

Sales and Use Tax Division North Carolina Department of Revenue Post Office Box 25000 Raleigh, North Carolina 27640-0001

www.dornc.com

IMPORTANT NOTICE: SALE OR RENEWAL OF A SERVICE CONTRACT FOR TANGIBLE PERSONAL PROPERTY CHANGES

Note: The sale or renewal of a motor vehicle service contract on or after March 1, 2016 is exempt from sales or use tax. The application of the sales and use tax laws to the sale or renewal of a motor vehicle service contract on or after March 1, 2016 will be addressed in more detail in a separate publication issued by the Department.

Effective March 1, 2016, the sales price of or the gross receipts derived from the sale or the renewal of a service contract sold at retail on or after March 1, 2016, is subject to the general 4.75% State, applicable local, and applicable transit rates of sales and use tax, regardless of whether the tangible personal property covered in the service contract becomes a part of or is affixed to real property. N.C. Gen. Stat. § 105-164.3(38b), as amended for the sale or renewal of a service contract on or after March 1, 2016, defines "service contract" as "[a] contract where the obligor under the contract agrees to maintain or repair tangible personal property, regardless of whether the property becomes a part of or is affixed to real property, or a motor vehicle. Examples of a service contract include a warranty agreement other than a manufacturer's warranty or dealer's warranty provided at no charge to the purchaser, an extended warranty agreement, a maintenance agreement, a repair contract, or a similar agreement or contract."

Prior to March 1, 2016, N.C. Gen. Stat. § 105-164.4I(c) provides that sales and use tax does not apply to the sales price of or the gross receipts derived from a service contract for tangible personal property that is or will become a part of real property unless the service contract is sold by the obligor or by a third party or facilitator on behalf of the obligor at the same time as the item of tangible personal property covered in the service contract.

Service Contract Examples for Tangible Personal Property Attached to or Part of Real Property

Example 1 – Service Contract - Tangible Personal Property Attached to Real Property
On March 1, 2016, an HVAC company engaged in business in North Carolina sells a service contract
with a sales price of \$500.00 for an air compressor to a homeowner for a home in North Carolina.
The company should collect and remit the general 4.75% State, applicable local (2.00% or 2.25%),
and applicable transit (0.50%) rates of sales and use tax on the sales price of \$500.00. Although the
company performs a real property contract for the installation of the HVAC system, the company is a
retailer of service contracts on March 1, 2016 due to the change in the sales and use tax laws.

Example 2 – Service Contract - Tangible Personal Property That Becomes Part of Real Property A retailer engaged in business in North Carolina sells and installs a subzero refrigerator on April 1, 2016 in a customer's North Carolina home. At the time of the sales transaction, the customer elects to purchase a two year extended warranty. The sale of the extended warranty by the retailer to the customer is a taxable service contract. The retailer should collect the general 4.75% State, applicable local (2.00% or 2.25%), and applicable transit (0.50%) rates of sales and use tax on the sales price of the extended warranty.

Example 3 – Renewal of Service Contract - Tangible Personal Property Attached to Real Property On March 1, 2015, a North Carolina retailer sold and installed a generator for a homeowner at his North Carolina home. In addition, on March 3, 2015, the homeowner purchased a service contract with an annual renewal option. The retailer did not collect sales tax on the sales price of the service contract sold on March 3, 2015 because the sale of the service contract was not subject to sales or use tax at such time. The homeowner elects to renew the service contract on March 3, 2016. The retailer should collect and remit the general 4.75% State, applicable local (2.00% or 2.25%), and applicable transit (0.50%) rates of sales and use tax on the March 3, 2016 billing for the service contract renewal.

Exemption for Certain Purchases - Service Contract for Tangible Personal Property

For sales occurring on or after March 1, 2016 or for gross receipts derived from repair, maintenance, and installation services provided on or after that date, N.C. Gen. Stat. § 105-164.13(62) is amended and exempts the sale at retail and the use, storage, or consumption in this State of "[a]n item or repair, maintenance, and installation services used to maintain or repair tangible personal property pursuant to a service contract taxable under [Article 5 of Chapter 105 of the N.C. General Statutes] if the purchaser of the contract is not charged for the item or services. . . . For purposes of this exemption, the term 'item' does not include a tool, equipment, supply, or similar tangible personal property used to complete the maintenance or repair and that is not deemed to be a component or repair part of the tangible personal property for which a service contract is sold to a purchaser."

Purchases of an item or repair, maintenance, and installation services to maintain or repair tangible personal property pursuant to a service contract subject to tax under N.C. Gen. Stat. § 105-164.4(a)(11) should be purchased by the obligor, retailer or wholesale merchant exempt from sales and use tax by issuing a properly completed Form E-595E, Exemption, to a seller. Alternatively, the data elements as required by N.C. Gen. Stat. § 105-164.28(a) to substantiate an exemption can be provided to a seller by the obligor, retailer or wholesale merchant.

Example

On March 1, 2016, a retailer engaged in business in North Carolina makes a retail sale of a service contract on a garage door installed in a customer's home in North Carolina. The retailer collects sales tax on the sales price of the service contract. On March 31, 2016, the customer's garage door requires service covered by the service contract. The obligor arranges for repair services and is charged \$250.00 for parts and installation by a garage door retailer. The obligor provides Form E-595E to the garage door retailer to purchase the parts and installation exempt from sales and use tax and does not charge the purchaser of the service contract for the parts and installation.

Other Service Contract Exemptions

N.C. Gen. Stat. § 105-164.4I(b) provides the sales price of or the gross receipts derived from the retail sale of a service contract applicable to any of the following are specifically exempt from sales or use tax:

(1) Effective March 1, 2016, an item exempt from tax under Article 5 of Chapter 105 (Sales and Use Tax Act) regardless of whether the tangible personal property covered in the service contract becomes a part of or is affixed to real property. Effective until March 1, 2016, the sales price of a service contract for a motor vehicle is subject to sales or use tax.

Example

On March 2, 2016, a qualifying farmer renews a service contract for a piece of equipment that becomes a part of an enclosure used for feeding animals. The purchase of the service contract is

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not subject to sales or use tax since the equipment covered in the service contract qualifies for exemption from sales and use tax when purchased by a qualifying farmer for such use per N.C. Gen. Stat. § 105-164.13E(a)(8)b. The qualifying farmer should issue a properly completed Form E-595E or provide the required data elements to the seller as the seller's authority to exempt the sale of the service contract from sales or use tax.

- (2) A transmission, distribution, or other network asset contained on utility-owned land, right-of-way, or easement, regardless of whether the tangible personal property covered in the service contract becomes a part of or is affixed to real property. This exemption applies to the sale or renewal of a service contract on or after January 1, 2014.
- (3) A transmission, an engine, rear-end gears, and any other item purchased by a professional motorsports racing team or a related member of a team for which the team may receive a sales tax refund under N.C. Gen. Stat. § 105-164.14A(a)(5). This exemption applies to the sale or renewal of a service contract on or after January 1, 2014 and expires January 1, 2020.
- (4) An item subject to tax under Article 5F of Chapter 105 of the N.C. General Statutes.

Example

On April 14, 2016, a manufacturer purchases a service contract for a conveyor motor for a conveyor system used in the production process and the system is attached to real property. The purchase of the service contract for the conveyor motor covered in the contract is exempt from sales or use tax and is not subject to the certain machinery and equipment tax. The manufacturer should issue a properly completed Form E-595E or provide the required data elements to the seller as the seller's authority to exempt the sale of the service contract from sales or use tax.

(5) A qualified aircraft or a qualified jet engine. This exemption applies to the sale or renewal of a service contract on or after October 1, 2015.

Exception

N.C. Gen. Stat. § 105-164.4I(c) continues to provide that sales and use tax does not apply to the sales price of or the gross receipts derived from a service contract or renewal of a service contract sold at retail for a security or similar monitoring contract for real property before or after March 1, 2016.

Other Information

See the <u>Important Notice: Service Contracts</u>, issued September 26, 2014 by the Department, for additional information regarding the application of the sales and use tax laws to service contracts and, specifically, for assistance regarding the following: retailer, facilitator, obligor, sourcing of tax, basis of reporting tax, and the refund of tax for certain cancellations.

Assistance

General questions regarding this notice should be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free).

To the extent that there is any change in statute or regulation, or new case law subsequent to the date of this notice, the provisions in this important notice may be superseded or voided. To the extent that any provisions in any other notice, directive, technical bulletin, or published guidance regarding sales and use tax issued prior to the date of this notice conflicts with this important notice, the provisions contained in this important notice supersede.

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the Secretary may authorize an employer to use an alternative method that results in withholding of a greater amount than otherwise required under this section.

The Secretary's authorization of an alternative method is discretionary and may be cancelled at any time without advance notice if the Secretary finds that the method is being abused or is not resulting in the withholding of an amount reasonably approximating the predicted income tax liability of the affected employees. The Secretary shall give an employer written notice of any cancellation and the findings upon which the cancellation is based. The cancellation becomes effective upon the employer's receipt of this notice or on the third day after the notice was mailed to the employer, whichever occurs first. If the employer requests a hearing on the cancellation within 30 days after the cancellation, the Secretary shall grant a hearing. After a hearing, the Secretary's findings are conclusive."

SECTION 32.16A.(b) This section is effective for taxable years beginning on or after January 1, 2016.

EXPAND SALES TAX BASE

SECTION 32.18.(a) G.S. 105-164.3, as amended by S.L. 2015-6, reads as rewritten:

"§ 105-164.3. Definitions.

The following definitions apply in this Article:

- (32) Purchase. Acquired for consideration, consideration or consideration in exchange for a service, regardless of any of the following:
 - a. Whether the acquisition was effected by a transfer of title or possession, or both, or a license to use or consume.
 - b. Whether the transfer was absolute or conditional regardless of the means by which it was effected.
 - c. Whether the consideration is a price or rental in money or by way of exchange or barter.
- (33a) Real property contractor. A person that contracts to perform construction, reconstruction, installation, repair, or any other service with respect to real property and to furnish tangible personal property to be installed or applied to real property in connection with the contract and the labor to install or apply the tangible personal property that becomes part of real property. The term includes a general contractor, a subcontractor, or a builder for purposes of G.S. 105-164.4H. The term does not include a person engaged in retail trade.
- (33d) Repair, maintenance, and installation services. The term includes the activities listed in this subdivision:
 - a. To keep or attempt to keep tangible personal property or a motor vehicle in working order to avoid breakdown and prevent repairs.
 - b. To calibrate, restore, or attempt to calibrate or restore tangible personal property or a motor vehicle to proper working order or good condition. This activity may include replacing or putting together what is torn or broken.
 - c. To troubleshoot, identify, or attempt to identify the source of a problem for the purpose of determining what is needed to restore tangible personal property or a motor vehicle to proper working order or good condition.
 - d. To install or apply tangible personal property except tangible personal property installed or applied by a real property contractor pursuant to a real property contract.
- (35) Retailer. Any of the following persons:
 - a. A person engaged in business of making sales at retail, offering to make sales at retail, or soliciting sales at retail of tangible personal property, digital property, or services for storage, use, or consumption in this State. When the Secretary finds it necessary for

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the efficient administration of this Article to regard any sales representatives, solicitors, representatives, consignees, peddlers, or truckers as agents of the dealers, distributors, consignors, supervisors, employers, or persons under whom they operate or from whom they obtain the items sold by them regardless of whether they are making sales on their own behalf or on behalf of these dealers, distributors, consignors, supervisors, employers, or persons, the Secretary may so regard them and may regard the dealers, distributors, consignors, supervisors, employers, or persons as "retailers" for the purpose of this Article.

- b. A person engaged in business of delivering, erecting, installing, or applying tangible personal property for use in this State, regardless of whether the property is permanently affixed to real property or other tangible personal property unless the person is one or more of the following:
 - 1. A person that solely operates as a real property contractor.
 - 2. A person whose only business activity is providing repair, maintenance, and installation services where the person's activities do not otherwise meet the definition of a retail trade.
- c. A person engaged in business of making a remote sale, if one of the conditions listed in G.S. 105-164.8(b) is met.
- d. A person, other than a facilitator, required to collect the tax levied under G.S. 105-164.4(a).
- (35a) Retailer-contractor. A person that acts as a retailer when it sells tangible personal property at retail and as a real property contractor when it performs real property contracts.
- (35b) Retail trade. A trade in which the majority of revenue is from retailing tangible personal property, digital property, or services to consumers. The term includes activities of a person properly classified in NAICS sector 44-45, buying goods for resale, and rendering services incidental to the sale of merchandise. The term typically includes maintaining an inventory and may include the provision of repair, maintenance, and installation services. Not all activities provided in this subdivision are required for a trade to be considered retail trade.
- (38b) Service contract. A contract where the obligor under the contract agrees to maintain or repair tangible personal property regardless of whether the property is becomes a part of or affixed to real property, or a motor vehicle. Examples of a service contract include a warranty agreement other than a manufacturer's warranty or dealer's warranty provided at no charge to the purchaser, an extended warranty agreement, a maintenance agreement, a repair contract, or a similar agreement or contract.

SECTION 32.18.(b) G.S. 105-164.4(a) reads as rewritten:

"§ 105-164.4. Tax imposed on retailers.

- (a) A privilege tax is imposed on a retailer engaged in business in the State at the percentage rates of the retailer's net taxable sales or gross receipts, listed in this subsection. The general rate of tax is four and three-quarters percent (4.75%). The percentage rates are as follows:
 - (15) The general rate applies to the sales price of or the gross receipts derived from repair, maintenance, and installation services."

 SECTION 32.18.(c) G.S. 105-164.4I(c) reads as rewritten:
- "(c) Exceptions. The tax does not apply to the sales price of or the gross receipts derived from a service contract for tangible personal property sold at retail that is or will become a part of real property unless the service contract is sold by the obligor or by a third party or facilitator on behalf of the obligor at the same time as the item of tangible personal property covered in the service contract. The tax imposed by this section does not apply to a

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security or similar monitoring contract for real property or to a renewal of a service contract where the tangible personal property becomes a part of or affixed to real property prior to the effective date of the renewal.property."

SECTION 32.18.(d) G.S. 105-164.13(49) is repealed.

SECTION 32.18.(e) G.S. 105-164.13, as amended by S.L. 2015-6, reads as rewritten:

"§ 105-164.13. Retail sales and use tax.

The sale at retail and the use, storage, or consumption in this State of the following tangible personal property, digital property, and services are specifically exempted from the tax imposed by this Article:

- (61) A service contract for tangible personal property may be exempt as provided in G.S. 105-164.4I.
- (61a) Repair, maintenance, and installation services provided for an item for which a service contract on the item is exempt from tax under G.S. 105-164.4I.
- (61b) Repair, maintenance, and installation services purchased for resale.
- (62) An item item or repair, maintenance, and installation services used to maintain or repair tangible personal property or a motor vehicle pursuant to a service contract taxable under this Article if the purchaser of the contract is not charged for the item. For purposes of this exemption, the term "item" does not include a tool, equipment, supply, or similar tangible personal property used to complete the maintenance or repair and that is not deemed to be a component or repair part of the tangible personal property or motor vehicle for which a service contract is sold to a purchaser.

SECTION 32.18.(f) G.S. 105-237.1(a)(6) reads as rewritten:

"§ 105-237.1. Compromise of liability.

- (a) Authority. The Secretary may compromise a taxpayer's liability for a tax that is collectible under G.S. 105-241.22 when the Secretary determines that the compromise is in the best interest of the State and makes one or more of the following findings:
 - (6) The taxpayer is a retailer or a person under Article 5 of this Chapter; the assessment is for sales or use tax the retailer failed to collect or the person failed to pay on an item taxable under G.S. 105-164.4(a)(10) and (a)(11), through (a)(15), and the retailer or person made a good-faith effort to comply with the sales and use tax laws. This subdivision expires for assessments issued after July 1, 2020."

SECTION 32.18.(g) The Secretary of Revenue is directed to repeal the following administrative rules: 17 NCAC 07B .1002, 17 NCAC 07B .1003, and 17 NCAC 07B .1901. A repair part historically purchased and taxed in accordance with these administrative rules should be purchased for the purpose of resale.

SECTION 32.18.(h) This section becomes effective March 1, 2016, and applies to sales occurring on or after that date and to gross receipts derived from repair, maintenance, and installation services provided on or after that date.

ADDITIONAL LOCAL SALES TAX REVENUE FOR ECONOMIC DEVELOPMENT, PUBLIC EDUCATION, AND COMMUNITY COLLEGES

SECTION 32.19.(a) The heading to Article 44 of Chapter 105 of the General Statutes reads as rewritten:

"Article 44.

Local Government Hold Harmless and Allocation Provisions."

SECTION 32.19.(b) Article 44 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-524. Distribution of additional sales tax revenue for economic development, public education, and community colleges.

(a) Purpose. – The purpose of this section is to address sales tax leakage that results from the different revenue-raising capacity of local option sales taxes in each taxing jurisdiction. The amount to be distributed is determined under subsection (b) of this section. The amount each county may receive is determined by the county's allocation percentage under

GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015

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BILL DRAFT 2015-TQz-40 [v.7] (03/15)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

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Short Title:	Amend APA/Sunset Occupational Licensing Bds.	(Public)
Sponsors:		
Referred to:		
	A BILL TO BE ENTITLED	
	PLACE VARIOUS RESTRICTIONS ON THE ADOPT	
	TO SUNSET CERTAIN OCCUPATIONAL LICENSIN	
	TE LICENSING REQUIREMENTS; TO SUNSET TO SUNSET TO SUNSER TO TRANSFER TO TRANSF	
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	ssembly of North Carolina enacts:	
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PART I. REQ	UIREMENTS ON RULES WITH SUBSTANTIAL FINAL	NCIAL IMPACTS
SEC	CTION 1. Chapter 150B of the General Statutes is amend	ded by adding a nev
section to read:	•	aca of adding a nev
"§ 150B-19.4.	Requirements on rules with substantial financial impacts.	
(a) Pro	hibition Notwithstanding any authority given to an agenc	cy to adopt a rule, ar
agency may no	ot adopt a permanent rule or set of rules with a projected aggr	egate financial impac
	affected equal to or greater than one hundred million dollars (
	period. The agency's determination of the projected aggregate	
_	or set of rules shall comply with the requirements of G.S. 150	
	nitation If an agency determines that a proposed permane	
	jected aggregate financial impact on all persons affected equa	_
	(\$10,000,000) during any five-year period, the adoption of	the permanent rule o
	st comply with the following:	
<u>(1)</u>	If the agency is a board, a commission, a council, or	
	government, a certification that the adoption of the rule of	
	approved by at least sixty percent (60%) of those voting	g on the rule or set o
(2)	rules.	to the adoption of the
<u>(2)</u>	For an agency headed by a member of the Council of Starule or set of rules must be accompanied by a certific	-



the rule or set or rules.

member of the Council of State, indicating the member's review and support of

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- For all other agencies, the adoption of the rule or set of rules must be (3) accompanied by a certification signed by the Governor indicating the Governor's review and support of the rule or set of rules.
- Legislative review. A permanent rule or set of rules subject to the limitation of (c) subsection (b) of this section shall be subject to the provisions of G.S. 150B-21.3(b1) as if, pursuant to G.S. 150B-21.3(b2), the rule or set of rules received written objections from 10 or more persons and a bill specifically disapproving the rule or set of rules was introduced in a house of the General Assembly before the thirty-first legislative day."

SECTION 2. G.S. 150B-21.6 reads as rewritten:

"§ 150B-21.6. Incorporating material in a rule by reference.

An agency may incorporate the following material by reference in a rule without repeating the text of the referenced material:

- (1) Another rule or part of a rule adopted by the agency.
- All or part of a code, standard, or regulation adopted by another agency, the (2) federal government, agency or a generally recognized organization or association.
- Repealed by Session Laws 1997-34, s. 5. (3)
- (4) All or part of a code, standard, or regulation adopted by the federal government if the agency establishes a procedure by which any change by the federal government is reviewed and approved by the agency within 30 days of the change.

In incorporating material by reference, the agency must designate in the rule whether or not the incorporation includes subsequent amendments and editions of the referenced material. The agency can change this designation only by a subsequent rule-making proceeding. The agency must have copies of the incorporated material available for inspection and must specify in the rule both where copies of the material can be obtained and the cost on the date the rule is adopted of a copy of the material.

A statement in a rule that a rule incorporates material by reference in accordance with former G.S. 150B-14(b) is a statement that the rule does not include subsequent amendments and editions of the referenced material. A statement in a rule that a rule incorporates material by reference in accordance with former G.S. 150B-14(c) is a statement that the rule includes subsequent amendments and editions of the referenced material."

SECTION 3. G.S. 150B-19.3(a) reads as rewritten:

- An agency authorized to implement and enforce State and federal environmental laws may not adopt a permanent rule for the protection of the environment or natural resources that imposes a more restrictive standard, limitation, or requirement than those imposed by federal law or rule, if a federal law or rule pertaining to the same subject matter has been adopted, unless adoption of the rule is required by one of the subdivisions of this subsection. A permanent rule required by a serious and unforeseen threat to the public health, safety, or welfare shall be subject to the limitation and legislative review provisions of G.S. 150B-19.4(b) and (c). A permanent rule required by one of the following subdivisions of this subsection shall be subject to the provisions of G.S. 150B-21.3(b1) as if the rule received written objections from 10 or more persons under G.S. 150B-21.3(b2):
 - (1)A serious and unforeseen threat to the public health, safety, or welfare.
 - An act of the General Assembly or United States Congress that expressly (2) requires the agency to adopt rules.
 - A change in federal or State budgetary policy. (3)
 - A federal regulation required by an act of the United States Congress to be (4) adopted or administered by the State.
 - A court order." (5)

SECTION 4. G.S. 150B-21.3A reads as rewritten:

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- Rules to Conform to or Implement Federal Law. Rules adopted to conform to or (e) implement federal law shall not expire as provided by this section. The Commission shall report annually to the Committee on any rules that do not expire pursuant to this subsection.
- Rules to Protect Inchoate or Accrued Rights of Retirement Systems Members. Rules deemed by the Boards of Trustees established under G.S. 128 28 and G.S. 135 6 to protect inchoate or accrued rights of members of the Retirement Systems administered by the State Treasurer shall not expire as provided by this section. The Commission shall report annually to the Committee on any rules that do not expire pursuant to this subsection. Exclusions. - The Commission shall report annually to the Committee on any rules that do not expire pursuant to this subsection. The following rules shall not expire as provided in this section:
 - Rules adopted to conform to or implement federal law. (1)
 - Rules deemed by the Boards of Trustees established under G.S. 128-28 and (2) G.S. 135-6 to protect inchoate or accrued rights of members of the Retirement Systems administered by the State Treasurer.

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PART II. CHANGE NAME OF THE STATE BOARD OF ENVIRONMENTAL HEALTH SPECIALIST EXAMINERS TO THE NORTH CAROLINA BOARD OF REGISTERED **PUBLIC HEALTH INSPECTORS**

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SECTION 5.(a) Article 4 of Chapter 90A of the General Statutes reads as rewritten: "Article 4.

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Registrations of Environmental Health Specialists Public Health Inspectors.

§ 90A-50. State Board of Environmental Health Specialist Examiners. Registered Public **Health Inspectors.**

- (a) There is hereby created a State Board of Environmental Health Specialist Examiners Registered Public Health Inspectors to register qualified environmental health specialists public health inspectors to practice within the State. Each registered sanitarian and registered sanitarian intern shall be a registered environmental health specialist public health inspector or a registered environmental health specialist public health inspector intern as applicable.
- (b) It is the sole purpose of this Article to safeguard the health, safety, and general welfare of the public from adverse environmental factors and to register those environmental health professionals practicing as registered environmental health specialists public health inspectors or registered environmental health specialist public health inspector interns who are qualified by education, training, and experience to work in the public sector in the field of environmental health within the scope of practice as defined in this Article.

§ 90A-51. Definitions.

The words and phrases defined below shall when used in this Article have the following meaning unless the context clearly indicates otherwise:

- "Board" means the State Board of Environmental Health Specialist (1) Examiners. Registered Public Health Inspectors.
- "Certificate of registration" means a document issued by the Board as evidence (2) of registration and qualification to practice as a registered environmental health specialist public health inspector or a registered environmental health specialist public health inspector intern under this Article. The certificate shall bear the designation "Registered Environmental Health Specialist" Public Health Inspector" or "Registered Environmental Health Specialist Public Health Inspector Intern" and show the name of the person, date of issue, serial number, seal, and signatures of the members of the Board.

- "Environmental health practice" means the provision of environmental health services, including administration, organization, management, education, enforcement, and consultation regarding environmental health services provided to or for the public. These services are offered to prevent environmental hazards and promote and protect the health of the public in the following areas: food, lodging, and institutional sanitation; on-site wastewater treatment and disposal; public swimming pool sanitation; childhood lead poisoning prevention; well permitting and inspection; tattoo parlor sanitation; and all other areas of environmental health requiring the delegation of authority by the Division of Public Health of the Department of Health and Human Services to State and local environmental health professionals to enforce rules adopted by the Commission for Public Health. The definition also includes local environmental health professionals enforcing rules of local boards of health for on-site wastewater systems and wells.
- (2b) "Environmental health specialist"—"Public health inspector" means a public health professional who meets the educational requirements under this Article and has attained specialized training and acceptable environmental health field experience effectively to plan, organize, manage, provide, execute, and evaluate one or more of the many diverse elements comprising the field of environmental health practice.
- (3) Repealed by Session Laws 2009-443, s. 2, effective August 7, 2009.
- (4) "Registered environmental health specialist" public health inspector" means an environmental health specialista public health inspector registered in accordance with the provisions of this Article.

For purposes of this Article the following are not included within the definition of "registered environmental health specialist" public health inspector" unless the person is working as an environmental health specialist: a public health specialist:

- a. A person teaching, lecturing, or engaging in research.
- b. A person who is a sanitary engineer, public health engineer, public health engineering assistant, registered professional engineer, industrial hygienist, health physicist, chemist, epidemiologist, toxicologist, geologist, hydrogeologist, waste management specialist, or soil scientist.
- c. A public health officer or public health department director.
- d. A person who holds a North Carolina license to practice medicine, veterinary medicine, or nursing.
- e. Laboratory personnel when performing or supervising the performance of sanitation related laboratory functions.
- (5) "Registered environmental health specialist public health inspector intern" means a person who possesses the necessary educational qualifications as prescribed in G.S. 90A-53, but who has not completed the experience and specialized training requirements in the field of public health sanitation as required for registration.

§ 90A-52. Practice without certificate unlawful.

(a) In order to safeguard life, health and the environment, it shall be unlawful for any person to practice as an environmental health specialist a public health inspector or an environmental health specialist a public health inspector intern in the State of North Carolina or use the title "registered environmental health specialist" public health inspector or "registered environmental health specialist public health inspector intern" unless the person shall have obtained a certificate of registration from the Board. No person shall offer services as a registered environmental health specialist public health inspector or registered environmental health

specialist public health inspector intern or use, assume or advertise in any way any title or description tending to convey the impression that the person is a registered environmental health specialist public health inspector or registered environmental health specialist public health inspector intern unless the person is the holder of a current certificate of registration issued by the Board.

(b) Notwithstanding the provisions of subsection (a) of this section, a person may practice as an environmental health specialist a public health inspector intern for a period not to exceed three years from the date of the initial registration, provided the person has obtained a temporary certificate of registration from the Board.

§ 90A-53. Qualifications and examination for registration as an environmental health specialist a public health inspector or environmental health specialist public health inspector intern.

- (a) The Board shall issue a certificate to a qualified person as a registered environmental health specialist public health inspector or a registered environmental health specialist public health inspector intern. A certificate as a registered environmental health specialist public health inspector or a registered environmental health specialist public health inspector intern shall be issued to any person upon the Board's determination that the person:
 - (1) Has made application to the Board on a form prescribed by the Board and paid a fee not to exceed one hundred dollars (\$100.00);
 - (2) Is of good moral and ethical character and has signed an agreement to adhere to the Code of Ethics adopted by the Board;
 - (3) Meets any of the following combinations of education and practice experience standards:
 - a. Graduated from a baccalaureate or postgraduate degree program that is accredited by the National Environmental Health Science and Protection Accreditation Council (EHAC) and has one or more years of experience in the field of environmental health practice; or
 - b. Graduated from a baccalaureate or postgraduate degree program that is accredited by an accrediting organization recognized by the United States Department of Education, Council for Higher Education Accreditation (CHEA) and meets both of the following:
 - 1. Earned a minimum of 30 semester hours or its equivalent in the physical or biological sciences; and
 - 2. Has two or more years of experience in the field of environmental health practice.
 - c. Graduated from a baccalaureate program rated as acceptable by the Board and meets both of the following:
 - 1. Earned a minimum of 30 semester hours or its equivalent in the physical or biological sciences; and
 - 2. Has two or more years of experience in the field of environmental health practice.
 - (4) Has satisfactorily completed a course in specialized instruction and training approved by the Board in the practice of environmental health;
 - (5) Repealed by Session Laws 2009-443, s. 4, effective August 7, 2009.
 - (6) Has passed an examination administered by the Board designed to test for competence in the subject matters of environmental health sanitation. The examination shall be in a form prescribed by the Board and may be oral, written, or both. The examination for applicants shall be held annually or more frequently as the Board may by rule prescribe, at a time and place to be determined by the Board. A person shall not be registered if such person fails to meet the minimum grade requirements for examination specified by the Board.

Failure to pass an examination shall not prohibit such person from being examined at subsequent times and places as specified by the Board; and

- (7) Has paid a fee set by the Board not to exceed the cost of purchasing the examination and an administrative fee not to exceed one hundred fifty dollars (\$150.00).
- (b) The Board may issue a certificate to a person serving as a registered environmental health specialistpublic health inspector intern without the person meeting the full requirements for experience of a registered environmental health specialistpublic health inspector for a period not to exceed three years from the date of initial registration as a registered environmental health specialistpublic health inspector intern, provided, the person meets the educational requirements in G.S. 90A-53 and is in the field of environmental health practice.
- **§ 90A-54:** Repealed by Session Laws 2009-443, s. 5, effective August 7, 2009.

§ 90A-55. State Board of Environmental Health Specialist Examiners; Registered Public Health Inspectors; appointment and term of office.

- (a) Board Membership. The Board shall consist of 12 members who shall serve staggered terms: the Secretary of Health and Human Services, or the Secretary's duly authorized representative, one public-spirited citizen, one environmental sanitation educator from an accredited college or university, one local health director, a representative of the Division of Public Health of the Department of Health and Human Services, and seven practicing environmental health specialists public health inspectors who qualify by education and experience for registration under this Article, six of whom shall represent the Western, Piedmont, and Eastern Regions of the State as described more specifically in the rules adopted by the Board.
- (b) Term of Office. Each member of the State Board of Environmental Health Specialist Examiners Registered Public Health Inspectors shall be appointed by the Governor for a term of four years. As the term of each current member expires, the Governor shall appoint a successor in accordance with the provisions of this section. If a vacancy occurs on the Board for any other reason than the expiration of a member's term, the Governor shall appoint a successor for the remainder of the unexpired term. No person shall serve as a member of the Board for more than two consecutive four-year terms.
- (c) The Environmental Health Section of the North Carolina Public Health Association, Inc., shall submit a recommended list of Board member candidates to the Governor for the Governor's consideration in appointments, except for the two representatives of the Department of Health and Human Services recommended by the Secretary of Health and Human Services and the local health director recommended by the North Carolina Local Health Directors Association.
- (d) The Governor may remove an appointee member for misconduct in office, incompetency, neglect of duty, or other sufficient cause.

§ 90A-56. Compensation of Board members; expenses; employees.

Members of the Board may receive compensation and be reimbursed for travel expenses in accordance with G.S. 93B-5. Notwithstanding G.S. 93B-5(a), the per diem for eligible Board members shall not exceed fifty dollars (\$50.00). The Board may employ necessary personnel for the performance of its functions and fix the compensation therefor, within the limits of funds available to the Board. The total expenses of the administration of this Article shall not exceed the total income therefrom and none of the expenses of said Board or the compensation or expenses of any officer thereof or any employee shall ever be paid or payable out of the treasury of the State of North Carolina; and neither the Board nor any officer or employee thereof shall have any power or authority to make or incur any expense, debt, or other financial obligation binding upon the State of North Carolina.

§ 90A-57. Election of officers; meetings; regulations.

(a) The Board shall annually elect a chair, vice-chair, and a secretary-treasurer from among its membership. The officers may serve more than one term. The Board shall meet annually in the City of Raleigh, at a time set by the Board, and it may hold additional meetings

and conduct business at any place in the State. Seven members of the Board shall constitute a quorum to do business. The Board may designate any member to conduct any proceeding, hearing, or investigation necessary to its purpose, but any final action requires a quorum of the Board. The Board is authorized to adopt such rules and regulations as may be necessary for the efficient operation of the Board.

(b) The Board shall have an official seal and each member shall be empowered to administer oaths in taking of testimony upon any matters pertaining to the function of the Board.

§ 90A-58. Applicability of Chapter 93B.

The Board shall be subject to the provisions of Chapter 93B of the General Statutes of North Carolina.

§ 90A-59. Record of proceedings; register of applications; registry of registered environmental health specialists public health inspectors and environmental health specialist public health inspector interns.

- (a) The Board shall keep a record of its proceedings.
- (b) The Board shall maintain records for registration, which shall include:
 - (1) The place of residence, name and age of each applicant;
 - (2) The name and address of the employer of each applicant;
 - (3) The date of application;
 - (3a) The date of employment;
 - (4) Complete information of educational and experience qualifications;
 - (4a) A signed Code of Ethics;
 - (5) The action taken by the Board;
 - (6) The serial number of the certificate of registration issued to the applicant;
 - (7) The date on which the Board reviewed and acted upon the application;
 - (7a) Information on continuing education required to maintain registration; and
 - (8) Such other pertinent information as may be deemed necessary by the Board.
- (c) The Board shall maintain a current registry of all environmental health specialistspublic health inspectors and environmental health specialist public health inspector interns in the State of North Carolina that have been registered in accordance with the provisions of this Article.
- (d) Records of the Board are public records as defined in Chapter 132 of the General Statutes of North Carolina. However, college transcripts, examinations, and medical information submitted to the Board shall not be considered public records.
- **§ 90A-60:** Repealed by Session Laws 2009-443, s. 10, effective August 7, 2009.
- **§ 90A-61:** Repealed by Session Laws 2009-443, s. 10, effective August 7, 2009.

§ 90A-62. Certification and registration of environmental health specialists public health inspectors registered in other states.

The Board may, without examination, grant a certificate as a registered environmental health specialistpublic health inspector to any person who at the time of application, is registered as a registered environmental health specialistpublic health inspector by a similar board of another state, district or territory whose standards are determined to be acceptable to the Board and comply with rules adopted by the Board. A fee to be determined by the Board and not to exceed one hundred dollars (\$100.00) shall be paid by the applicant to the Board for the issuance of a certificate under the provisions of this section.

§ 90A-63. Renewal of certificates.

(a) A certificate as a registered <u>environmental health specialist public health inspector</u> or registered <u>environmental health specialist public health inspector</u> intern issued pursuant to the provisions of this Article will expire on the thirty-first day of December of the current year and must be renewed annually on or before the first day of January. Each application for renewal must be accompanied by a renewal fee to be determined by the Board, but not to exceed one hundred

twenty-five dollars (\$125.00). However, for renewals postmarked before January 1 of each year, the renewal fee shall not exceed one hundred dollars (\$100.00).

- (b) Registrations expired for failure to pay renewal fees may be reinstated under the rules and regulations adopted by the Board.
- (c) A registered environmental health specialist public health inspector shall complete any continuing education requirements specified by the Board for renewal of a certificate.

§ 90A-64. Suspensions and revocations of certificates.

- (a) The Board shall have the power to refuse to grant, or may suspend or revoke, any certificate issued under provisions of this Article for any of the causes hereafter enumerated, as determined by the Board:
 - (1) Fraud, deceit, or perjury in obtaining registration under the provisions of this Article:
 - (2) Inability to practice with reasonable skill and safety due to drunkenness or excessive use of alcohol, drugs, or chemicals;
 - (3) Unprofessional conduct, including a material departure from or failure to conform to the standards of acceptable and prevailing practice or the ethics of the profession;
 - (4) Defrauding the public or attempting to do so;
 - (5) Failing to renew certificate as required;
 - (6) Dishonesty;
 - (7) Incompetency;
 - (8) Inexcusable neglect of duty;
 - (9) Conviction in any court of a crime involving moral turpitude or conviction of a felony;
 - (10) Failing to adhere to the Code of Ethics; or
 - (11) Failing to meet qualifications for renewal.
- (a1) A registered environmental health specialist public health inspector or registered environmental health specialist public health inspector intern who is convicted of a felony or a crime of moral turpitude shall report the conviction to the Board within 30 days from the date of the conviction. A felony conviction shall result in the automatic suspension of a certificate issued by the Board for 60 days until further action is taken by the Board. The Board shall immediately begin the hearing process in accordance with Article 3A of Chapter 150B of the General Statutes. Nothing in this section shall preclude the Board from taking further action.
- (b) The procedure to be followed by the Board when refusing to allow an applicant to take an examination, or revoking or suspending a certificate issued under the provisions of this Article, shall be in accordance with the provisions of Chapter 150B of the General Statutes of North Carolina.
- (c) The Board may conduct investigations for any complaints alleged or upon its own motion for any allegations or causes for disciplinary action under subsection (a) of this section. The Board may subpoena individuals and records to determine if action is necessary to enforce this Article.
- (d) The Board and its members, individually, or its staff shall not be held liable for any civil or criminal proceeding when exercising in good faith its powers and duties authorized under the provisions of this Article.
- § 90A-65. Representing oneself as a registered environmental health specialist public health inspector or registered environmental health specialist public health inspector intern.
- A holder of a current certificate of registration may append to his or her name the letters, "R.E.H.S." "R.P.H.I." or "R.E.H.S.I." "R.P.H.I.I."
 - § 90A-66. Violations; penalty; injunction.

Any person violating any of the provisions of this Article or of the rules and regulations adopted by the Board shall be guilty of a Class 1 misdemeanor. The Board may appear in its own name in the superior courts in an action for injunctive relief to prevent violation of this Article and the superior courts shall have power to grant such injunctions regardless of whether criminal prosecution has been or may be instituted as a result of such violations. Actions under this section shall be commenced in the superior court district or set of districts as defined in G.S. 7A-41.1 in which the respondent resides or has his principal place of business or in which the alleged acts occurred.

§ 90A-67. Code of Ethics.

The Board shall prepare and adopt, by rule, a Code of Ethics to be made available in writing to all registered environmental health specialistspublic health inspectors and registered environmental health specialistpublic health inspector interns and each applicant for registration under this Article. All registered environmental health specialistspublic health inspectors and registered environmental health specialistspublic health inspector interns shall adhere to the Code of Ethics adopted by the Board. Publication of the Code of Ethics shall serve as due notice to all certificate holders of its contents."

SECTION 5.(b) G.S. 90A-73 reads as rewritten:

"§ 90A-73. Creation and membership of the Board.

- (a) Creation and Appointments. There is created the North Carolina On-Site Wastewater Contractors and Inspectors Certification Board. The Board shall consist of nine members appointed to three-year terms as follows:
 - (1) One member appointed by the Governor who, at the time of appointment, is engaged in the construction, installation, repair, or inspection of on-site wastewater systems, to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.
 - One member appointed by the Governor who, at the time of appointment, is a certified water pollution control system operator pursuant to Article 3 of this Chapter, to a term that expires on 1 July of years evenly divisible by three.
 - One member appointed by the Governor who is a registered professional engineer licensed under Chapter 89C of the General Statutes and whose work experience includes the design of on-site wastewater systems to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.
 - (4) One member appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate who, at the time of appointment, is engaged in the construction, installation, repair, or inspection of on-site wastewater systems, to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.
 - One member appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate who, at the time of appointment, is engaged in the business of inspecting on-site wastewater systems, to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.
 - (6) One member appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate upon the recommendation of the North Carolina Home Builders Association, to a term that expires on 1 July of years evenly divisible by three.
 - (7) One member appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives who, at the time of appointment, is engaged in the construction, installation, repair, or inspection of on-site

wastewater systems, to a term that expires on 1 July of years evenly divisible by three.

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- (8) One member appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives who, at the time of appointment, is (i) employed as an environmental health specialist, a public health inspector and (ii) engaged primarily in the inspection and permitting of on-site wastewater systems, to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.
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(9) One member appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives who, at the time of appointment, is (i) employed by the North Carolina Cooperative Extension Service, and (ii) is knowledgeable in the area of on-site wastewater systems, to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.

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- (b) Vacancies. – An appointment to fill a vacancy on the Commission created by the resignation, dismissal, disability, or death of a member shall be for the balance of the unexpired term. Vacancies in appointments made by the General Assembly shall be filled as provided in G.S. 120-122.

 - (c), (d) Repealed by Session Laws 2010-31, s. 13.2(h), effective July 1, 2010.
- (e) Officers. - The Board shall elect a Chair from among its members. The Chair shall serve from the time of election until 30 June of the following year, or until a successor is elected.
- Compensation. Board members who are State employees shall receive no per diem compensation for serving on the Board but shall be reimbursed for their expenses in accordance with G.S. 138-6. All other Board members shall receive per diem compensation and reimbursement in accordance with the compensation rate established in G.S. 93B-5.
- Quorum. A majority of the members of the Board constitutes a quorum for the transaction of business.
- Meetings. The Board shall meet at least twice each year and may hold special (h) meetings at the call of the Chair or a majority of the members of the Board.
 - Repealed by Session Laws 2010-31, s. 13.2(h), effective July 1, 2010." **SECTION 5.(c)** G.S. 130A-21 reads as rewritten:

"§ 130A-21. Embargo.

In addition to the authority of the Department of Agriculture and Consumer Services pursuant to G.S. 106-125, the Secretary or a local health director has authority to exercise embargo authority concerning food or drink pursuant to G.S. 106-125(a), (b) and (c) when the food or drink is in an establishment that is subject to regulation by the Department of Health and Human Services pursuant to this Chapter, that is subject to rules adopted by the Commission, or that is the subject of an investigation pursuant to G.S. 130A-144; however, no such action shall be taken in any establishment or part of an establishment that is under inspection or otherwise regulated by the Department of Agriculture and Consumer Services or the United States Department of Agriculture other than the part of the establishment that is subject to regulation by the Department of Health and Human Services pursuant to this Chapter. Any action under this section shall only be taken by, or after consultation with, Department of Health and Human Services regional environmental health specialists, or the Director of the Division of Public Health or the Director's designee, in programs regulating food and drink pursuant to this Chapter or in programs regulating food and drink that are subject to rules adopted by the Commission. Authority under this section shall not be delegated to individual environmental health specialists in local health departments otherwise authorized and carrying out laws and rules pursuant to G.S. 130A-4. When any action is taken pursuant to this section, the Department of Health and Human Services or the local health director shall immediately notify the Department of Agriculture and Consumer Services. For the purposes of this subsection, all duties and procedures in G.S. 106-125 shall be carried out by the Secretary

of Health and Human Services or the local health director and shall not be required to be carried out by the Department of Agriculture and Consumer Services. It shall be unlawful for any person to remove or dispose of the food or drink by sale or otherwise without the permission of a Department of Health and Human Services regional environmental health specialist, public health inspector, the Director of the Division of Public Health or the Director's designee, the local health director, or a duly authorized agent of the Department of Agriculture and Consumer Services, or by the court in accordance with the provisions of G.S. 106-125.

- (b) Recodified as G.S. 106-266.36 by Session Laws 2011-145, s. 13.3(s), effective July 1, 2011.
- (c) Recodified as G.S. 113-221.4 by Session Laws 2011-145, s. 13.3(ttt), effective July 1, 2011.
- (d) Nothing in this section is intended to limit the embargo authority of the Department of Agriculture and Consumer Services. The Department of Health and Human Services and the Department of Agriculture and Consumer Services are authorized to enter agreements respecting the duties and responsibilities of each agency in the exercise of their embargo authority.
- (e) For the purpose of this section, a food or drink is adulterated if the food or drink is deemed adulterated under G.S. 106-129; and food or drink is misbranded if it is deemed misbranded under G.S. 106-130."

PART III. SUNSET OCCUPATIONAL LICENSING BOARDS AND ELIMINATE LICENSING REQUIREMENTS AND SUNSET CERTAIN ADVISORY COMMITTEES AND CERTIFICATION REQUIREMENTS

SUNSET BOARD OF ELECTROLYSIS EXAMINERS AND ELIMINATE THE LICENSING REQUIREMENTS FOR ELECTROLOGISTS AND LASER HAIR PRACTITIONERS

SECTION 6.(a) Chapter 88A of the General Statutes (Electrolysis Practice Act) is repealed effective May 1, 2017.

SECTION 6.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 6.(c) This section is effective when it becomes law.

SUNSET BOARD OF EXAMINERS OF FEE-BASED PRACTICING PASTORAL COUNSELORS AND ELIMINATE THE LICENSING REQUIREMENTS FOR FEE-BASED PRACTICING PASTORAL COUNSELORS

SECTION 7.(a) Article 26 of Chapter 90 of the General Statutes (Fee-Based Practicing Pastoral Counselors) is repealed effective May 1, 2017.

SECTION 7.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 7.(c) This section is effective when it becomes law.

SUNSET NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD AND ELIMINATE THE LICENSING REQUIREMENTS FOR INTERPRETERS AND TRANSLITERATORS

SECTION 8.(a) Chapter 90D of the General Statutes (Interpreters and Transliterators) is repealed effective May 1, 2017.

SECTION 8.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 8.(c) This section is effective when it becomes law.

SUNSET NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD AND ELIMINATE THE LICENSING REQUIREMENTS FOR IRRIGATION CONTRACTORS

SECTION 9.(a) Chapter 89G of the General Statutes (Irrigation Contractors) is repealed effective May 1, 2017.

SECTION 9.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 9.(c) This section is effective when it becomes law.

SUNSET NORTH CAROLINA RECREATIONAL THERAPY LICENSING BOARD AND ELIMINATE THE LICENSING REQUIREMENTS FOR RECREATIONAL THERAPISTS AND RECREATIONAL THERAPY ASSISTANTS

SECTION 10.(a) Chapter 90C of the General Statutes (North Carolina Recreational Therapy Licensure Act) is repealed effective May 1, 2017.

SECTION 10.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 10.(c) This section is effective when it becomes law.

SUNSET ACUPUNCTURE LICENSING BOARD AND ELIMINATE THE LICENSING REQUIREMENTS FOR ACUPUNCTURISTS

SECTION 11.(a) Article 30 of Chapter 90 of the General Statutes (Practice of Acupuncture) is repealed effective May 1, 2017.

SECTION 11.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

 SECTION 11.(c) This section is effective when it becomes law.

SUNSET NORTH CAROLINA BOARD OF ATHLETIC TRAINER EXAMINERS AND ELIMINATE THE LICENSING REQUIREMENTS FOR ATHLETIC TRAINERS

SECTION 12.(a) Article 34 of Chapter 90 of the General Statutes (Athletic Trainers Licensing Act) is repealed effective May 1, 2017.

SECTION 12.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-

21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to 1 2 conform with the provisions of this section. 3

SECTION 12.(c) This section is effective when it becomes law.

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SUNSET STATE BOARD OF REGISTRATION FOR FORESTERS AND ELIMINATE THE LICENSING REQUIREMENTS FOR FORESTERS

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SECTION 13.(a) Chapter 89B of the General Statutes (Foresters) is repealed effective May 1, 2017.

SECTION 13.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 13.(c) This section is effective when it becomes law.

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SUNSET NORTH CAROLINA LOCKSMITH LICENSING BOARD AND ELIMINATE THE LICENSING REQUIREMENTS FOR LOCKSMITHS AND LOCKSMITH **APPRENTICES**

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SECTION 14.(a) Chapter 74F of the General Statutes (Locksmith Licensing Act) is repealed effective May 1, 2017.

SECTION 14.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 14.(c) This section is effective when it becomes law.

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SUNSET NORTH CAROLINA BOARD OF PODIATRY EXAMINERS AND ELIMINATE THE LICENSING REQUIREMENTS FOR PODIATRISTS

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SECTION 15.(a) Article 12A of Chapter 90 of the General Statutes (Podiatrists) is repealed effective May 1, 2017.

SECTION 15.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

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SECTION 15.(c) This section is effective when it becomes law.

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SUNSET ALARM SYSTEMS LICENSING BOARD AND ELIMINATE THE LICENSING REQUIREMENTS FOR ENGAGING IN ALARM SYSTEMS BUSINESS

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SECTION 16.(a) Chapter 74D of the General Statutes (Alarm System Licensing Act) is repealed effective May 1, 2017.

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SECTION 16.(b) G.S. 143B-601 reads as rewritten: "§ 143B-601. Powers and duties of the Department of Public Safety.

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It shall be the duty of the Department of Public Safety to do all of the following: (a)

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Provide assigned law enforcement and emergency services to protect the public (1) against crime and against natural and man-made disasters. (2) To plan and direct a coordinated effort by the law enforcement agencies of

50 51 State government and to ensure maximum cooperation between State and local law enforcement agencies in the fight against crime.

- juvenile justice and the prevention of delinquent acts by juveniles.
- To provide central storage and management of evidence according to the (12)provisions of Article 13 of Chapter 15A of the General Statutes and create and maintain a databank of statewide storage locations of postconviction evidence or other similar programs.
- To provide central storage and management of rape kits according to the federal (13)Violence Against Women and Department of Justice Reauthorization Act of 2005 with specific protections against release of names of victims providing anonymous or "Jane Doe" rape kits without victim consent.
- To provide for the storage and management of evidence.
- The Department may require registration of alarm system installers." (b)

SECTION 16.(c) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 16.(d) This section is effective when it becomes law.

REPEAL THE DEPARTMENT OF INSURANCE'S CONTINUING EDUCATION ADVISORY COMMITTEES FOR FIRE AND CASUALTY INSURANCE LICENSEES AND LIFE AND HEALTH INSURANCE LICENSEES

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SECTION 17.(a) G.S. 58-33-135 is repealed.

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SECTION 17.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 17.(c) This section is effective when it becomes law.

SUNSET BOARD OF EMPLOYEE ASSISTANCE PROFESSIONALS AND ELIMINATE THE LICENSING REQUIREMENTS FOR EMPLOYEE ASSISTANCE PROFESSIONALS

SECTION 18.(a) Article 32 of Chapter 90 of the General Statutes (Employee Assistance Professionals) is repealed effective May 1, 2017.

 SECTION 18.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 18.(c) This section is effective when it becomes law.

SUNSET PERFUSIONIST ADVISORY COMMITTEE OF THE NORTH CAROLINA MEDICAL BOARD AND ELIMINATE THE LICENSING REQUIREMENTS FOR CERTIFIED CLINICAL PERFUSIONISTS

SECTION 19.(a) Article 40 of Chapter 90 of the General Statutes (Perfusionist Licensure Act) is repealed effective May 1, 2017.

SECTION 19.(b) G.S. 90-5.1 reads as rewritten:

"§ 90-5.1. Powers and duties of the Board.

- (a) The Board shall:
 - (1) Administer this Article.
 - (2) Issue interpretations of this Article.
 - (3) Adopt, amend, or repeal rules as may be necessary to carry out and enforce the provisions of this Article.
 - (4) Require an applicant or licensee to submit to the Board evidence of the applicant's or licensee's continuing competence in the practice of medicine.
 - (5) Regulate the retention and disposition of medical records, whether in the possession of a licensee or nonlicensee. In the case of the death of a licensee, the rules may provide for the disposition of the medical records by the estate of the licensee. This subsection shall not apply to records created or maintained by persons licensed under other Articles of this Chapter or to medical records maintained in the normal course of business by licensed health care institutions.
 - (6) Appoint a temporary or permanent custodian for medical records abandoned by a licensee.
 - (7) Develop educational programs to facilitate licensee awareness of provisions contained in this Article and public awareness of the role and function of the Board.
 - (8) Develop and implement methods to identify dyscompetent physicians and physicians who fail to meet acceptable standards of care.
 - (9) Develop and implement methods to assess and improve physician practice.
 - (10) Develop and implement methods to ensure the ongoing competence of licensees.

- (b) Nothing in subsection (a) of this section shall restrict or otherwise limit powers and duties conferred on the Board in other sections of this Article.
- (c) The Board may establish technical advisory subcommittees, including a perfusionist technical advisory subcommittee."

SECTION 19.(c) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 19.(d) This section is effective when it becomes law.

SUNSET PUBLIC LIBRARIAN CERTIFICATION COMMISSION AND ELIMINATE THE CERTIFICATION REQUIREMENTS FOR PUBLIC LIBRARIANS

SECTION 20.(a) Part 6 of Article 2 of Chapter 143B of the General Statutes (Public Librarian Certification Commission) is repealed effective May 1, 2017.

SECTION 20.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section.

SECTION 20.(c) This section is effective when it becomes law.

PART IV. SUNSET OCCUPATIONAL LICENSING BOARDS AND TRANSFER LICENSING REQUIREMENTS TO OTHER OCCUPATIONAL LICENSING BOARDS

SUNSET BOARD OF OPTICIANS AND TRANSFER THE LICENSING REQUIREMENTS FOR OPTICIANS TO THE STATE BOARD OF EXAMINERS IN OPTOMETRY

SECTION 21.(a) Article 17 of Chapter 90 of the General Statutes (Dispensing Opticians) is repealed and the licensing requirements for opticians are transferred to the State Board of Examiners in Optometry effective May 1, 2017.

SECTION 21.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section. The State Board of Examiners in Optometry shall review the rules transferred from the Board of Opticians and amend or repeal the rules that the State Board of Examiners in Optometry determines are redundant, unnecessary, confusing, or outdated.

SECTION 21.(c) This section is effective when it becomes law.

SUNSET MIDWIFERY JOINT COMMITTEE AND TRANSFER THE LICENSING REQUIREMENTS FOR MIDWIVES TO THE NORTH CAROLINA BOARD OF NURSING

SECTION 22.(a) Article 10A of Chapter 90 of the General Statutes (Midwifery Practice Act) is repealed and the licensing requirements for midwives are transferred to the North Carolina Board of Nursing effective May 1, 2017.

SECTION 22.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section. The Board of Nursing shall review the rules

transferred from the Midwifery Joint Committee and amend or repeal the rules that the Board of Nursing determines are redundant, unnecessary, confusing, or outdated.

SECTION 22.(c) This section is effective when it becomes law.

SUNSET NORTH CAROLINA RESPIRATORY CARE BOARD AND TRANSFER THE LICENSING REQUIREMENTS FOR RESPIRATORY CARE PRACTITIONERS TO THE NORTH CAROLINA MEDICAL BOARD

SECTION 23.(a) Article 38 of Chapter 90 of the General Statutes (Respiratory Care Practice Act) is repealed and the licensing requirements for respiratory care practitioners are transferred to the North Carolina Medical Board effective May 1, 2017.

SECTION 23.(b) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section. The Medical Board shall review the rules transferred from the Respiratory Care Board and amend or repeal the rules that the Medical Board determines are redundant, unnecessary, confusing, or outdated.

SECTION 23.(c) This section is effective when it becomes law.

SUNSET NORTH CAROLINA MARRIAGE AND FAMILY THERAPY LICENSURE BOARD AND NORTH CAROLINA SUBSTANCE ABUSE PROFESSIONAL PRACTICE BOARD AND TRANSFER THE LICENSING REQUIREMENTS FOR MARRIAGE AND FAMILY THERAPISTS AND SUBSTANCE ABUSE PROFESSIONALS TO THE NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

SECTION 24.(a) Article 18C of Chapter 90 of the General Statutes (Marriage and Family Therapy Licensure Act) is repealed and the licensing requirements for marriage and family therapists and marriage and family therapy associates are transferred to the North Carolina Board of Licensed Professional Counselors effective May 1, 2017.

SECTION 24.(b) Article 5C of Chapter 90 of the General Statutes (North Carolina Substance Abuse Professional Practice Act) is repealed and the licensing requirements for substance abuse professionals are transferred to the North Carolina Board of Licensed Professional Counselors effective May 1, 2017.

SECTION 24.(c) The Revisor of Statutes shall make all changes to the General Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section. The Board of Licensed Professional Counselors shall review the rules transferred from the Marriage and Family Therapy Licensure Board and the Substance Abuse Professional Practice Board and amend or repeal the rules that the Board of Licensed Professional Counselors determines are redundant, unnecessary, confusing, or outdated.

SECTION 24.(d) This section is effective when it becomes law.

SUNSET CAPE FEAR RIVER NAVIGATION AND PILOTAGE COMMISSION AND MOREHEAD CITY NAVIGATION AND PILOTAGE COMMISSION AND TRANSFER THE LICENSING REQUIREMENTS FOR CAPE FEAR RIVER PILOTS AND MOREHEAD CITY HARBOR AND BEAUFORT BAR PILOTS TO THE NORTH CAROLINA PORTS AUTHORITY

SECTION 25.(a) Chapter 76A of the General Statutes (Navigation and Pilotage Commissions) is repealed.

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SECTION 25.(b) The North Carolina Ports Authority shall adopt rules to provide for the licensure and regulation of Cape Fear River pilots and Morehead City Harbor and Beaufort Bar pilots.

SECTION 25.(c) The Revisor of Statutes shall make all changes to the General

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Statutes necessary to conform with the provisions of this section. In accordance with G.S. 150B-

21.7, the Codifier of Rules shall make all changes to the Administrative Code necessary to conform with the provisions of this section. The Ports Authority shall review the rules transferred from the Cape Fear River Navigation and Pilotage Commission and Morehead City Navigation and Pilotage Commission and amend or repeal the rules that the Ports Authority determines are

redundant, unnecessary, confusing, or outdated. **SECTION 25.(d)** This section is effective when it becomes law.

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PART V. DIRECT EACH OCCUPATIONAL LICENSING BOARD TO CONSOLIDATE ALL LICENSES ISSUED BY THE BOARD INTO A SINGLE LICENSE

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SECTION 26.(a) Chapter 93B of the General Statutes is amended by adding a new section to read:

"§ 93B-17. Consolidate licenses.

Each occupational licensing board, including boards housed within agencies and agencies that issue occupational licenses, shall consolidate all of the licenses issued by the board or agency into a single license. A board or agency may provide for license endorsements or sub-specialty licensure."

SECTION 26.(b) If compliance with G.S. 93B.17, as enacted by Section 26.(a) of this act, would require statutory changes, the board or agency shall report to the Joint Legislative Administrative Procedure Oversight Committee on the required statutory changes no later than October 1, 2016.

SECTION 26.(c) Section 26.(a) of this Section is effective May 1, 2017. remainder of this section is effective when it becomes law.

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PART VI. DIRECT THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE TO CONTINUE TO STUDY THE ELIMINATION AND CONSOLIDATION OF OCCUPATIONAL LICENSING BOARDS AND TO STUDY THE DEREGULATION OF OCCUPATIONS REGULATED BY THE STATE

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SECTION 27.(a) The Joint Legislative Administrative Procedure Oversight Committee shall continue to study the elimination and consolidation of occupational licensing boards, including boards housed within agencies and agencies that issue occupational licenses, and shall study the deregulation of occupations regulated by the State. The Committee shall specifically consider all of the following:

39 40 Whether certain occupational licensing boards should be eliminated, consolidated with other boards or agencies, or have their licensing authority 41

repealed.

- (2) Whether the membership of certain occupational licensing boards should be reduced or adjusted.
- Licensing fees. (3)
- (4) The process by which the public may make complaints against licensees.
- Any other issues the Committee finds necessary for the efficient and effective (5) operation of occupational licensing boards.

SECTION 27.(b) The Joint Legislative Administrative Procedure Oversight Committee shall report the findings of the study required by this section to the 2017 Regular Session of the 2017 General Assembly.

PART VII. DIRECT THE DEPARTMENT OF ENVIRONMENTAL QUALITY AND THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STUDY THE CONSOLIDATION OF THE WATER TREATMENT FACILITY OPERATORS BOARD OF CERTIFICATION, THE ON-SITE WASTEWATER CONTRACTORS AND INSPECTORS CERTIFICATION BOARD, AND THE WATER POLLUTION CONTROL SYSTEM OPERATORS CERTIFICATION COMMISSION

SECTION 28. It is the intent of the General Assembly to consolidate the Water Treatment Facility Operators Board of Certification, the On-Site Wastewater Contractors and Inspectors Certification Board, and the Water Pollution Control System Operators Certification Commission during the 2017-2018 General Assembly. The Department of Environmental Quality and the Department of Health and Human Services shall jointly study how to consolidate the Water Treatment Facility Operators Board of Certification, the On-Site Wastewater Contractors and Inspectors Certification Board, and the Water Pollution Control System Operators Certification Commission, including the membership and powers and duties of a single board. The Departments shall jointly report the results of its study, including any recommendations, to the Joint Legislative Administrative Procedure Oversight Committee no later than December 1, 2016.

PART VIII. EFFECTIVE DATE

SECTION 29. Except as otherwise provided, this act is effective when it becomes law. Sections 1, 3, and 4 apply to rules adopted or undergoing the review process on or after that date.