



## INTRODUCTION

I realize that we are always describing the legislature as crazy or hectic, etc., but I must say in my almost 20 years of lobbying I have never seen a week like the week of June 11<sup>th</sup>. The leadership of both the House and the Senate announced that all statewide bills must be completed by the end of the week. Since the first two weeks of the session were almost exclusively focused on the budget, this left little time to move legislation, negotiate changes or educate legislators on the issues. Additionally, instead of a few “stripped bills” that became new legislation, there were more than 20 bills that were completely replaced with new legislation, sometimes complicated and in depth legal changes that were released one day and on the calendar the next. There were so many committee meetings, floor debates, and caucus meetings that it was constant motion. At least 78 bills were approved by the legislature on Thursday and Friday, June 14<sup>th</sup> and 15<sup>th</sup> as they tried to wrap up all statewide bills.

Although normally the legislature does not quite meet its goals when discussing when they are going to leave town, this year they have been right on target. They finished the statewide bills that they wanted to take up on the 15<sup>th</sup> and last week worked on local bills (bills affecting 15 counties or less) that do not need the signature of the Governor and Constitutional amendments. They are expecting to finish all local bills and vote on constitutional amendments this week and adjourn by June 29<sup>th</sup>. They also are expected to take up any veto over-rides from the seven bills that were vetoed by the Governor on Sunday.

Expect the fundraising and campaigning to kick into high gear once they adjourn this week as many legislators are concerned about their races this Fall, especially considering some of the surprises seen around the country. By finishing the session, they can fundraise full time and ask the very groups that they just worked with during the session for campaign contributions.



## TOWING AND RECOVERY PROFESSIONALS OF NC



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## BILLS OF INTEREST

SENATE BILL 812, Universal Voter Registration, would provide for automatic voter registration at drivers' license offices, public agencies, community colleges, and colleges and universities of the University of North Carolina. The bill also would require the Bipartisan State Board of Elections and Ethics Enforcement to establish and implement an education and outreach campaign to inform voters of the automatic voter registration procedures established pursuant to this act. **Introduced by Senators Woodard, Clark, and Lowe and referred to the Senate Rules Committee.**

## BILL UPDATES

HOUSE BILL 374, Business Freedom Act. This bill is the regulatory reform bill and was amended in Conference Committee to add most of the current provisions. The bill includes provisions to add electronic delivery as an authorized method of delivery of the agency decision in contested cases. **The bill as amended was approved by the House and the Senate. The Governor vetoed this bill on June 25<sup>th</sup>, and the House and Senate will next vote to override the veto.**

HOUSE BILL 646, Amend PED Statutes. The provisions of this bill were removed in the Senate Judiciary Committee and replaced with a new bill to amend the program evaluation statutes to: (1) make it explicit that the Division may evaluate non-state entities that receive or expend any State funds; (2) add administration of measurability assessments as a function of the Division; (3) remove the requirement that requests for evaluations must be submitted by a member of the General Assembly; (4) create standardized evaluation reports; and (5) revise the powers and duties of the Joint Legislative Program Evaluation Oversight Committee. The bill as amended was approved by the Senate Judiciary and Rules Committees and the full Senate and was sent back to the House; however, the House did not agree to the changes made to the bill and a conference committee was appointed. **The conference committee report, which reinstated the requirement that a request to the Program Evaluation Division for evaluation of a State agency program or activity must be submitted by a member of the General Assembly, was approved by the House and the Senate and was sent to the Governor for his signature. The Governor did not sign or veto this bill within the time allowed, and the bill became law without his signature. Effective: June 26, 2018.**

HOUSE BILL 670, Protect Educational Property, was amended in the Senate Judiciary Committee to:

- make it a Class H felony to communicate a threat to commit (1) an act of mass violence on educational property or at a curricular or extracurricular activity sponsored by a school, or (2) an act of mass violence at a place of religious worship;
- provide for the conditional discharge of persons convicted of these offenses when the offense is committed under the age of twenty; and
- require a judge to set conditions of release for these offenses.

**The bill as amended was approved by the Senate Judiciary and Rules Committees and the full Senate. The House agreed to the changes made to the bill in the Senate, and the bill was signed into law by the Governor on June 25<sup>th</sup>. Effective: December 1, 2018, and applies to offenses committed on or after that date.**

HOUSE BILL 774, Amend Certificates of Relief. The provisions of this bill as originally filed were removed in the Senate Judiciary Committee and replaced with new provisions to amend the law regarding a certificate of relief for criminal convictions to:

- allow an individual who is convicted of no more than (i) five Class H or I felonies and (ii) any misdemeanors may petition the court where the individual was convicted for a Certificate of Relief relieving collateral consequences as permitted;
- provide that if the person is convicted of more than one Class H or I felony in the same session of court, then the multiple felony convictions will be treated as one felony conviction;
- require a Certificate of Relief to be automatically revoked if the individual is subsequently convicted of a felony or misdemeanor other than a traffic violation, and require the Administrative Office of the Courts to provide the following declaration on the forms that record criminal judgments: "Any Certificate of Relief is automatically revoked for a subsequent conviction of a felony or misdemeanor other than a traffic violation in this State";
- require the petitioner to pay a one-time \$50 filing fee to the clerk of superior court;
- require a person who is granted a Certificate of Relief under this Article to notify any employer, landlord, or other party who has relied on the Certificate of Relief of any conviction, modification, or revocation, subsequent to the Certificate of Relief within 10 days of the conviction, modification, or revocation;
- allow the court to modify or revoke a Certificate of Relief if it finds by a preponderance of the evidence that the petitioner made a material misrepresentation by the petitioner in the petition; and
- **provide that, in a judicial or administrative proceeding alleging negligence, a Certificate of Relief is a bar to any action alleging lack of due care in hiring, retaining, licensing, leasing to, admitting to a school or program, or otherwise transacting business or engaging in activity with the individual to whom the Certificate of Relief was issued, if the person against whom the judicial or administrative proceeding is brought relied on (currently, knew of) the Certificate of Relief at the time of the alleged negligence.**

The bill was further amended in the Senate Finance Committee to change the effective date from when the act becomes law to December 1, 2018, and make the act apply to petitions filed on or after that date. The bill was also amended on the Senate floor to reduce the number of Class H or I felonies one may have to petition for a Certificate of Relief to no more than three (was, five). **The bill as amended was approved by the Senate and the House and was signed into law by the Governor on June 25<sup>th</sup>. Effective: December 1, 2018, and applies to petitions filed on or after that date.**

HOUSE BILL 933, Reciprocity/School Psychologist Licensure, was further amended by the Senate to expand the Board of Massage and Bodywork Therapy from 7 to 9 members. The Senate also added a new non-discrimination provision to the self-funded health benefit plans language for nonprofits. The provision to allow non-profits and associations to establish health benefit plans became very controversial. **After the Senate passed this much-amended bill, the House did not concur with all the changes. Normally a conference committee is appointed; however, the House announced that one would not be appointed and that the bill would not move forward this year.**

HOUSE BILL 1089, Candidacy Challenge/Expunged Felony/Sheriff, was amended in the House Rules Committee to: (1) require a candidate for sheriff to disclose all expunged felonies; (2) clarify felons voting without rights of citizenship restored; and (3) request the General Assembly study the regulation of digital communication in electioneering communications and advertising disclosures (Facebook ads, etc.). **The bill as amended was approved by the House Rules Committee and the full House. The bill will next be considered by the Senate Rules**

**Committee. Given the Senate leadership’s announcement that no additional public bills will be taken up this session, this means the bill will likely not be passed into law.**

SENATE BILL 99, Appropriations Act of 2018. The Senate previously voted to override the veto on June 7<sup>th</sup>, and the House voted to override the Governor’s veto by a margin of 73-44 on June 12<sup>th</sup>, and the bill was enacted into law despite the Governor’s objections. **Effective: July 1, 2018, except as otherwise provided.**

SENATE BILL 145, DOT/DMV Legislative Requests. The provisions of this bill were removed in the House Rules Committee, and replaced with a new bill to:

- allow the Division of Motor Vehicles (DMV) to waive the knowledge and skills test for qualified military applicants when the applicant has a military license to operate a vehicle of representative class and endorsements. The applicant would be required to provide evidence that the applicant:
  - is a current or former member of an active or reserve component of the Armed Forces and holds a military vehicle license eligible for waiver as allowed by the Federal Motor Carrier Safety Administration;
  - is or was regularly employed in a military position requiring operation of a vehicle representative of the license being sought; and
  - meets the qualifications listed, including that the applicant has not, in the two years preceding the date of the application, had their license suspended or had any criminal convictions for motor vehicle offenses);
- allow the DMV to release otherwise confidential records and evidence pertaining to drivers to any other state or federal government agency for the purposes of determining an individual’s ability to safely operate a commercial vehicle;
- exempt from the CDL requirements the operator of a vehicle when used as firefighting or emergency equipment for the purpose of preserving life or property or to execute emergency governmental functions, including, but not limited to, necessary maintenance, training, or required operation for official business of the department.

**The bill as amended was approved by the House Rules Committee. After an amendment on the House floor, the bill was also approved by the House and the Senate and was signed into law by the Governor on June 25<sup>th</sup>. Effective: July 1, 2018, except as otherwise provided.**

SENATE BILL 168, AOC Omnibus Changes. The original provisions of this bill were removed in the House Judiciary I Committee and replaced with new provisions to authorize the AOC or clerks of the superior court to keep confidential personally identifiable information collected for the purpose of a court proceeding notification system and would permit the use of an automatic dialing and recorded message player to make unsolicited telephone calls generated from a court proceeding notification system established by the AOC. **The bill as amended was approved by the House Judiciary I Committee, and after an amendment on the floor, was approved by the House and the Senate. The bill was signed into law by the Governor on June 22, 2018. Effective: June 22, 2018, except as otherwise provided.**

SENATE BILL 325, The Uniform & Expanded Early Voting Act. The provisions of this bill were removed in the House Rules Committee and replaced with new provisions to change the schedules and rules of early voting – a hotly contested topic between the Republicans and Democrats. The bill would:

- amend the days/times for early voting to not earlier than the third Wednesday (currently, second Thursday) before an election, in which absentee ballots are authorized, in which a

voter seeks to vote and not later than 7:00 pm on the last Friday (currently, 1:00 pm on Saturday) before that election;

- remove the requirement that county boards of elections conduct one-stop voting on the last Saturday before the election until 1:00 pm;
- remove the requirement that any plan adopted by either the county board of elections or the State Board under this subsection shall provide for the same days of operation and same number of hours of operation on each day for all sites in that county for that election;
- require a county board of elections, for all sites approved for one-stop voting, to provide that: (1) each one-stop site across the county must be open at that same location during the period required; (2) if any one-stop site across the county is opened, all one-stop sites must be open on that day; (3) on each weekday during the period required, all one-stop sites must be open from 7:00 A.M. to 7:00 P.M.; and (4) if the county board of elections opens one-stop sites on Saturdays or Sundays, then all one-stop sites must be open for the same number of hours uniformly throughout the county on those Saturdays or Sundays;
- require county board of elections to submit to the State Board an annual report, on or before September 1 of each year, of its list maintenance, and direct the State Board to compile annual reports received from the county board of elections and submit the reports to the Joint Legislative Elections Oversight Committee on or before October 1 of each year.

**The bill as amended was approved by the House and the Senate. The Governor vetoed this bill on June 25<sup>th</sup>. The Senate voted on June 26<sup>th</sup> to override the veto and the House will vote next on whether to do so.**

SENATE BILL 335, Budget Technical Corrections and Study. This bill is typically done every year to correct errors and make adjustments to the budget. This year the leadership put the bill into a conference committee report, just like they handled the budget itself, which means no amendments were permitted and it received an up or down vote in each chamber. The Conference Committee report will:

- establish the Center for Safe Schools within the Department of Public Instruction, provide for the appointment of an Executive Director, and require all agencies to cooperate with the Center. The Center will work with the Division of Emergency Management, the Department of Public Instruction, and the Division of School Operations to develop school crisis kits;
- require that \$348,558 of the funds appropriated to DHHS, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, be used to fund a suicide prevention lifeline;
- clarify that State funding cannot be used for a light rail project until all necessary non-State funding has been committed; clarify that total State funding committed for a commuter rail or light rail project may not exceed the lesser of 10% of the regional allocation or 10% of the total project costs; and limit the amount of state funding for the Durham-Orange Light Rail Project to \$190 million.

**The bill as amended in the Conference Committee was approved by the House and the Senate and has been sent to the Governor for his signature. The Governor did not sign or veto this bill within the time required and the bill became law without his signature. Effective: July 1, 2018, except as otherwise provided.**

SENATE BILL 411, Various Motor Vehicle Law Revisions, was amended in Committee and on the House floor to:

- allow a person who transfers title to a vehicle pursuant to a sworn certificate to be considered to have complied with this section even when the Division issues a certificate of title to the person after the time limit has elapsed;

- remove the provision that prohibited a lien on a motor vehicle from being noted on the certificate of title or otherwise perfected by the Division of Motor Vehicles unless the electronic lien system is utilized by the lienholder in accordance with the statute;
- provide that no person has a cause of action against the Division *or Division contractors* arising from the transfer of a vehicle by a sworn certification when the manufacturer's statement of origin or an existing certificate of title on a motor vehicle is unavailable;
- provide that for a vehicle registered in this state, the application for notation of a security interest must be accompanied by the existing certificate of title unless in the possession of a prior secured party or in the event the manufacturer's statement of origin or existing certificate of title was (i) not delivered to the dealer or (ii) lost or misplaced on the date the dealer sells or transfers the motor vehicle.

**The bill as amended was approved by the House and the Senate and was signed into law by the Governor on June 22<sup>nd</sup>. Effective: Most of the provisions are effective June 22, 2018.**

SENATE BILL 412, Abandoned Vehicles/Charities, was amended on the House floor to clarify that the Division *and Division contractors* may not be held liable for any damages arising from the transfer or subsequent operation of any vehicle titled or sold pursuant to this section. **The bill as amended was approved by the House and the Senate and was signed into law by the Governor on June 22<sup>nd</sup>. Effective: June 22, 2018.**

SENATE BILL 723, Clarify Prevention/Emergency Management Act, was amended in the Senate State and Local Government Committee to make changes to the Emergency Management Act. These changes would include:

- clarifying that the prevention of and response to acts of violence are within the scope of the Act;
- amending the definition of “emergency” to include: hazards caused by naturally occurring events such as meteorological or geological phenomena; accidents, failures, and threats to public health, including explosions, technological and cyber failures, transportation or radiological accidents, diseases and pandemics, or the release of chemical or other hazardous materials; and deliberate and coordinated acts of violence, riots, foreign or domestic terrorism, and military or paramilitary activities;
- defining “human-caused emergencies” as deliberate and coordinated acts of violence, riots, foreign or domestic terrorism, and military or paramilitary activities;
- requiring the Division of Emergency Management through the Office of School Risk Management to develop and administer a statewide system to prevent and respond to human-caused emergencies in public schools, colleges, and universities; and
- directing the Division of Emergency Management to: (1) study appropriate training standards for school resource officers, including an examination of mandatory standards adopted by other states as well as best practices and ways to increase the number of trained school resource officers available to North Carolina schools; and (2) report its findings and recommendations to the Joint Legislative Oversight Committee on Emergency Management no later than November 1, 2018.

**The bill as amended was approved by the Senate State and Local Government Committee and the Senate Judiciary Committee. The bill will next be considered by the Senate Rules Committee. Given the Senate leadership’s announcement that no additional public bills will be taken up this session, this means the bill will likely not be passed into law.**

## CONSTITUTIONAL AMENDMENTS

HOUSE BILL 1092, Const. Amendment - Require Photo ID to Vote, which would amend the State Constitution to require photo identification to vote in person, was amended in the House Rules Committee to require that the General Assembly enact laws governing the requirements of the required photographic identification, which may include exceptions. **The bill as amended was approved by the House Rules Committee and will next be considered by the full House.**

SENATE BILL 70, Const. Amd. - Max. Income Tax Rate of 5.5%, was amended in the House Rules Committee to:

- require the amendment to the State Constitution to Reduce the income tax rate in North Carolina to a maximum allowable rate of 5.5% to be submitted to voters in a statewide general election to be held in November of 2018 (previously, November 6, 2018); and
- require the Bipartisan State Board of Elections and Ethics Enforcement to certify the amendment to the Secretary of State if the vote is favorable.

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

SENATE BILL 677, Protect Right to Hunt and Fish, as amended in Senate committee and on the Senate floor, would amend the State Constitution, if approved by a majority of voters in a statewide election to be held in November 2018, to protect the right of the people to hunt, fish, and harvest wildlife. The bill would provide that these rights may not be construed to modify any provision of law relating to public safety, trespass, property rights, eminent domain, or the regulation of commercial activities. **The bill as amended was approved by the Senate and the House and will be placed on the November ballot.**

SENATE BILL 814, Judicial Vacancy Sunshine Amendment, would amend the State Constitution, if approved by a majority of voters at a statewide general election to be held in November of 2018, to implement a nonpartisan merit-based system that relies on professional qualifications instead of political influence when nominating Justices and judges to be selected to fill vacancies that occur between judicial elections. The bill would:

- require nominations to be made by the State's citizens to the Nonpartisan Judicial Merit Commission, which will evaluate the nominees without regard to partisan affiliation but with respect to the nominee's qualifications;
- require the Commission to forward the evaluation of each nominee to the General Assembly, which will recommend at least two nominees for each vacancy to the Governor;
- allow the General Assembly to provide for the establishment of local merit commissions for the nomination of judges of the Superior and District Court;
- require the Governor, for each vacancy, to appoint the nominee deemed best qualified to serve within 10 days after the nominees are presented to the Governor. If the Governor does not make an appointment within 10 days, the General Assembly would hold a joint session and elect an appointee to fill the vacancy;
- provide that, if the General Assembly has adjourned sine die or for more than 30 days, then the Chief Justice may appoint a qualified individual to fill the vacancy if: (1) the vacancy occurs during the period of adjournment; (2) the General Assembly adjourned without presenting nominees to the Governor or failed to elect a nominee; or (3) the Governor failed to appoint a recommended nominee;
- prohibit the appointment by the Governor or election by the General Assembly after an election to fill the vacancy has commenced;

- provide that appointees hold their places until the next election after the election for members of the General Assembly held after the appointment occurs, when elections would be held to fill those offices. If the vacancy occurs on or after the sixtieth day before the next election for members of the General Assembly and the term would expire on December 31 of that same year, the Chief Justice would have to appoint to fill that vacancy for the unexpired term; and
- require vacancies in the office of District Attorney to be filled by appointment of the Governor, with the appointees holding office until the next election for General Assembly members that is held more than 60 days after the vacancy occurs, when elections would be held to fill the office. If the unexpired term in which the vacancy occurred expires on the first day of January succeeding the next election of General Assembly members, then the Governor would be required to appoint to fill that vacancy for the unexpired term of the office.

**Introduced by Senators Daniel, Newton, and Randleman and referred to the Senate Judiciary Committee.**

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