



## NORTH CAROLINA BURGLAR AND FIRE ALARM ASSOCIATION

LEGISLATIVE REPORT

APRIL 5, 2007

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### INTRODUCTION

The pace of the filing of bills continues to be heavy with bill requests to the legislative bill drafting office up 36% over the number requested in 2005. So far, there have been 3,472 bill requests which exceed those requested in 2005 with 2 ½ weeks left until the House bill filing deadline. With this high number of bills, the Legislature has been very busy with committee meetings as they start to look through this legislation and debate and discuss its merits. At the same time, the Appropriations Subcommittees continue to meet to hear from agencies regarding their budget requests and chairs of the individual subcommittees have been meeting privately to begin to put together their budget proposal. After another week, the House subcommittees will meet separately and they expect to have their budget proposal ready by the end of April.

Many interesting bills have been filed including ones with political implications. Several bills have been filed to provide for an independent redistricting commission to set up legislative districts after the next census. The hope is that the Commission would take the redistricting out of the hands of the Legislature and try to take some of the political process out of the equation. In addition, several bills have been filed regarding campaign financing for legislative races, including a request for a pilot program. Bills have also been filed to change the Constitution to allow varying members of the Council of State to be appointed by the Governor instead of elected in a statewide election.

The investigation regarding Representative Thomas Wright continues with information being released that Representative Wright failed to disclose over \$100,000 worth of campaign donations that were listed on individual PAC disclosure forms. Several different political action committee representatives were quoted recently as saying that those checks had cleared Representative Wright's account, yet Representative Wright made no disclosure of the contributions in the required forms. It is unusual, but Representative Wright serves as his own treasurer for his campaign account. The criminal investigation continues by the Board of Elections.

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If you would like a copy of any of the legislation introduced or considered by this year's General Assembly, you may receive one copy of as many bills as you are interested in, free of charge, by calling the General Assembly's Printed Bills office at 919/733-5648. They will need to know if it is a House bill or Senate bill and the bill number. (For example, Senate Bill 8). Copies are also available on the General Assembly's World Wide Web site: <http://www.ncleg.net>.



## BILLS OF INTEREST

HOUSE BILL 901, Health Care for All, would allow a referendum to amend the North Carolina Constitution to recognize that there is a right to health care and that every resident of North Carolina must have access to appropriate health care on a regular basis. **Introduced by Representative Insko and referred to the House Rules Committee.**

HOUSE BILL 919, New Fire Engine for Eastwood Fire Department/Funds, would provide \$300,000 to the Eastwood Volunteer Fire Department to purchase a new fire engine to adequately protect its jurisdiction. **Introduced by Representative Boylan and referred to the House Appropriations Committee.**

HOUSE BILL 920, Eastwood Volunteer Fire Department/Funds, would provide \$350,000 to the Eastwood Volunteer Fire Department to expand and renovate its fire station. **Introduced by Representative Boylan and referred to the House Appropriations Committee.**

HOUSE BILL 921, Involuntary Annexations/Tax Reports, would require municipalities to provide full disclosure of any tax implications to residents in areas that are being annexed. Information provided would include a comparison of the real and personal property taxes the resident paid in each of the three years preceding annexation and what the resident would have to pay if the property were annexed. **Introduced by Representative Boylan and referred to the House Rules Committee.**

HOUSE BILL 977, Statewide Certification of HUBS. This bill is identical to Senate Bill 320, summarized in the February 27<sup>th</sup> Legislative Report. **Introduced by Representative Adams and referred to the House Judiciary I Committee.**

HOUSE BILL 1001, School Bus Safety. This bill is identical to Senate Bill 850, summarized in the March 22<sup>nd</sup> Legislative Report. **Introduced by Representatives Johnson and Barnhart and referred to the House Judiciary I Committee.**

HOUSE BILL 1006, Initiative, would allow a referendum to amend the North Carolina Constitution by adding a new section which would allow a referendum on proposed amendments to the Constitution to be submitted by petitions signed by qualified voters. The number of signatures must be not less than 20% of the votes for all candidates for governor at the last gubernatorial election. After a successful petition, the proposed amendment would then be submitted to voters at the next statewide general election. Defeated referendums could not be considered again for at least five years. **Introduced by Representative Blust and referred to the House Rules Committee.**



SENATE BILL 908, South Toe Fire & Rescue Funds. This bill is identical to House Bill 499, summarized in the March 12<sup>th</sup> Legislative Report. **Introduced by Senator Queen and referred to the Senate Appropriations Committee.**

SENATE BILL 925, Create Beneficiary on Motor Vehicle Titles, would create a transfer on death provision for motor vehicles titled in North Carolina which would allow beneficiaries to take title of the motor vehicle upon the death of an owner or owners. The transfer would not affect the rights of a person who has a lien on the vehicle. **Introduced by Senator Cowell and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

SENATE BILL 928, Legislative Research Commission to Study Financial Responsibility for Motor Vehicles, would allow the Legislative Research Commission to study whether to require proof of continuous financial responsibility to maintain a North Carolina driver's license. **Introduced by Senator Garrou and referred to the Senate Rules Committee.**

SENATE BILL 949, Streamline Building Code Adoption. This bill is identical to House Bill 728, summarized in the March 22<sup>nd</sup> Legislative Report. **Introduced by Senator Clodfelter and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

SENATE BILL 955, Earned Income Tax Credit, would provide a state earned income tax credit which would be equal to 10% of the amount of the earned income tax credit that the taxpayer is eligible for on his or her federal income tax return. If the amount exceeds the amount of tax that the taxpayer would otherwise owe, then the taxpayer would be entitled to a refund. **Introduced by Senator Clodfelter and referred to the Senate Finance Committee.**

SENATE BILL 957, Judicial Appointment/Voter Retention, would allow a referendum to amend the North Carolina Constitution so that the Governor could appoint the justices of the Supreme Court and the judges of the Court of Appeals with a retention vote by election. **Introduced by Senator Clodfelter and referred to the Senate Ways and Means Committee.**

SENATE BILL 969, Statute of Repose/Products Liability Actions, would change the statute of repose for product liability actions from 6 years to 15 years after the date of the initial purchase. **Introduced by Senator Cowell and referred to the Senate Judiciary I Committee.**

SENATE BILL 972, Restroom Equity Act, would provide equity in the number of women's and men's bathrooms by requiring arenas, bars, concert halls, convention halls, theaters, dance halls, and stadiums generally to have twice the number of women's bathrooms as men's bathrooms. **Introduced by Senator Cowell and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

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SENATE BILL 988, *Illegal Immigrants Tax Collection Enforcement*, would require the Secretary of State to develop a work eligibility verification portal to give online, telephone, or in person access to the Basic Pilot Employment Verification Program administered by the Department of Homeland Security. In addition, employers would be required to withhold state taxes from compensation paid to an unauthorized alien and failure to withhold the taxes would be considered a Class I felony. **Introduced by Senator Berger of Franklin and referred to the Senate Judiciary II Committee.**

SENATE BILL 995, *Workers' Compensation/Add to Schedule of Injuries*, would amend the workers' compensation schedule of injuries for awards for injuries affecting specific parts of the body. The bill would also add a maximum award of \$100,000 for serious injuries to the brain, heart, or reproductive organs. **Introduced by Senator Berger of Franklin and referred to the Senate Judiciary I Committee.**

SENATE BILL 996, *Workers' Compensation Annual COLA*, would provide a cost of living adjustment for employees receiving workers' compensation who are permanently and totally disabled. The cost of living adjustment would be 3% and would change based on the Consumer Price Index. **Introduced by Senator Berger of Franklin and referred to the Senate Judiciary I Committee.**

SENATE BILL 997, *Increase Cap for Loss of Workers' Organs*, would increase the maximum award under the Workers' Compensation Act for the loss of or permanent injury to an important organ or a part of the body not otherwise addressed in the statute. The maximum award would be increased from \$20,000 to \$50,000. **Introduced by Senator Berger of Franklin and referred to the Senate Judiciary I Committee.**

SENATE BILL 1001, *Legislative Study on Public Building Security*, would establish a 14 member Committee on Public Building Security to examine existing technologies that the state could use to secure public buildings and better protect the lives of state employees and citizens. **Introduced by Senator Rand and referred to the Senate Rules Committee.**

SENATE BILL 1002, *Auto Dialing and Recorded Message Players*, would further regulate the use of automatic dialing and recorded messages (Robocalls) by requiring the person who is calling to clearly identify their name, contact information, the name of the person on whose behalf the call is being made, and the purpose of the call. The bill would specifically authorize the use of automatic dialing for official government business and school business. Political candidates would be prohibited from using automatic dialing if the telephone subscriber is included in the Do Not Call Registry. **Introduced by Senator Rand and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

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SENATE BILL 1012, Reduce Tax/Cut Government Spending, would make a variety of changes to the tax structure in North Carolina including reducing the corporate income tax rate to 4.9% by 2008. The bill would also reduce each income bracket by 0.5% so that the brackets would become 5.5%, 6.5%, and 7.25%. All vacant positions would be eliminated from state departments, agencies, and institutions on July 1, 2007 except for police departments, fire departments, and those who receive first responder grants. **Introduced by Senator Pittenger and referred to the Senate Finance Committee.**

SENATE BILL 1019, Investigations of Corporations/Partnerships, would require all corporations, limited liability companies, and limited partnerships to name an individual who is the custodian of their records. The Secretary of State would also be given the authority to serve written interrogatories on registered limited liability partnerships if the Secretary of State believes they are not in compliance with the statutes. **Introduced by Senator Hartsell and referred to the Senate Judiciary II Committee.**

SENATE BILL 1040, Revise 529 Plan Deduction, would increase the amount that North Carolina taxpayers can deduct for contributions to a parental savings trust fund to \$2,500 for individuals or \$5,000 for married couples filing jointly. **Introduced by Senator Rand and referred to the Senate Finance Committee.**

SENATE BILL 1055, Consumers' Rebates Redemption Deadline, would require persons who offer rebates to consumers to mail the rebate within 30 days after the postmarked date of the completed rebate forms and conspicuously show the terms of the rebate and its expiration date. **Introduced by Senator Stevens and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

SENATE BILL 1058, Telephone Records Privacy Protection Act, would create a new offense of obtaining telephone records by fraudulent means and receiving or selling telephone records obtained by fraudulent means. The bill would exempt from criminal and civil liability any telephone service provider who reasonably and in good faith discloses telephone records. **Introduced by Senator Stevens and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

SENATE BILL 1092, Provide Unpaid Sick Days, would require that unpaid sick days be provided for all North Carolina employees at a rate of one hour of leave for each 30 hours worked. The sick days could be used to attend to medical needs of the employee or the employee's family members or to address the effects of domestic violence. If the unpaid sick leave covers more than 3 consecutive workdays, then an employer could require certification from a health care provider. The leave could not be accumulated from year to year and employers could not punish their employees for using the sick time. **Introduced by Senator Cowell and referred to the Senate Appropriations Committee.**

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SENATE BILL 1112, Repeal Incentives - Lower Corporate Tax Rate, would reduce the corporate income tax rate from 6.9% to 2%, modify the corporate apportionment formula, and provide other tax changes for corporations. **Introduced by Senator Pittenger and referred to the Senate Finance Committee.**

SENATE BILL 1124, Superintendent of Public Instruction Appointed, would allow a referendum to change the North Carolina Constitution to require the Superintendent of Public Instruction to be appointed by the State Board of Education instead of an election. **Introduced by Senator Clodfelter and referred to the Senate Ways and Means Committee.**

SENATE BILL 1141, Section 529 Plan - Tax Deduction, would allow certain taxpayers to take a tax deduction based on their contributions to a qualified tuition program (college savings accounts). Current law limits the deduction to only the North Carolina program. **Introduced by Senator Hoyle and referred to the Senate Finance Committee.**

SENATE BILL 1143, Clarify Duties of Licensed Home Inspector, would require a licensed home inspector to include a summary page in their written report that describes components that are not functioning or that require further investigation by a specialist. **Introduced by Senator Hoyle and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

SENATE BILL 1145, Work Opportunity Tax Credit, would allow a tax credit for those who hire disadvantaged workers to fill a full-time position and who keep that employee for at least nine months. A disadvantaged worker would include someone who is receiving federal or state assistance, veterans, or those with felony records or a recent incarceration. **Introduced by Senator Hoyle and referred to the Senate Finance Committee.**

SENATE BILL 1161, Rely on Verbal Advice - No Tax Liability, would allow taxpayers to rely upon the verbal advice from the Department of Revenue if the advice was reasonably relied upon and the taxpayer did not fail to provide adequate or accurate information. **Introduced by Senator Hoyle and referred to the Senate Judiciary I Committee.**

SENATE BILL 1172, Restraining of Dogs, would make a variety of amendments to the criminal law concerning restraining dogs and would prohibit the tethering of a dog for more than specific periods of time. The bill would prohibit certain types of “choking” collars. A violation would remain a Class I misdemeanor but could also constitute a charge of cruel treatment of an animal. **Introduced by Senator Cowell and referred to the Senate Judiciary I Committee.**

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SENATE BILL 1202, Litter Violation Reported by Citizen, would allow a citation to be issued for littering based upon the affidavit of a witness. The violation would be noncriminal and would be punished by a civil penalty of \$100 which could be increased by \$25 for failure to pay the citation. Magistrates could accept affidavits reporting littering violations and enter judgment on these cases. **Introduced by Senator Jacumin and referred to the Senate Judiciary II Committee.**

SENATE BILL 1204, New Civil Penalties for Emissions Violations, would establish new civil penalties for emissions violations which would include: (1) a \$25 fee for failing to have the vehicle inspected within four months after the inspection is required; (2) a \$100 fine for instructing or allowing a person to tamper with the emission control device; and (3) a \$200 fine for incorrectly stating the county the vehicle is registered in to avoid an emissions inspection. **Introduced by Senator Nesbitt and referred to the Senate Judiciary I Committee.**

SENATE BILL 1221, Nuisances/Portable Storage Units, would require local governments to adopt ordinances regulating and permitting portable storage units in residential areas. The permit fee could not exceed \$50 and could be waived for emergency uses. Exceptions would be permitted for construction and renovation sites. **Introduced by Senator Cowell and referred to the Senate Judiciary I Committee.**

SENATE BILL 1256, 2007 Studies Bill. This studies bill will eventually include a list of issues that can be studied by the Legislative Research Commission, statutory oversight committees and commissions, and other agencies. **Introduced by Senator Rand and referred to the Senate Rules Committee.**

SENATE BILL 1307, Low Emission Vehicles Program/Funds, would establish the North Carolina Low Emission Vehicles Program which would be modeled after the program in California and would apply to light duty cars and trucks. **Introduced by Senator Clodfelter and referred to the Senate Commerce, Small Business, and Entrepreneurship Committee.**

SENATE BILL 1308, Repeal Estate and Gift Taxes, would repeal the estate and gift taxes and would also expand the sales tax base to offset the loss in revenue. The sales tax base would be expanded to include taxes on: (1) repair, maintenance, and installation services; and (2) warranty agreements, maintenance agreements, repair contracts, and similar service agreements. Installation services would further be defined as those that install personal property or fixtures that become part of existing real property. **Introduced by Senator Clodfelter and referred to the Senate Finance Committee.**

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SENATE BILL 1317, Child Health Insurance Tax Credit, would provide an individual income tax credit for the premium costs paid by an individual on qualified health coverage for dependent children. Credit would not be allowed for payments that are deductible from the taxpayers income for the taxable year. **Introduced by Senator Berger of Rockingham and referred to the Senate Finance Committee.**

SENATE BILL 1318, Health Insurance Tax Deduction, would allow an individual income tax deduction for an amount paid for qualified health coverage for the taxpayer or the taxpayer's dependent to the extent the amount paid was included in taxable income. **Introduced by Senator Berger of Rockingham and referred to the Senate Finance Committee.**

SENATE BILL 1344, Increase Fines for Speeding. Currently, fines for speeding are established by the judge who hears the case; however, this bill would establish the amount of the fine based on the rate of speed over the posted speed limit. For example, 1 to 5 mph over the speed limit would be a fine of \$50 and a speed of 11 to 15 mph over the speed limit would be a fine of \$150. Fines would also be established for speed violations in a commercial vehicle. **Introduced by Senator Shaw and referred to the Senate Finance Committee.**

SENATE BILL 1347, Superintendent Appointive, would allow a referendum to be held to change the North Carolina Constitution to allow the Superintendent of Public Instruction to be appointed by the Governor subject to the confirmation of the Senate and the House of Representatives. **Introduced by Senator Graham and referred to the Senate Ways and Means Committee.**

SENATE BILL 1399, Ban Mobile Phone Use While Driving. This bill is substantially similar to House Bill 527, summarized in the March 12<sup>th</sup> Legislative Report. **Introduced by Senator Dannelly and referred to the Senate Judiciary II Committee.**

SENATE BILL 1407, Resale of Tickets Via Internet, would allow internet sales of admission tickets in excess of the printed price when authorized by the organizer of the event or operator of the location. Authorized sales through the web must carry a guaranty of full refund in specified circumstances and student tickets issued by universities and colleges would be excluded. **Introduced by Senator Hartsell and referred to the Senate Judiciary II Committee.**

SENATE BILL 1469, Appoint Most Council of State Members, would allow a referendum to change the North Carolina Constitution to provide that the only elected members of the Council of State would be the Governor, Lt. Governor, Auditor, Treasurer, and Attorney General. The other members of the Council of State, including the Superintendent of Public Instruction, the Commissioner of Agriculture, the Commissioner of Labor, the Commissioner of Insurance, and the Secretary of State, would be appointed. **Introduced by Senator Albertson and referred to the Senate Ways and Means Committee.**

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### BILL UPDATES

HOUSE BILL 259, Prohibit Smoking in Public and Work Places, was amended by the House Judiciary I Committee to remove bars from the exception to the prohibition on smoking. The bill also was modified to define “public club” and “retail tobacco shop” as places where smoking can still occur. The bill would become effective January 1, 2008. **The bill as amended was approved by the House Judiciary Committee and was re-referred to the House Judiciary I Committee.**

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