



## NORTH CAROLINA BURGLAR AND FIRE ALARM ASSOCIATION

LEGISLATIVE REPORT

JULY 22, 2006

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### INTRODUCTION

Contrary to the opinion of many legislators, lobbyists, reporters, prognosticators and members of the general public(including myself), the General Assembly has **NOT ADJOURNED** yet this session. Since the Budget was completed in early July, most people expected the session to adjourn by July 15<sup>th</sup>; however, the session continues on and there is no clear end in sight. The delay seems to be a package of ethics and lobbying reform that is in dispute between the two chambers. This week they wrapped up most of their business and are down to the last few bills of the session, including the technical correction bills, the studies bill, and the appointment bills. Even though a Conference Committee has been appointed to discuss the differences between the various legislative lobbying and ethics reform proposals, there are many differences, both substantive and technical, to work through and it is unclear how long it will take them to resolve those issues and present the bill for a vote. The Senate seems prepared to wait to return until all those issues have been resolved; however, it appears that the House will continue business until an agreement has been reached.

Both the House and Senate announced that they would have a more open process this year when enacting legislation and have for the most part accomplished that by opening up more meetings and providing more information. As we have gotten closer to the end of session we have seen a return to business as usual in the rush to pass legislation. Bills were completely replaced, bills with important policy implications were rushed through the process, and committee meetings have been held on the floor of both the House and the Senate with no discussion or debate. As always, there will be mistakes found and many of the bills passed during the end of the session will be corrected in the technical corrections bill for next year.

Below is a summary of legislative actions for the last several weeks on bills of importance to your association. I am hopeful that the next report will be an announcement that the session has been adjourned. Several weeks after adjournment I will send out the final legislative report which will include a summary of the legislation that has been signed into law and a summary of the 2006 budget.



## BILL UPDATES

HOUSE BILL 1231, Prohibit Extreme Pricing Practices. This completely revised bill would provide protection to consumers from excessive pricing during states of emergency or abnormal market disruptions. Currently, there are protections in the law when there is a state of disaster declared by the Governor and this would expand those protections during times of emergency or abnormal market disruptions. The prohibition would apply to manufacturers, suppliers, wholesalers, distributors, or retail sellers of goods or services. **This bill has been approved by both the House and the Senate and has been sent to the Governor for his signature.**

HOUSE BILL 1248, Amend Identity Theft Protection Act of 2005. This completely revised bill would require state agencies or political subdivisions that experience security breaches of identity information to comply with the notification requirements enacted last year for private companies. The bill would also clarify that agencies must disclose public records in response to a request even though those records contain identifying information, but only after that information is removed or redacted. **This bill has been approved by the Senate and the House and has been sent to the Governor for his signature.**

HOUSE BILL 1891, Simplify Fire Tax Rate/Other Tax Changes. This bill would reorganize and modify the gross premiums tax on insurance for fire and lightning coverage that is currently provided to volunteer fire departments. Funds are provided to volunteer fire departments through a grant process if they meet certain conditions. **This bill has been approved by both the House and the Senate and has been sent to the Governor for his signature.**

HOUSE BILL 2174, Raise Minimum Wage. This bill raises the minimum wage from \$5.15 per hour to \$6.15 per hour and will be effective January 1, 2007. **This bill was approved by both the House and Senate and was signed into law by the Governor on July 13, 2006.**

SENATE BILL 192, UNC Construction Projects. This completely revised bill would allow the University of North Carolina to avoid the requirement that all state buildings receive approval of building plans by the Commissioner of Insurance as to the safety of the proposed building from fire. The Board of Governors could develop its own construction drawings and specifications for projects and would be required to follow the required inspections for safety as provided in the State Building Code. **This bill was approved by the Senate; however, after intense opposition from the Department of Insurance, it is currently in the House Rules Committee and is not expected to move forward.**

SENATE BILL 774, Seat Belt Use Enhancements. This bill was modified on the House floor through four different amendments that would weaken the bill's requirement that all passengers wear



a seat belt. The bill now requires all passengers in a vehicle, including commercial vehicles, to wear a seat belt, except for the occupants of a motor home. A violation would be an infraction and the penalty would be \$10 with no court costs. Additionally, the failure to wear a rear seat belt alone, could not be used as justification for law enforcement to stop a vehicle. **This bill was approved by the House and the Senate and was signed into law by the Governor on July 19, 2006.**

SENATE BILL 1295, Junk Faxes. This bill was amended on the Senate floor to revise the definition of “established business relationship” to one that ceases eighteen months after the transaction of goods or services or three months after an inquiry or application regarding goods or services. In addition, the amendment would clarify that a violation would be considered an unfair or deceptive trade practice. **This bill was approved by the Senate and will next be considered by the Full House.**

— Colleen Kochanek  
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