.
 - ***Pending in House.***

- **[HB 452](#) (Memorandum of 287(g) Agreements)** requires Secretary of North Carolina Department of Public Safety to seek to enter into a memorandum of agreement with U.S. Department of Homeland Security concerning enforcement of federal immigration laws, detention, and removals.
 - ***Pending in House Committee.***

- **[HB 484](#) (Verification of Immigration Status – SAVE)** requires all state agencies and licensing boards verify immigration status of applications for public benefits and use “systematic alien verification for entitlements” (SAVE) to obtain that verification.
 - ***Pending in House.***

- [SB 637 \(48 Hour Hold for Certain Criminal Detainees\)](#) requires individuals charged with certain crimes who are subject to detainer request be held for 48 hours and require certain reports from law enforcement.
 - *Pending in House.*

CRIMINAL JUSTICE

Legislation Passed:

- [*HB 770 \(Freedom to Work/OLB Reform\)](#) requires state agency licensing boards to follow the requirements of G.S. 93B-8.1, the same as occupational licensing boards; allows all licensing boards to deny an application based on a criminal conviction if the board finds the applicant's criminal history is directly related to the duties and responsibilities of the licensed occupation or is violent or sexual in nature.
 - Boards may not deny a license based on a determination that a conviction is for a "crime of moral turpitude." Every board must include in their applications and on their web sites whether the board requires a criminal record check, factors that will be considered pursuant to G.S. 93B-8.1(b1) and the appeals process.
 - Every board must make sure that the applicant has the criminal record that is being used by the Board and allow the applicant an opportunity to correct any inaccuracies in the record and provide evidence of mitigation or rehabilitation.
 - Allows applicants to petition a licensing board at *any time* for a determination on whether their criminal history will disqualify the individual from obtaining a license and determinations issued by boards declaring that the petitioner is eligible for a license will be binding if an applicant fulfills all other requirements for the license and the applicant's submitted criminal history was correct and remains unchanged at the time of application for a license.
 - Requires occupational licensing boards to grant licenses to any applicant who has met the requirements and completed a federally recognized apprenticeship and passed any required examination.
 - See [Bill Summary HB 770](#). Provisions of [SB 305](#)/[HB 910](#) are part of final HB 770.
- [*SB 584 \(Criminal Law Reform\)](#) amends the rule-making procedure to delay the effective date of rules that create a new criminal offense to either the 31st legislative day or the day of adjournment of the next regular session, whichever occurs first, unless disapproved by the General Assembly.
 - Amends S.L. 2018-69 to extend the reporting deadline for State agencies, boards, and commissions, and for counties, cities, towns, and metropolitan sewerage districts to file their reports to November 1, 2019. These sections would also amend the Session Law to require reports to go only to the Joint Legislative Administrative Procedure Oversight Committee, rather than both that committee and the Joint Legislative Oversight Committee on Justice and Public Safety. Amends S.L. 2018-69 to limit the reporting requirement to

counties with a population of 20,000 or more according to the last federal decennial census, and cities or towns with a population of 1,000 or more according to the last federal decennial census. Requires the General Statutes Commission to study the reports received pursuant to S.L. 2018-69, as amended, and make recommendations regarding whether conduct currently criminalized by ordinance or rule should have criminal penalties provided by a generally applicable State law.

- The Commission shall report to the 2019 General Assembly and to the Joint Oversight Committee on General Government on or before May 1, 2020.
- **[SB 413 \(Raise the Age Modifications\)](#)** modifies certain juvenile delinquency and juvenile justice statutes to facilitate implementation of the legislation known as "Raise the Age."
 - Clarifies the limits on juvenile court jurisdiction by providing juveniles previously transferred to and convicted in superior court will be prosecuted as an adult for any subsequent criminal offense except juveniles convicted of a misdemeanor motor vehicle violation or an infraction other than driving while impaired.
- **[*HB 198 \(Human Trafficking Commission Recommendations\)](#)** makes clarifications to the Human Trafficking Article; criminalizes promoting travel for unlawful sexual conduct; provides a specific civil cause of action for human trafficking victims; and expands the post-conviction relief available to a victim of human trafficking, as recommended by the North Carolina Human Trafficking Commission.
- **[HB 108 \(PED/Safekeeper Health Care Cost Recov. Pract.\)](#)** modifies the data collection and cost recovery practices for health care services provided to incarcerated people who are transferred from a local jail to the State prison system pursuant to a safekeeping order.
- **[HB 106 \(Inmate Health Care & 340B Program\)](#)** requires the Department of Public Safety (DPS) to develop a plan to increase the use of the Central Prison Healthcare Complex and to submit the plan to the Joint Legislative Oversight Committee on Justice and Public Safety; requires a quarterly report on the reimbursement rate for contracted providers; adds a new statute pertaining to Medicaid services for inmates and requires progress reports; requires the issuance of two Requests for Proposals (RFP) to develop an electronic inventory system for medical supplies; requires DPS to study and develop initiatives pertaining to the salaries of all in-prison health services employees; and requires the establishment of a telemedicine pilot program to provide physical health services to inmates. Part II (Federal 340B Program) requires DPS to partner with the Department of Health and Human Services to access medication pricing under the federal 340B Program, requires DPS to issue a RFP for partnerships between entities covered under the federal 340B Program and four prison regions, requires DPS to develop a Memorandum of Agreement with the University of North Carolina Healthcare Services for the 340B Program.

- HB 106 is based on recommendations contained in reports by the Program Evaluation Division.
- **[SB 682 \(Implement Crime Victim Rights Amendment\)](#)** implements the constitutional amendment to provide protections and safeguards to victims of crime and acts of delinquency. See [Legislative Staff Bill Summary of SB 682](#)
- **[HB 474 \(Death by Distribution\)](#)** creates new criminal offenses for death by distribution, and aggravated death by distribution, of "certain controlled substances" without malice.
- **[HB 617 \(Allow Repeat Referral to Teen Court\)](#)** allows a juvenile to be referred to a teen court program more than once by removing the prohibition on referring a juvenile to a teen court program if the juvenile has been referred to a teen court program previously.
- ***[SB 151 \(Break or Enter Pharmacy/Increase Penalties\)](#)** makes it a criminal offense to break or enter into a pharmacy with the intent to commit a larceny of a controlled substance, to possess or receive a controlled substance stolen from a pharmacy, and would authorize the forfeiture of any interest in property that a person acquires or maintains from a violation of this section.
 - Makes it a Class E felony (15 to 88 months incarceration) to break or enter into a pharmacy with the intent to commit a larceny of a controlled substance. Class E felony punishment may include an active term of imprisonment.
 - Makes it a Class F felony (10 to 59 months incarceration) to receive or possess a controlled substance knowing or having reason to believe the controlled substance to be stolen from a pharmacy.
- **[SB 118 \(Prison Safety/TANF State Plan/Clarification\)](#)** Various appropriations totaling \$4,471,149 in nonrecurring funds for the 2019-2020 fiscal year for the costs associated with listed prison safety expenditures:
 - (1) \$400,000 to purchase additional stab resistant vests and exterior carriers for certified prison staff; (2) \$730,937 to erect security netting over prison fence lines to deter and intercept contraband; (3) \$216,750 to purchase additional handheld metal detectors to reduce contraband in prison facilities; (4) \$675,360 to be used to purchase customizable key lock boxes distributed throughout prison facilities; (5) \$2,448,102 for Information Technology security equipment upgrades for prison mandown technology and cameras.
 - Quarterly reporting to the Joint Legislative Oversight Committee on Justice and Public Safety starting on November 1, 2019, and lasting until the end of the 2019-2021 biennium, delivered by the Department of Public Safety regarding listed prison reform initiatives: (1) All modifications to Department rules, policies, and procedures related to disciplinary actions against correctional officers and other correctional staff; (2) All modifications to Department rules, policies, and procedures related to disciplinary actions against inmates; (3) The

amount, content, quality, and frequency of staff training; (4) Modifications to inmate work assignments, including assessments of the appropriateness of particular work assignments based on inmate classification; (5) Facility infrastructure improvements made to emergency communication, location tracking capabilities, and installation of additional cameras; (6) Increased availability of staff personal safety equipment and institutional safety equipment; (7) Adequacy of staffing of prison facilities and actions taken to increase staffing levels; (8) Actions taken to increase retention efforts of staff; (9) Changes to the hiring and orientation processes and procedures for correctional officers; (10) Methods used to prevent delivery of contraband items to prisoners, including illegal drugs and mobile phones, and an evaluation or summary of the effectiveness of the methods; (11) Modifications to housing capacity to meet prison staffing requirements. Clarifying language which explains that certain funds referenced in House Bill 966 and other salary and benefits bills enacted in 2019 are to be described as Departmental Receipts. Approval of the 2019-2022 Temporary Assistance for Needy Families (TANF) State Plan.

- **SB 199 (Child Sex Abuse/Strengthen Laws)** expands the statute of limitations for misdemeanor crimes involving abuse against children to 10 years.
 - Expands the duty to report child abuse.
 - Protects children from online predators.
 - Extends the statute of limitations for a civil action for child sexual abuse so that a plaintiff has until age 28 to commence an action.
 - Requires training related to child sexual abuse and sex trafficking for school personnel.
 - Defines a “high-risk sex offender” and expands restrictions for communicating with individuals under 16 years old.
 - Undoes a 1970 court decision that made NC the only state where women could not revoke consent.

Legislation Pending:

- ***SB 562/HB 874 (The Second Chance Act)** provides that a misdemeanor or felony charge that is dismissed or disposed “not guilty” on or after July 1, 2020, will be automatically expunged. (Exception: a felony charge that is dismissed pursuant to a plea agreement that results in any conviction). Provides that a person or prosecutor can petition for expunction of all misdemeanor and Class H or I felony convictions that occurred when a person was ages 16 or 17 and prior to Dec. 1, 2019 (the effective date of Raise the Age).
 - Allows a prosecutor to petition for expunction of dismissed charges and charges disposed “not guilty” and “Raise the Age” convictions (see above).
 - Expands expunction eligibility by allowing an individual to petition for expunction of all nonviolent misdemeanor convictions after an extended “good behavior” wait period of seven years. If a person is eligible for

- expunction of one or more nonviolent misdemeanors, the presiding judge must grant the relief.
 - ***Passed Senate. Pending in House.***
- **[HB 374](#) (Sex Offender/Expand Residential Restriction)** would prohibit certain people on the sex offense registry from residing within 1,000 feet of a site where an organized residential youth camp is located.
 - ***Passed the House; Pending in Senate.***
- ***[HB 132/SB 82](#) (Dismissal or Not Guilty/Automatic Expunction)** provides for the automatic expunction of all charges dismissed or disposed “not guilty”.
 - ***Pending in House/Senate.***
- ***[HB 121](#) (Expunction Related to RTA/ No Conviction)** expands expunction eligibility and reduces wait time for misdemeanor and H or I felony convictions committed at age 16 or 17; also eliminates felony disqualification for expunction of dismissed charges.
 - ***Passed House; Pending in Senate.***
- ***[HB 511/SB 404](#) (NC First Step Act)** allows a sentencing court to deviate from the minimum and maximum sentencing mandates for drug trafficking offenses.
 - Allows a person sentenced solely for trafficking or conspiracy to commit trafficking to file a Motion for Appropriate Relief (MAR) to have their sentence modified.
 - Authorizes the Department of Information Technology (DIT) to study the collection of criminal justice data.
 - ***Passed the House; Pending in Senate.***
- **[HB 540/SB 442](#) (Drug Trafficking/Judicial Discretion & Study)** would increase judicial discretion in sentencing for drug trafficking offenses and require the North Carolina Sentencing and Policy Advisory Commission to study the advisability of reducing sentences for drug trafficking convictions.
 - ***Pending in House/Senate.***
- ***[HB 885](#) (Study Criminal Justice Data Collection)** requires the Department of Information Technology, Government Analytics Center, and the Administrative Office of the Courts to conduct a statewide study to identify the criminal justice data elements currently collected and maintained by jails, courts, and prisons.
 - The purpose of the study is to (i) identify gaps in data and accessibility of data for research purposes and for use by judicial officials and other stakeholders and (ii) to identify solutions for improving availability and accessibility of data to inform public policy through an integrated tool or other system.
 - ***Passed House. Pending in Senate.***
- ***[HB 930](#) (Improve Success of Reentry by Inmates)** requires the NC Administrative Office of the Courts to help district attorneys and the NC Department of Public Safety resolve pending misdemeanors and traffic infractions prior to their release from prison in order to facilitate successful reentry.

- Establishes fee waivers for people exiting prison for birth certificates and driver's licenses.
- ***Pending in House.***
- ***[HB 988](#) (Next Step Act)** limits the shackling of incarcerated women during pregnancy, delivery, and post-partum.
 - Requires imprisoned parents of minor children to be placed within 250 miles of their home address.
 - Requires NCDPS to provide access to feminine hygiene products to indigent people.
 - Appropriates:
 - \$3.2 million to provide telemedicine for mental health support during certain hours.
 - \$2.5 million for improving and expanding the court date notification system.
 - \$12 million for behavioral health and therapy diversion unit.
 - \$7.5 million for day treatment program for NC Correctional Institution for Women.
 - \$2.8 million for local reentry councils to fund housing supporting specialist and peer support counselors and to fund rental assistance programs and transportation assistance programs.
 - ***Pending in House.***
- **[HB 37](#) (Child Sex Abuse/Extend Statute of Limitations)** extends the statute of limitations for a civil action for child sexual abuse so that a plaintiff has until age 38 to commence an action; and requires training related to child sexual abuse and sex trafficking for school personnel.
 - ***Passed House. Pending in Senate.***
- **[SB 563](#) (Right to Revoke Consent)** provides that a person who continues to engage in intercourse or sexual act after consent is withdrawn is deemed to have committed the act of intercourse or sexual act by force and against the will of the other person
 - ***Pending in Senate.***
- ***[SB 494](#)/[HB 909](#) (Revocation of License/Penalty/Costs)** requires "ability to pay" finding prior to suspension of driver's license for failure to pay court costs.
 - Limits driver's license suspensions for failure to pay court costs to a maximum period of 12-months. Establishes indigency waiver for DMV reinstatement fee.
 - ***Pending in House/Senate.***
- ***[SB 545](#) (Fair Chance Hiring)** prohibits state agencies from asking about an applicant's criminal record unless the person has been given a conditional offer of employment.
 - Once an applicant's criminal history is reviewed, the state agency must consider several factors, including the length of time since the conviction, the age of the person at the time of the offense, and whether the offense "reasonably relates" to the duties and responsibilities of the job.
 - ***Pending in Senate.***
- ***[SB 834](#) (Ban the Box)** prohibits state agencies from inquiring into or considering the criminal record of a job applicant until applicant has been selected for an interview.

- *Pending in Senate.*
- ***SB 502 (Ban the Box)** prohibits state agencies and local governments from considering a job applicant’s criminal record until there has been a conditional offer of employment and establishes criteria for evaluating if a criminal record excludes a job applicant.
 - *Pending in Senate.*
- ***SB 561/HB 463 (Education/Job Readiness in Prisons and Jails)** provides people in state prisons access to state financial aid through the UNC System and restores the ability of community colleges to provide more courses in prisons and jails.
 - *Passed House; Pending in Senate.*
- **SB 407 (Funds to Aid Jails with Addiction Treatment)** appropriates \$1 million to expand a drug treatment program piloted in Forsyth County.
 - *Pending in Senate.*
- **HB 839 (Study Community-Based Sentencing Alternatives)** creates a legislative study committee to study community-based sentencing alternatives for people who are convicted of nonviolent crimes and are the primary caretakers of dependent children.
 - *Pending in House.*

Appropriations & Special Provisions:

- **HB 1001 (Raise the Age Funding)** provides funding for “Raise the Age.”
 - Increases the number of full-time assistant district attorneys allowed in certain prosecutorial districts, adjusts the number of district court judges allowed in certain district court districts, and appropriate funds to the Administrative Office of the Courts, the Office of Indigent Defense Services, and the Department of Public Safety to cover costs associated with increased staff and other additional resources needed to implement Section 16D.4 of S.L. 2017-57 ("Raise the Age legislation").

CIVIL RIGHTS & ACCESS TO THE COURTS

Legislation Passed:

- **SB 682 (Implement Crime Victim Rights Amendment)** implements the constitutional amendment to provide protections and safeguards to victims of crime and acts of delinquency. See [Legislative Staff Bill Summary of SB 682](#)

Legislation Pending:

- ***HB 885 (Study Criminal Justice Data Collection)** requires the Department of Information Technology, Government Analytics Center, and the Administrative Office of the Courts to conduct a statewide study to identify the criminal justice data elements currently collected and maintained by jails, courts, and prisons.

- The purpose of the study is to (i) identify gaps in data and accessibility of data for research purposes and for use by judicial officials and other stakeholders and (ii) to identify solutions for improving availability and accessibility of data to inform public policy through an integrated tool or other system.
- ***Passed House. Pending in Senate.***
- **[HB 470/SB 490 \(Administration of Justice Changes\)](#)** makes changes and technical corrections requested by the Administrative Office of the Courts (AOC) and the Conference of Superior Court Clerks; clarifies the scope of Judicial Standards Commission investigations; and clarifies the service to the State that may be considered good cause for court continuances.
 - Sections 4, 11, and 12 contain finance-related provisions.
 - The fee changes were recommended by the Conference of Superior Court Clerks and are the same changes enacted by the General Assembly in the budget bill, House Bill 966, on June 27th, and passed by the Senate in House Bill 226 on August 13th. Section 16 amends G.S. 42-34 to make clear that 5 days to pay rent appeal bond means 5 business days. See [Legislative Bill Summary of HB 470](#).
 - ***Pending in House for concurrence vote.***
- **[HB 271 \(NC Adopt Equal Rights Amendment\)](#)** would ratify the Equal Rights Amendment to the U.S. Constitution.
 - ***Pending in House.***

OPEN, ACCOUNTABLE, & FAIR DEMOCRACY

Legislation Passed:

- **[SB 683 \(Combat Absentee Ballot Fraud\)](#)** amends the laws governing mail-in absentee ballot; restores last Saturday of early one-stop voting; extends the time county boards of election need to replace direct record electronic voting equipment; and makes appropriations for the current operations of the State Board of Elections.
- ****SB 250 (Remove Foreign Citizens from Voting Rolls)*** allows a chief district court judge to delegate hearing jury excuses to the clerk of court; requires clerks to maintain records of persons asking to be excused from jury duty due to disqualification; and share those records with the State Board of Elections (State Board) if the disqualification is due to citizenship for use in voter list maintenance efforts; codifies the case law requirement that jurors be United States citizens; requires applications for excusals from jury duty be made on a form developed by the Administrative Office of the Courts; requires that information shared with the State Board include personal information from the master jury list; creates a process for voter list maintenance removal of non-citizens reported as disqualified from jury duty; requires the State Board to publish quarterly on its Web Site the voter registration status of each non-citizen reported by the clerk of superior court as disqualified from jury duty.
 - ***Vetoed by Gov. Cooper on 11/6/19***
- **[SB 692 \(2019 Senate Consensus Nonpartisan Map\)](#) & [HB 1020 \(2019 House Remedial Map\)](#)**. Following rulings from a state superior court three-judge panel holding that North

Carolina's state legislative maps were partisan gerrymanders in violation of the state's constitution, legislators drew new maps.

- ***The court approved these new maps for use.***
- **[HB 1029](#) (An Act to Realign the Congressional Districts).** Legislators drew new Congressional maps. A state superior court three-judge panel, after hearing arguments in a lawsuit claiming that the state's Congressional maps were partisan gerrymanders, issued an order to redraw maps pending a ruling that would likely strike down those current maps as well.

Legislation Pending:

- **[HB 69](#) (Nonpartisan Redistricting Commission)** establishes a nonpartisan redistricting process.
 - ***Pending in House.***
- **[SB 673](#) (NC Citizens Redistricting Commission)** amends NC Constitution to establish citizen redistricting commission.
 - ***Pending in Senate.***
- **[HB 510](#) (Reenact Judicial Elections/Fund)** reenacts nonpartisan judicial elections and reestablishes public financing for judicial campaigns.
 - ***Pending in House.***