



Short Session Begins as House Bill 2 Dominates the Headlines

On April 25th, the 2016 “short” session of the North Carolina General Assembly convened amid protests for and against the much-discussed House Bill 2, also known as the “bathroom bill” (though as we’ve reported, the bill does significantly more than address that issue, including enact a statewide nondiscrimination policy that excludes LGBT people and voiding local ordinances regarding minimum wage). A rally on the legislative mall in support of the bill drew a large crowd, while a counter rally at the Old Capital ended with opponents delivering thousands of petitions for its repeal to the Governor’s staff. Some activists associated with the Moral Monday movement occupied the hallways outside House Speaker Tim Moore’s office, and dozens were arrested when they refused to disperse.

Traditionally the short session, held in the second year of each legislative biennium, focuses on an update to the state budget, remaining bills from the previous year’s “long” session that have passed one chamber but not the other, and legislative proposals made by the various oversight committees and subcommittees that have been meeting since the long session adjourned in late September. Given the unusual length and contentiousness of the 2015 session, the fact that this is an election year in which local candidates must compete with national and statewide candidates for attention, money and media time, and the fact that several members of the legislature are also candidates for Congress (running in the newly-drawn districts that were enacted in February), there is plenty of motivation in both chambers to make the short session as short as possible. Among veteran members, lobbyists and staff however, there is also more than a little skepticism, as several previous short sessions have been dragged out when one issue or another became contentious and caused a logjam between the House and Senate, within their respective majority caucuses, or both.

While there are several issues on deck this session that could create this kind of discord – how to spend the roughly \$237 million budget surplus, how many additional changes to the tax code to pursue, whether to prioritize teacher pay raises or bonuses for all state employees – the leading contender is how to respond to the continued backlash over House Bill 2.



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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With more major companies calling for repeal, notable concerts being cancelled, both the NBA and NCAA threatening to move games from the state, and millions of dollars worth of conventions being lost over the bill, pressure is mounting on the legislature and, particularly, the Governor. While many of the members who voted for the bill face little to no chance of paying a political price –because they are in “safe” seats, or because the bill is popular in their districts – the continued backlash has taken a toll on the reelection prospects for statewide candidates like Gov. McCrory, Lt. Gov. Dan Forest and U.S. Senator Richard Burr, according to recent polling. Some legislative members who voted for the bill represent more metropolitan areas however, where the bill is less popular and the economic impact of cancelled concerts and conventions has been more immediately felt. As polls show the House Bill 2 backlash threatens some of their reelection prospects as well, a conflict is beginning to brew within the General Assembly between those who want (or feel they need) to have some action taken to stop the backlash, and those who feel the bill has been misrepresented by the media and refuse to back down from what they believe is the morally correct position.

Senate Rules Chairman Tom Apodaca suggested this week the question should be put to the voters as a ballot referendum, which critics have rejected while calling for the legislature to accept responsibility and deal with the issues themselves. Bills to repeal House Bill 2 were introduced by House and Senate Democrats – including House Rep. Chris Sgro, the Executive Director of Equality NC (statewide LGBT rights group), who was appointed to serve out the remaining term of last Rep. Ralph Johnson – however if there is a legislative response it is much more likely to be decided by the Republican caucuses in each chamber. As the pressure to act continues to mount, whether and how to deal with House Bill 2 is likely to dominate the discussions and the headlines as the short session unfolds.

GOVERNOR’S BUDGET

Last week, the Governor released his proposed budget for the 2016-2017 fiscal year, and legislative committees have begun discussing and dissecting his recommendations. The proposal totaled \$22.3 billion, a 2.8% increase from last fiscal year. The Governor’s budget proposal is considered to be a starting point for the General Assembly, who will use the following weeks to consider his budget before crafting their own.

On Wednesday morning, the Governor’s budget director addressed the budget and took questions from members in both chambers. The focal point of this discussion was McCrory’s proposed teacher pay increases, giving teachers a 5% raise. The raise will theoretically bring the average salary above \$50,000 once local supplements are added to the state funds. Multiple legislators were vocal regarding the large raise for teachers, proposing increasing salaries for other state jobs with high turnover rates, and the prospect of rewarding all state employees. It is likely that teacher raises will remain in the budget, but the amount will likely be negotiated in the coming weeks.

On the Senate side, leaders said that the 2.8% spending increase is not conservative enough, aiming for a 2% increase. Senate Republicans have said they intend to increase the standard deduction for personal income taxes (also known as the “zero tax bracket”) from \$15,500 to \$17,500. Meanwhile, the House has spent time discussing a cost-of-living adjustment for retirees, and members questioned the Governor’s budget director for not including this pension increase in his proposal. Next week the House budget subcommittees will continue their review of the Governor’s budget, these discussion will reveal additional difference in priorities as the

legislative budget process begins. The House is expected to unveil their budget proposal in mid May.

Some other highlights of the Governor's budget:

- \$259.3 million to increase salaries for most public school teachers by 5 percent on average.
- \$166 million to provide bonuses of \$1,100 or \$5,000 for teachers and average 3.5 percent bonuses for other school personnel.
- \$9.6 million give 3.5 percent average bonuses to principals and assistant principals.
- \$750,000 for mosquito surveillance, control and education to prevent the Zika virus and related viruses.
- \$9.3 million to improve county child welfare services and expand services to prevent child maltreatment within homes.
- Reduces Medicaid funding by \$318.6 million to reflect lower enrollment and service use by enrollees. (Some question whether the trends will continue and feel that this is too much to budget for the reduction)
- \$30 million to implement recommendations of Governor's Task Force on Mental Health and Substance Abuse, which includes funds to combat the state's heroin and prescription drug use (\$9 million), support therapeutic courts and diversion from the justice system to treatment (\$5 million), case management (\$13 million), and emergency housing for those with mental illness transitioning out of emergency departments and correctional facilities (\$3 million).
- \$1.9 million to hire and train staff for expected June 2017 opening of new Broughton mental hospital in Morganton.
- \$3.5 million to increase indigent defense funding to hire private lawyers.
- \$2.2 million to outsource toxicology testing to help reduce State Crime Lab backlog.
- \$10 million to increase pay for correctional officers, prison supervisors and administrators.
- \$3.7 million to increase pay for magistrates and assistant district attorneys.
- \$2.8 million provide experience-based salary increases for Highway Patrol troopers and average 5 percent raises for State Bureau of Investigation and Alcohol Law Enforcement agents.

BILLS OF INTEREST

HOUSE BILL 946, Repeal HB2/Fund Human Relations Commission, would repeal the controversial House Bill 2 that was passed earlier this year in a special one-day session, and provide that any local ordinance, resolution, regulation, or policy that would be valid but for the enactment of that legislation would remain valid. **Introduced by Representatives Jackson, Meyer, Hamilton, and G. Martin and referred to the House Judiciary IV Committee.**

HOUSE BILL 948, Authorize APO Studies, would allow the Joint Legislative Administrative Procedure Oversight Committee to continue to study: (1) issues related to occupational licensing boards, including: oversight of occupational licensing boards, generally; oversight of the North Carolina State Bar; and disciplinary actions and procedures of occupational licensing boards; and (2) whether there are certain categories of contested cases in which the burden of proof should be placed with the agency. The Committee would report the results of these studies, including any

legislative proposals, to the 2017 General Assembly. **Introduced by Representative Jordan and referred to the House Rules Committee.**

HOUSE BILL 959, DOT Proposed Legislative Changes, would make various changes to the State's transportation laws, as recommended by the Joint Legislative Transportation Oversight Committee, including:

- allowing the DMV, in lieu of providing notice by personal delivery or US Mail, to give notice by e-mail or other electronic means, if the person to be notified has consented to receiving notices via electronic means and has provided the Division an e-mail address or other like electronic address for receiving the notices; and
- providing that a person who consents to electronic notification would have to notify the DMV of any change or discontinuance of any e-mail or electronic address provided. If a person fails to notify the DMV of any change or discontinuance of an electronic notification, any notices sent to the original or discontinued electronic address would be deemed to have been received by the person and a copy of the DMV's records sent would be sufficient evidence that notice was sent to the person named in the record, at the physical or electronic address indicated in the record, and for the purpose indicated in the record.

Introduced by Representatives Iler and Torbett and referred to the House Transportation Committee.

HOUSE BILL 967, Prepaid Health Plans Licensing by DOI, would require prepaid health plans to obtain a license from the Department of Insurance and ensure solvency of all prepaid health plan providers under the Medicaid program. **Introduced by Representatives Dollar and Lambeth and referred to the House Insurance Committee.**

HOUSE BILL 968, Medicaid Transformation Reporting, would require the Department of Health and Human Services to report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Fiscal Research Division by October 1, 2016, on the following:

- the status of the 1115 waiver submission to the Centers for Medicare and Medicaid Services (CMS), as well as any other submissions to CMS related to the transition of Medicaid and NC Health Choice from fee for service to capitation, and specifically, the timeliness of the submission or submissions to CMS, responses received from CMS, and strategies necessary to ensure approval of a waiver for Medicaid transformation;
- a detailed Work Plan for the implementation of the transformation of Medicaid and NC Health Choice programs. The Work Plan would have to: (1) provide sufficient detail to allow the Committee to monitor progress and identify challenges and impediments to the implementation of the transformation of Medicaid and NC Health Choice programs; (2) identify key milestones, tasks, and events necessary to the transition of the programs; and (3) for each milestone, task, and event, specify the expected completion dates and identify the individual who is assigned responsibility for accomplishing or ensuring the accomplishment of the milestone, task, or event; and
- a sufficiently detailed description of any developments or changes during the planning process to enable the General Assembly to address any barriers to successful implementation of the Medicaid and NC Health Choice transformation.

Introduced by Representatives Dollar and Lambeth and referred to the House Appropriations Committee.

HOUSE BILL 972, Body-Worn and Dashboard Cameras/No Public Record, is based upon recommendations by the Joint Legislative Oversight Committee on Justice and Public Safety that

were developed through a sub-committee assigned to work on this issue. This issue is one that is being considered nationwide and deals with difficult topics of how dashboard or officer-worn video is to be stored, when it would be released, and who makes the decision to release the videos. The subcommittee recommended the following:

- provides that body-worn camera and dashboard camera recordings are **not** public records and does **not require** any law enforcement agency to use cameras;
- establishes whether, to whom, and what portions of a recording may be disclosed or a copy released based partly on privacy concerns of those in the video, the legislation allows those who are in the video to be able to receive a copy;
- establishes the procedure in Court for contesting a refusal to disclose a recording or copy;
- directs state or local law enforcement agencies that use body-worn or dashboard cameras to provide a free copy of the software that operates the recording system to the State Bureau of Investigation and the North Carolina State Crime Laboratory; and
- directs the Criminal Justice Education and Training Standards Commission and the Sheriffs' Education and Training Standards Commission to develop best practices for the use of body-worn cameras.

Introduced by Representatives Faircloth, McNeill, Boles, and Hurley and referred to the House Judiciary II Committee.

HOUSE BILL 973, IRC Update, is identical to Senate Bill 726, summarized below in this Legislative Report. **Introduced by Representatives Brawley and Saine and referred to the House Finance Committee.**

HOUSE BILL 974, Various Changes to the Review Laws, would make various changes to the State's revenue laws, including providing that:

- the State government sales tax exemption and sales tax refund for local taxes do not apply to occupational licensing boards; and
- the period of limitations for assessing a responsible person for unpaid taxes under this section expires the later of (i) one year after the expiration of the period of limitations for assessing the business entity, or (ii) one year after a tax becomes collectible from the business entity under G.S. 105-241.22(3), (4), (5), or (6).

Introduced by Representatives Brawley and Saine and referred to the House Finance Committee.

HOUSE BILL 983, Legalize & Tax Medical Marijuana, would allow a person to possess or use marijuana or tetrahydrocannabinol, if he or she satisfies all of the following criteria:

- the individual has been diagnosed with a terminal or chronic illness by a licensed physician;
- the individual's use or possession of marijuana or tetrahydrocannabinols occurs pursuant to a written recommendation issued by a licensed physician who, in the course of treating the terminal or chronic illness, has determined that marijuana or tetrahydrocannabinols alleviates the illness or symptoms associated with the illness;
- the individual has obtained from the North Carolina Department of Revenue a Medical Marijuana tax stamp;
- unless diagnosed with a chronic illness by a licensed physician, the individual is under hospice care; and
- the marijuana is for the individual's personal use.

The bill also would:

- specify that a dealer includes a person who possesses three ounces of medical marijuana;

- define medical marijuana as marijuana for distribution to individuals permitted to possess or use it;
- provide for the taxation of marijuana or synthetic cannabinoids used in place of medical marijuana; and
- require dealers of medical marijuana to provide their name, address, Social Security number, and phone number, as well as the name, address, phone number, and illness of each person to whom the dealer distributes medical marijuana, and provide that a dealer bears the burden of proof in establishing that marijuana distributed was medical marijuana.

Introduced by Representatives Alexander and Harrison and referred to the House Health Committee.

HOUSE BILL 985, Modify Sales Tax on Automobiles, would modify the sales tax on labor by:

- amending the definition of “repair, maintenance, and installation services” to exclude activities involving a motor vehicles;
- amending the definition of “service contract” to exclude a contract to maintain or repair a motor vehicle;
- making conforming changes to the sales tax exemption for repair, maintenance, and installation services to exclude motor vehicles;
- adding motor vehicles to the list of exemption to the sales tax on retail service contracts.

Introduced by Representative Setzer and referred to the House Finance Committee - This bill is substantially similar to Senate Bill 755 summarized above in this legislative report.

HOUSE BILL 987, Study/Opioid Abuse and Incapacity to Proceed, would direct the Governor's Task Force on Mental Health and Substance Abuse to continue to study the resurgence of opioid and heroin abuse in adults, youth, and families and to report its findings and recommendations, including any legislative proposals, to the Joint Legislative Oversight Committee on Justice and Public Safety and to the Joint Legislative Oversight Committee on Health and Human Services in the 2017 Regular Session of the General Assembly. The bill also would direct the Department of Health and Human Services, in conjunction with the Department of Public Safety, to study the use of Vivitrol as a treatment offered in State-funded alcohol and opioid abuse centers and to report its findings to the Joint Legislative Oversight Committee on Justice and Public Safety and to the Joint Legislative Oversight Committee on Health and Human Services in the 2017 Regular Session of the General Assembly. The bill would amend the statute regarding the determination of incapacity to proceed in criminal proceedings to allow the full report to the court to be released to clinicians at the program where the defendant is receiving capacity restoration, clinicians designated by the Secretary of Health and Human Services, and as directed by the court. **Introduced by Representatives Hurley and Boles and referred to the House Judiciary II Committee.**

HOUSE BILL 990, Increase Participation/Lower the Age to Run, would amend the State Constitution, if approved by a majority of voters in a statewide election held on November 8, 2016, to reduce the age of eligibility for election by the people to office from 21 to 18 years of age. **Introduced by Representatives Burr and Jordan and referred to the House Rules Committee.**

HOUSE BILL 994, IRC Update, would update from January 1, 2015, to January 1, 2016, the reference to the Internal Revenue Code used in determining certain State tax provisions. The bill would conform to the income exclusion for amounts received by wrongfully incarcerated

individuals, but would not conform to the following extensions under the federal Protecting Americans from Tax Hikes Act of 2015 (PATH Act):

- continue the same Section 179 expense for 2015 as previous years;
- tax-free distribution from IRAs to public charities;
- deduction for higher education tuition expenses;
- exclusion from income for forgiveness of debt on principal residence; and
- deduction for mortgage insurance premiums.

Introduced by Representatives Brody, Dixon, Langdon, and Steinburg and referred to the House Finance Committee.

HOUSE BILL 998, DHHS/Develop State Chemical Action Plan, would direct the Department of Health and Human Services, in consultation with both the Department of Environmental Quality and the Department of Agriculture and Consumer Services, to develop a State Chemical Action Plan that identifies and recommends actions that the State may take in order to reduce the threats posed to children by toxic chemical flame retardants in children's products. Children's products would include bedding products that are designed for or used by children 12 years of age or younger, including crib mattresses; nursing pillows and other similar nursing aids; and changing table pads. DHHS would report on the State Chemical Action Plan, including findings, recommendations, and any legislative proposals to adopt the Plan, to the Environmental Review Commission and the Joint Legislative Oversight Committee on Health and Human Services on or before December 1, 2017. **Introduced by Representatives McGrady, Dixon, and Harrison and referred to the House Environment Committee.**

HOUSE BILL 999, Study Suicide Prevention, is identical to Senate Bill 736, summarized below in this Legislative Report. **Introduced by Representatives Avila, Dobson, and S. Martin and referred to the House Rules Committee.**

HOUSE BILL 1000, Statewide Standing Order/Opioid Antagonist, is identical to Senate Bill 734, summarized below in this Legislative Report. **Introduced by Representatives Avila, Dobson, and S. Martin and referred to the House Health Committee.**

HOUSE BILL 1005, Issuance of Advisories/Drinking Water Standards, would prohibit a State agency, local board of health, or local health department from issuing a health advisory for the presence of a contaminant in a newly constructed or other well, unless a:

- maximum contaminant level (MCL) or a treatment technique (TT) has been adopted under the National Primary Drinking Water Regulations by the United States Environmental Protection Agency pursuant to the federal Safe Drinking Water Act of 1974, and for which the MCL or TT has been exceeded for that contaminant;
- an MCL or TT has been enacted in the General Statutes or adopted under the North Carolina Administrative Code, and for which the MCL or TT has been exceeded for that contaminant; or
- an interim maximum allowable concentration has been established for a substance pursuant to 15 NCAC 02L. 0202 in the context of a State-led investigation of contamination that presents an imminent threat to public health, safety, or welfare or the environment.

This provision could not be construed or implemented in conflict with requirements of federal law or construed or implemented to limit the authority of the Department of Health and Human Services to require investigation, initial response, or remediation of environmental contamination under any provision of State law necessary to address an imminent threat to public health, safety, or welfare or the environment. The bill also includes a provision that prohibits DHHS from

issuing or directing any unit of local government to issue a health advisory for the presence of a contaminant in a public water system as outlined above. **Introduced by Representative Dixon and referred to the House Environment Committee.**

HOUSE BILL 1007, Amend Occupational Licensing Boards Statutes, was recommended by the Joint Legislative Administrative Procedure Oversight Committee and filed in response to the court's decision in *North Carolina State Board of Dental Examiners v. Federal Trade Commission*. The bill would:

- require an occupational board member to receive training on federal antitrust law and State action immunity within the first six months of his/her initial appointment to the board and at least every two years thereafter;
- require each occupational licensing board to adopt rules for the receipt and resolution of complaints, for taking disciplinary or enforcement actions against its licensees, and for taking enforcement actions against persons not licensed by the board;
- require any interpretation, clarification, or other delineation of the scope of practice of an occupational licensing board to be adopted as a rule;
- authorize an occupational licensing board to investigate unlicensed activity and notify unlicensed persons and entities of the possible violation of the law and administrative rules and any civil action or criminal penalty that may be imposed by a court. The notification would not indicate that the occupational licensing board has made any finding of a violation but could indicate the board's belief or opinion that a particular act may violate the board's enabling statutes, include factual information regarding legislation and court proceedings concerning the potential violation, and provide notice of the board's intention to pursue administrative remedies or court proceedings with regard to the potential violation;
- require a occupational licensing board that notifies unlicensed persons and entities of a possible violation of the law and administrative rules and any civil action or criminal penalty that may be imposed by a court to include the following statement in the notification:

You are hereby notified that the opinion expressed herein is not a legal determination. An occupational licensing board does not have the authority to order you to discontinue your current practices. Only a court may determine that you have violated or are violating any law and, if appropriate, impose a remedy or penalty for the violation. Further, pursuant to G.S. 150B-4, you may have the right, prior to initiation of any court action by the occupational licensing board, to request a declaratory ruling regarding whether your particular conduct is lawful. You are further notified that any right to a declaratory ruling supplements any other legal rights that you may already have to establish the legality of your conduct with respect to the goods or services you offer or provide;
- provide that the venue for occupational licensing boards seeking court order for injunctive relief or to show cause for failure to comply with a subpoena lawfully issued by the occupational licensing board is in the superior court of the county where the defendant resides or in the county where the occupational licensing board has its principal place of business;
- allow an occupational licensing board to appear in its own name in superior court in actions for injunctive relief to restrain the violation of the provisions of a statute administered by the board or a rule or order of the board. The superior court would have the jurisdiction to grant these injunctions, restraining orders, or take other appropriate action even if criminal prosecution has been or may be instituted as a result of the

violations, or whether the person is a licensee of the board. No board could issue such orders independently of the superior court unless specifically authorized to do so by law;

- provide that, if a jurisdictional dispute among occupational licensing boards cannot be resolved through informal procedures, any affected board could commence an administrative proceeding to resolve the jurisdictional dispute by filing a petition with the Office of Administrative Hearings and serve the petition on all affected boards. Once the petition is filed and the required fee is paid, the dispute would become a contested case and conducted by the Office of Administrative Hearings;
- require each occupational licensing board to develop and implement a complaint process that provides for all of the following:
 - a description of the complaint process on the board's website, including the types of violations that are under the jurisdictional authority of the board;
 - electronic complaint submission via the board's website, including a prominently displayed link to a complaint form; and
 - the ability to provide complainants with a written description of the final disposition of each complaint; and
- direct the Joint Legislative Administrative Procedure Oversight Committee to continue to monitor and study the effects of the opinion in *North Carolina State Board of Dental Examiners v. Federal Trade Commission* and other issues related to the scope of practice jurisdiction of occupational licensing boards.

Introduced by Representatives Jordan, Stevens, and Bryan and referred to the House Commerce and Job Development Committee.

SENATE BILL 723, DOT Proposed Legislative Changes, is identical to House Bill 959, summarized above in this Legislative Report. **Introduced by Senators Harrington and Rabon and referred to the Senate Transportation Committee.**

SENATE BILL 726, IRC Update, would update from January 1, 2015, to January 1, 2016, the reference to the Internal Revenue Code used in determining certain State tax provisions. The bill would conform to the \$250 teacher expense deduction and to the income exclusion for amounts received by wrongfully incarcerated individuals, but would not conform to the following extensions under the federal Protecting Americans from Tax Hikes Act of 2015 (PATH Act):

- enhanced Section 179 expensing;
- tax-free distribution from IRAs to public charities;
- deduction for higher education tuition expenses;
- exclusion from income for forgiveness of debt on principal residence; and
- deduction for mortgage insurance premiums.

Introduced by Senators Rucho, Rabon, and Tillman and referred to the Senate Finance Committee. The bill was amended on the Senate floor to include tax years 2015 and 2016 to the provisions regarding the amount of the taxpayer's deduction for qualified tuition and related expenses. The bill was approved by the Senate Finance Committee and the full Senate. The bill will next be sent to the House for consideration.

SENATE BILL 729, Various Changes to the Review Laws, is identical to House Bill 974, summarized above in this Legislative Report. **Introduced by Senators Rucho, Rabon, and Tillman and referred to the Senate Finance Committee.**

SENATE BILL 731, Restore Funding to the Drug Court, would provide almost \$3.2 million to the Administrative Office of the Courts to be allocated to the 30 operating Drug Treatment

Courts that are currently operating with local funds. **Introduced by Senator Smith and referred to the Senate Judiciary II Committee.**

SENATE BILL 734, Statewide Standing Order/Opioid Antagonist, as recommended by the Joint Legislative Oversight Committee on Health and Human Services, would authorize the State Health Director to prescribe an opioid antagonist by means of a statewide standing order, with immunity from civil and criminal liability for such action. **This standing order would allow all pharmacists to prescribe Nalaxone to any family member or friends as well as a person in danger of overdosing on opioids. Introduced by Senators Pate, Tucker, and Robinson and referred to the Senate Health Care Committee.**

SENATE BILL 736, Study Suicide Prevention, would direct the Joint Legislative Oversight Committee on Health and Human Services to appoint a subcommittee to **study the role of health care providers and other key gatekeepers in suicide prevention, particularly among individuals under age 25, firefighters, law enforcement officers, emergency medical services personnel, active duty military personnel, and veterans.** In conducting the study, the subcommittee could examine all of the following:

- the effect of evidence-based suicide assessment, treatment, and management training on the ability of licensed health care providers to identify, refer, treat, and manage patients with suicidal ideation. In conducting this examination, the subcommittee would, at a minimum:
 - Review available research and literature regarding (i) best practices in assessing, treating, and managing patients with suicidal ideation and (ii) the relationship between completion of training in these best practices and patient suicide rates.
 - Assess which licensed health care providers are best situated to positively influence the mental health behavior of individuals with suicidal ideation.
 - Evaluate the impact of suicide assessment, treatment, and management training on active duty military personnel and veterans with suicidal ideation.
 - Review curricula of health care profession programs offered at the State institutions of higher education regarding suicide prevention;
- **the categories of licensed health care providers in this State that should be required to complete training in suicide assessment, treatment, and management as part of their continuing education requirements;**
- for each category of health care providers identified above, (i) the minimum number of required hours and the specific elements of any suicide prevention training the Department of Health and Human Services (DHHS) determines would be beneficial and (ii) any of DHHS's recommended exemptions from the proposed minimum training requirements;
- the feasibility and effectiveness of providing training to school personnel, clergy, and law enforcement personnel on how to recognize at-risk behavior and how to make appropriate referrals for treatment;
- methods for credentialing and identifying, through a badge or other form of identification, all persons trained in recognizing at-risk behavior and how to make appropriate referrals for treatment;
- methods for ensuring that non-identifying information derived from suicide investigations is shared for statistical, research, and other purposes consistent with State and federal confidentiality laws with relevant stakeholders, including health care providers; educational institutions; organizations representing firefighters, law enforcement officers, emergency medical services personnel, active duty military

personnel, and veterans; community-based organizations that provide mental health services to individuals with suicidal ideation; State agencies, including DHHS; and the Child Fatality Task Force; and

- any other relevant issues the subcommittee deems appropriate.

The subcommittee could seek input from other states, stakeholders, and national experts on suicide prevention as it deems necessary, and would report its findings and recommendations, including any proposed legislation, to the Joint Legislative Oversight Committee on Health and Human Services on or before November 1, 2016. **Introduced by Senators Pate and Robinson and referred to the Senate Health Care Committee.**

SENATE BILL 743, Authorize APO Studies, is identical to House Bill 948, summarized above in this Legislative Report. **Introduced by Senator Hartsell and referred to the Senate Finance Committee.**

SENATE BILL 745, Restore Tax Deduction for 529 Plan, would restore the Tax Deduction for a 529 Plan by allowing a taxpayer to deduct from the taxpayer's adjusted gross income up to \$2,500 (\$5,000 for a married couple filing jointly) contributed to an account in the Parental Savings Trust Fund of the State Education Assistance Authority. This tax deduction was eliminated last session in the tax reform package. **Introduced by Senators Smith, Foushee, and Robinson and referred to the Senate Finance Committee.**

SENATE BILL 753, Reenact School Sales Tax Holiday, would reenact the sales and use tax holiday for school supplies sold on the first Friday of August through the following Sunday. This tax exemption was removed last session in the tax reform package. **Introduced by Senators Lowe, Waddell, and Foushee and referred to the Senate Finance Committee.**

SENATE BILL 755, Modify Sales Tax on Labor, would modify the new sales tax on labor provisions that were approved last year as follows:

- amends the definition of “repair, maintenance, and installation services” to provide that the term includes the listed activities *by a taxpayer with more than three employees*, and **excludes activities involving a motor vehicle**;
- defines a “service contract” as a contract where the obligor under the contract agrees to maintain or repair tangible personal property, *other than a motor vehicle*, **regardless of whether the property becomes a part of or is affixed to real property**;
- amends the provisions regarding exemptions from sales and use tax to remove the provisions that repair, maintenance, and installation services provided for a motor vehicle are subject to tax, and that the exemption does not apply to an item or repair, maintenance, and installation services provided for a motor vehicle pursuant to a service contract exempt from tax unless the purchaser of the contract is not charged for the item or services; and
- adds motor vehicles to list of exemptions from the sales tax on retail service contracts.

Introduced by Introduced by Senator Bingham and referred to the Senate Finance Committee.

SENATE BILL 757, Reenact EITC, would reenact the Earned Income Tax Credit until January 1, 2020. **Introduced by Senators Foushee, Lowe, and Van Duyn and referred to the Senate Finance Committee.**

SENATE BILL 759, Funds/Youth Tobacco Use Prevention, would provide \$250,000 to the Department of Health and Human Services, Division of Public Health, Tobacco Prevention and Control (TPC) Branch to do the following:

- implement educational programs throughout the State for adult leaders with influence over decisions made by youth concerning health, including pediatricians, family practice physicians, school nurses, and parents, about the dangers of electronic cigarettes and other new emerging tobacco products. Licensed professionals who complete these educational programs could apply to their respective licensing boards for continuing education credits;
- educate and inform youth about the dangers of electronic cigarettes and other new emerging tobacco products;
- collect information on knowledge, attitudes, awareness, and behaviors of youth with respect to electronic cigarettes and new emerging tobacco products; and monitor trends in these areas;
- work with youth to (1) develop messages that empower youth to avoid using electronic cigarettes and other new emerging tobacco products and (2) build community support for evidence-based tobacco-free living policies; and
- create one temporary Project Coordinator position within the TPC Branch to oversee and support these authorized projects and activities.

Introduced by Senator Bingham and referred to the Senate Appropriations Committee.

SENATE BILL 773, Reenact Child Care Tax Credit, would reenact the credit for child care and certain employment-related expenses. **Introduced by Senators Robinson, Waddell, and Foushee and referred to the Senate Finance Committee.**

SENATE BILL 776, Appropriations Act of 2016, is the annual budget bill which is currently blank. **Introduced by Senators Brown, Harrington, and B. Jackson and referred to the Senate Appropriations Committee.**

SENATE BILL 779, Issuance of Advisories/Drinking Water Standards, is identical to House Bill 1005, summarized above in this Legislative Report. **Introduced by Senators Wade, Brock, and B. Jackson and referred to the Senate Agriculture/Environment/Natural Resources Committee.**

SENATE BILL 780, DHHS/Develop State Chemical Action Plan, is identical to House Bill 998, summarized above in this Legislative Report. **Introduced by Senators Bingham and Wade and referred to the Senate Agriculture/Environment/Natural Resources Committee.**

SENATE BILL 783, Amend Occupational Licensing Boards Statutes, is identical to House Bill 1007, summarized above in this Legislative Report. **Introduced by Senator Hartsell and referred to the Senate Rules Committee.**

SENATE BILL 785, Child Welfare System Recommendations, as recommended by the Joint Legislative Oversight Committee on Health and Human Services, would recommend various changes to the State's child welfare system. The bill would:

- direct the Department of Health and Human Services, Division of Social Services, to implement the requirements of the federal Program Improvement Plan to bring our State into compliance with national standards for child welfare policy and practices, and report on the implementation and outcomes of the Plan to the Joint Legislative Oversight Committee on Health and Human Services each year on February 1 and August 1;

- require the Division of Social Services to develop a statewide strategic plan for Child Protective Services that complements the required federal Program Improvement Plan which would, at a minimum, address the findings of the North Carolina Statewide Child Protective Services Evaluation in the areas of county performance, caseload sizes, administrative structure, adequacy of funding, social worker turnover, and monitoring and oversight, and submit the plan to the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2016;
- require the Division of Social Services to continue toward completion of the child welfare component of the North Carolina Families Accessing Services Through Technology (NC FAST) system to (1) bring the State into compliance with the Statewide Information System systematic factor of the Child and Family Services Review (CFSR) and (2) ensure that data quality meets federal standards and adequate information is collected and available to counties to assist in tracking children and outcomes across counties; and
- direct the Division of Social Services to report on the development, implementation, and outcomes of the child welfare component of the NC FAST system to the Joint Legislative Oversight Committee on Health and Human Services quarterly beginning July 1, 2016, and ending with a final report on October 1, 2018. The report would include, at a minimum, the following:
 - the current time line for development and implementation of the child welfare component to NC FAST;
 - adjustments and justifications for adjustments to the time line;
 - progress on the development and implementation of the system;
 - address any identified issues in developing or implementing the child welfare component to NC FAST and solutions to address those issues;
 - the level of county participation and involvement in each phase of the project; and
 - budget and expenditure reports, including overall project budget and expenditures and current fiscal year budget and expenditures.

Introduced by Senator Robinson and referred to the Senate Health Care Committee.

SENATE BILL 788, Study/Opioid Abuse and Incapacity to Proceed, is identical to House Bill 987, summarized above in this Legislative Report. **Introduced by Senators Randleman and Tucker and has not yet been assigned to a Senate committee.**

SENATE BILL 794, Authorize Needle Exchange Programs, would allow any governmental or nongovernmental organization, including a local or district health department or an organization that promotes scientifically proven ways of mitigating health risks associated with drug use and other high risk behaviors, to establish and operate a needle and hypodermic syringe exchange program. The objectives of the program would be to: (1) reduce the spread of HIV, AIDS, viral hepatitis, and other bloodborne diseases in this State; (2) reduce needlestick injuries to law enforcement officers and other emergency personnel; and (3) encourage individuals who inject drugs to enroll in evidence-based treatment. The programs would have to offer the following:

- disposal of used needles and hypodermic syringes;
- needles, hypodermic syringes, and other injection supplies at no cost and in quantities sufficient to ensure that needles, hypodermic syringes, and other injection supplies are not shared or reused;
- reasonable and adequate security of program sites, equipment, and personnel;
- educational materials on all of the following:
 - overdose prevention;

- the prevention of HIV, AIDS, and viral hepatitis transmission;
- drug abuse prevention;
- treatment for mental illness, including treatment referrals;
- treatment for substance abuse, including referrals for medication assisted treatment; and
- access to naloxone kits that contain naloxone hydrochloride approved for the treatment of a drug overdose, or referrals to programs that provide access to naloxone hydrochloride.

No employee, volunteer, or participant of a program established pursuant to this section could be charged with or prosecuted for possession of: (1) needles, hypodermic syringes, or other injection supplies obtained from or returned to a program established pursuant to this section; or (2) residual amounts of a controlled substance contained in a used needle, used hypodermic syringe, or used injection supplies obtained from or returned to a program established pursuant to this section. Prior to operating such a program, the governmental or nongovernmental organization would report to the North Carolina Department of Health and Human Services, Division of Public Health, on: (1) the legal name of the organization or agency operating the program; (2) the areas and populations to be served by the program; and (3) the methods by which the program will meet the services required to be offered. No later than one year after commencing operations and every 12 months thereafter, each organization operating such a program would report the following information to the North Carolina Department of Health and Human Services, Division of Public Health:

- the number of individuals served by the program;
- the number of needles, hypodermic syringes, and needle injection supplies dispensed by the program and returned to the program;
- the number of naloxone kits distributed by the program; and
- the number and type of treatment referrals provided to individuals served by the program, including a separate report of the number of individuals referred to programs that provide access to naloxone hydrochloride for the treatment of a drug overdose.

The bill also would provide \$100,000 to the Department of Health and Human Services, Division of Public Health, to perform the review of needle exchange programs and report information required to be submitted to the Department. **Introduced by Senator Bingham and has not yet been assigned to a Senate committee.**

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