



2021 Legislative Long Session

The Story So Far

Against the backdrop of an ongoing global pandemic, the General Assembly commenced the 2021 legislative long session on January 13, 2021. Over a year later on March 10, 2022, the General Assembly gave approval to [Senate Joint Resolution 748 Adjournment Resolution to Date Certain](#) setting forth the General Assembly's schedule until commencement of the 2022 Legislative Short Session on May 18, 2022. The Resolution provided for the General Assembly's return on April 4, 2022 and May 4, 2022 for legislative work, however, General Assembly held no meeting or votes during those sessions, concluding the 2021 legislative long session on May 6, 2022. The 2021 session is the longest legislative session on record in North Carolina history.

Over the course of the session, the General Assembly has introduced 1,729 bills and resolutions (981 in the House and 748 in the Senate) with 198 becoming law and 18 more bills being passed by the General Assembly but vetoed by Governor Cooper.

Legislative Background

Since 2011, Republicans control both the House and Senate at the General Assembly. Republicans hold a 69-51 majority in the House and a 28-22 majority in the Senate. However, Republicans do not hold veto-proof majorities in either the House or the Senate, with 72 votes needed in the House and 30 votes in the Senate (when all members are present and voting) to override a gubernatorial veto of legislation. In this environment, some level of bipartisan agreement among legislators and between the Legislative and Executive Branches is required for legislation to become law.

Additionally, when session started there were 34 former county commissioners serving in the General Assembly, but that number grew to 36 due to former commissioners being appointed to fill seats that became vacant during session due to the deaths of House members. As the legislative session closed there were 27 former commissioners in the House and 9 in the Senate.

For the First Time Since 2018 We Have an Enacted Budget

Traditionally, legislators' primary goal during the long session is to set the state's two-year budget. This year's budget was the first since 2018, when the General Assembly overrode a gubernatorial veto to pass it.

The General Assembly passed a budget in 2019 that was again vetoed by Governor Cooper, however, the Senate was unable to override that veto. Since then, the state has been operating under 2018 spending levels with some minor adjustments and through specific, smaller, targeted "mini-budgets."

Hoping to avoid another lengthy budget stalemate, legislative leaders held budget negotiations directly with Governor Cooper prior to the final budget emerging for a vote in the General Assembly. Four and a half months into the new fiscal year a \$25.9 billion budget was released and approved by the General Assembly with strong bipartisan support. In addition to appropriating state revenue funds, the budget appropriates \$5.4 billion the state received under the federal American Rescue Plan. Despite containing provisions limiting gubernatorial powers during a state of emergency and absent other of his major priorities, Governor Cooper signed the budget into law just hours after final passage by the General Assembly.

This budget, [Session Law 2021-180](#), contains a number of victories for counties, including historic investments in broadband, and significant investments in school capital — NCACC's top two legislative goals. More information on budget provisions related to NCACC's top legislative priorities can be found below in this report. NCACC's more comprehensive report on the 2021-2022 budget can be read [here](#).

A few weeks after passing the budget, the General Assembly passed [Session Law 2021-189](#), Budget Technical Corrections legislation making various technical and clarifying changes to the state budget. Those changes include clarifying requirements when counties contract for design-build services funded by federal grant funds, as well as lowering the current 10% cap on grant funds to any single county for Broadband Stopgap Solutions to 5%.

In March 2022 one of the last pieces of legislation the General Assembly passed before adjourning the 2021 Long Session was [Session Law 2022-6 Budget Technical Corrections](#) making various, mostly technical, changes to various budget appropriations and other policy bills.

What Else Has Been Happening?

The state's response to COVID-19 continues to permeate much of the work and debate at the General Assembly. Early in session there was legislation further directing the spending of the state's Coronavirus Relief funding, as well as legislation requiring in-person instruction in the state's public K-12 schools. Legislators have also spent a significant amount of time filing, debating, and passing [legislation](#) in response to the civil unrest the state and nation saw during the summer of 2020.

The session was not without controversy—members debated and sent to Governor Cooper legislation forbidding the inclusion of elements of critical race theory in public school curriculum ([House Bill 324](#)), various forms of legalized gambling ([Senate Bill 498](#); [Senate Bill 688](#)), bills loosening up regulations around the carrying and possession of firearms ([Senate Bill 43](#); [House Bill 398](#)), and legislation permitting marijuana usage for certain medical conditions ([Senate Bill 711](#)).

Similar to budget negotiations, members of the General Assembly and Governor Cooper found compromise amid the controversy and passed sweeping energy legislation aimed at reducing emissions, utility ratemaking and financing for public utilities ([Session Law 2021-165](#)).

New Decade, New Census, New Districts

Under state law, state legislative districts are to be drawn by the General Assembly during the first legislative session following a United States Census. Delayed census data led members to start the redistricting process a little later than usual. Due to an increase in population, the state will gain a 14th congressional district this year. As expected, the approval of new maps for the 2022 election was a long and winding path.

Legislative districts and maps are not subject to a gubernatorial veto. However, maps are subject to state and federal law and have been subject to a series of state and federal lawsuits over the past several years. This year was no different.

New maps were debated and approved by the General Assembly in early November. Lawsuits challenging the constitutionality of the maps were filed almost immediately. Ultimately the Supreme Court of North Carolina ruled those maps unconstitutional and directed the General Assembly to redraw the maps. The General Assembly returned to Raleigh and approved new maps in late February. The General Assembly's redrawn state House and state Senate maps were approved by the lower court, however, the lower court did not approve the General Assembly's congressional map and instead picked a map of its own. Both sides appealed these decisions to the Supreme Court of North Carolina who upheld the maps as approved by the lower court. General Assembly leaders requested the United States Supreme Court prevent the state from implementing the judicially created congressional map, but that request was denied finalizing all three maps for the 2022 election. More information on the final maps can be found on the [General Assembly's Legislative and Congressional Redistricting website](#).

Status of 2021 Long Session Legislative Priority Goals

NCACC's 2021-2022 legislative goals package was submitted, debated, and approved by NCACC members through a thorough process from September 2020 – January 2021. Forty-seven legislative goals were approved by NCACC membership including five priority goals outlined below.

Broadband Expansion

Priority Goal #1: Seek legislation, funding, and other efforts to expand digital infrastructure/broadband capability to the unserved and under-served areas and residents of the state.

While several broadband-related bills were filed during the 2021 session, the most impactful policy changes to, and investments in, broadband and digital infrastructure came in the 2021 budget. The budget provides over a billion dollars to help expand broadband to unserved and underserved areas of the state. Appropriations in the budget include:

- **\$750M** to the GREAT Grant program to expand broadband availability in rural areas through grants via the GREAT program fixed wireless grants, satellite broadband grants (\$350M), and grants from the newly created county led Completing Access to Broadband (CAB) program (\$400M). The CAB program is county driven and designed to supplement federal American Rescue Plan (ARP) funding received by counties with ARP funds received by the State to expand broadband infrastructure in unserved and underserved areas. Sets out various matching provisions and processes. All 100 counties will be eligible to receive up to \$4 million in matching state ARP funds for broadband projects. See **Section 38.6** of the [budget](#) for more information including processes and various matching provisions.
- **\$90M** to NC Department of Information Technology to provide grants to local governments, internet service providers, and nonprofits for the provision and installation of infrastructure that will expand the provision of broadband service to unserved and underserved households. See **Section 38.5** of the [budget](#) for more information.
- **\$100M** for pole attachment and replacement to accelerate broadband expansion. See **Section 38.10(b)-(o)** of the [budget](#) for more information.
- **\$12.5M** per year for the next four years for digital literacy programs.
- **\$1M** for statewide broadband mapping. See **Section 38.8** of the [budget](#) for more information.
- **Section 38.7** of the [budget](#) expands the GREAT grant program for fixed wireless and satellite broadband grants.

Additionally, **Section 38.10(a)** of the [budget](#) makes changes to the statute (G.S. 153A-459) providing counties the authority to provide grants to internet service providers for the purpose of expanding broadband services to unserved areas of the county. The changes allow more county funds to be used to offer as grants to internet service providers. Previously limited to only unrestricted funds, with the new changes, counties may now use general fund revenue as well as state or federal funds for the grants.

Public School Capital Funds

Priority Goal #2: Seek additional revenue sources, including a statewide bond referendum and expanded lottery proceeds, and changes to the Needs-Based Public School Capital Fund, to equitably address statewide public school and community college capital challenges. Revisions to the Needs-Based Public School Capital Fund that will allow more equitable access to counties to take advantage of the funds include:

- Allowing Needs-Based Public School Capital Funds to be used for renovations and improvements in addition to new construction.
- Reducing or eliminating local match requirements for Tier 1 and Tier 2 counties.
- Eliminate the five-year prohibition of receiving funds from the Public School Building Capital Fund if a county receives a grant from the Needs-Based Public School Capital Fund by repealing G.S. 115C-546.2(f).

Through the enacted budget, the General Assembly made a large investment in K-12 school capital funding in the upcoming fiscal year and beyond. Through Education Lottery funds, the General Assembly allocates \$505 million to counties for K-12 school capital funding in FY 21-22. This amount equals 49% of funds from the Education Lottery earmarked for K-12 school capital construction. This is a significant increase in lottery funds being assigned for K-12 school construction purposes as the percentage assigned for that purpose was as low as just 17% in 2017.

The capital funds will flow to counties through three separate funds within the Lottery allocations in the following amounts (see [Section 4.3\(a\)](#) of the budget):



- \$100M from the Public School Building Capital Fund – These funds are distributed to counties based on public school population.
- \$30M from the newly created Repair and Renovation Fund – Each county will receive equal annual allocations to be used for enlargement, improvement, expansion, repair, or renovation of classroom facilities at public school buildings, but may not be used for retirement of indebtedness. This fund is set to grow to \$50M annually starting in FY 2022-23. See [Section 4.4.\(a1\)](#) in the budget.
- \$375.3M in eligible grants in the Needs-Based Public School Capital Fund – This number includes the statutorily required appropriation of the previous year’s surplus Lottery funds as found on page B-38 of the [budget money report](#).

The budget also makes significant improvements to the Needs-Based Public School Capital Fund which are directly related to NCACC’s priority goal and should allow more counties to apply for more grants. Previously limited to only Tier 1 and Tier 2 counties, any county with an adjusted market value of taxable real property of less than \$40 billion is eligible to receive a grant under the new program. Grant matching requirements are on a scale based on adjusted market value of taxable real property as well and range from 0%-35% of the amount received.

The maximum grant award has also increased significantly under changes made in the budget. Previously Tier 1 counties could receive a maximum grant of \$15 million, while Tier 2 counties could receive a maximum grant of \$10 million. Now the maximum grant award ranges from \$30-50 million depending on the type of school being constructed.

Previously limited to new school construction, grant funds may also now be used for additions, repairs, and renovations, and lease agreements in certain circumstances. Prohibited uses of the funds include real property acquisitions, capital improvements to administrative buildings, lease agreements, and retirement of indebtedness.

Directly related to a NCACC priority goal, the budget also eliminates the 5-year forfeiture of allocations from the Public School Capital Fund if a county elects to receive a grant from the Needs-Based Public School Capital Fund, allowing more funds to flow to counties to help with K-12 school construction. Previously, any county receiving a grant through the Needs-Based Public School Capital Fund forfeited their distribution of the \$100M Public School Building Capital Fund for 5 years.

More information on the changes to the Needs-Based Public School Capital Fund can be seen in [Section 4.4\(a\)](#) in the budget.

Sales Tax Flexibility

Priority Goal #3: Support legislation to allow counties to include specific language on the ballot referendum designating how the proposed quarter-cent local sales tax levy will be spent.

The House approved [House Bill 704 Local Option Sales Tax Flexibility](#) modifying the existing Article 46 local option sales tax so that it may be levied at a rate of either $\frac{1}{4}$ or $\frac{1}{2}$ cent. The bill also allows counties to specify on the ballot the use of the tax—for either any of the options listed in current property tax statutes or general purpose. The legislation was not taken up by the Senate this session but remains eligible for consideration in the 2022 legislative short session.

Health and Human Services

Priority Goal #4: Increase state funding and support legislation for behavioral health services and facilities, including dedicated resources for community paramedicine projects; inpatient crisis beds; substance use disorders; specialty courts; individuals with mental health issues in county jails; and single stream funding for area authorities.

Both Senate and House budgets include some additional funds for various county specialty courts and community paramedicine programs but fall short of restoring single stream funding or additional mental health funds targeted for mental health treatment in county jails.

Unfunded Mandates

Priority Goal #5: Oppose efforts to divert to the state, fees or taxes currently allocated to the counties or to erode existing county revenue streams with unfunded mandates.

- [S.L. 2021-223 \(Senate Bill 207\) Various Raise the Age Changes/JJAC Recs](#) and [S.L. 2021-123 \(Senate Bill 693\) Expedite Child Safety and Permanency](#) establish new requirements for counties' care for justice involved or other juveniles with mental health needs. [S.L. 2021-121 \(House Bill 489\) 2021 Building Code and Dev. Reg. Reform](#), explicitly limits the fees local governments may charge for certain inspections.

Enacted Legislation: Issues Affecting Counties that Became Law

COVID-19 Response

[Session Law 2021-7 \(H82\) Summer Learning Choice for NC Families](#)

Directed local school districts to offer a six-week summer school program in 2021 to at-risk K-12 students to address learning loss during the COVID-19 pandemic. Non at-risk students were authorized to participate in the program if space is available. School districts were authorized to use federal coronavirus relief funding to pay for the program. Effective when signed into law on April 9, 2021.

[Session Law 2021-25 \(S172\) Additional COVID-19 Response & Relief](#)

Sets up how federal funds provided to the state under the American Rescue Plan (ARP) will be handled. The bill establishes the Local Fiscal Recovery Reserve to hold federal funds received from the Coronavirus Local Fiscal Recovery Fund authorized by ARP. It establishes the Local Fiscal Recovery Fund to provide funds to local governments for use in accordance with ARP. The bill appropriates \$6.4 billion in state ARP funds to specific funds, programs, and state agencies. It sets out the maximum amount of Emergency Rental Assistance funds reserved or allotted for all counties. Effective when signed into law on May 24, 2021.

[Session Law 2021-35 \(H812\) Clarify Remote Meetings During Emergencies](#)

Amends current law to clarify that a public body may take action during a remote meeting if it allows for submissions of written comments on the subject of the public hearing between the required meeting notice and 24 hours prior to the noticed time for the hearing (previous law required submission of written comments to be allowed 24 hours after the public hearing). The session law also allows a public body that has issued notice for an in-person meeting to amend the notice to make the meeting a remote meeting up to six hours before the noticed time for the in-person meeting. Effective July 1, 2021, and applies to remote meetings held on or after that date.

Land Use, Planning, and Zoning

[Session Law 2021-37 \(H20\) 1998 Clean Water Bond Add'l Connections](#)

Requires the Secretary of Environmental Quality to authorize additional connections to waterlines funded by the Clean Water and Natural Gas Critical Needs Bond Act of 1998 for structures located on lots zoned for residential and mixed-use development. Effective when signed into law on June 16, 2021.

[Session Law 2021-76 \(H344\) System Development Fees Update](#)

Clarifies certain minimum standards incorporated into the general accepted accounting, engineering, and planning methodologies used to calculate system development fees imposed by local governments for public water and sewer systems. Provides that system development fees also apply to services provided under a wholesale arrangement between a water and sewer authority and a local government unit. Provides that water and wastewater public utilities are solely responsible for funding the income taxes due on taxable contributions made to the utility by a developer and that the taxes be recovered through the rate base over the life of the asset. Effective when signed into law on July 2, 2021.



Session Law 2021-117 (H366) Regulatory Reform Act of 2021

Amends various laws related to, or of interest to, local governments, including:

- Increases dollar threshold for contracts exempted from the conflict-of-interest prohibition from \$40,000 to \$60,000 for goods and services that are not medically related and also increases the population limits from 15,000 to 20,000. Effective when signed into law on August 23, 2021.
- When determining priority for a loan or grant from the Wastewater Reserve or the Drinking Water Reserve, requires the Division of Water Infrastructure to give priority to improvements made by a local government in order to protect or preserve the water supply of a neighboring local government that has a lower poverty rate, lower utility bills, higher population growth, higher median household incomes, and lower unemployment. Effective August 1, 2021.
- Prohibits local governments from requiring masonry curtain walls or masonry skirting from being installed on manufactured home located on land leased to a homeowner. Effective October 1, 2021.

Session Law 2021-121 (H489) 2021 Building Code and Dev. Reg. Reform

Amends various laws related to, or of interest to, local governments, including:

- Prohibits local governments from charging inspection fees for one- and two-family dwellings when a new violation is discovered during an inspection to verify completion or correction of violations from a previous inspection and the new violation is within an area of work for which a final inspection has already been conducted. Effective when signed into law on August 30, 2021, and applicable to inspections conducted on or after that date.
- Sets the fee under local erosion control programs for plan review and basis for calculating the fee upon either the number of acres disturbed or number of lots developed. Makes various other local erosion control program changes. Effective when signed into law on August 30, 2021. Prohibits the assessment of a civil penalty for a silt fence damaged or destroyed during a land disturbance if repaired within the compliance period noted in the inspection report. Effective when signed into law on August 30, 2021.

Session Law 2021-164 (H218) Streamline Permits/Redevelopment of Property

Requires counties that implement water supply watershed protection programs to allow an applicant to exceed the allowable density under the jurisdiction's applicable water supply watershed rules for certain circumstances. An amendment on the Senate floor removed a provision in the bill prohibiting a county from considering a building footprint expansion of up to 20% of a site plan modification if certain criteria are met. Effective November 1, 2021, and applies to applications for permits and other approvals received on or after that date.

Session Law 2021-168 (H854) Land Use Clarification

Clarifies various statutes related to local planning and development regulation including permit choice statutes. The legislation requires local ordinances be consistent with state laws. It also specifies that the local government governing board party to a judicial review of a quasi-judicial decision has authority to settle the litigation. Effective when signed into law on October 15, 2021.

Session Law 2021-183 (S308) Various Building Code Amend.

Prohibits an inspection department from delaying the issuance of a temporary certificate of occupancy when additional violations are found on items already approved, by an inspector, during previous inspections. This provision is effective January 1, 2022, and applies to inspections associated with permits applied for on or after that date. Additionally, the bill modifies one- or two- family dwelling residential development fire apparatus access road requirements where conformance is technically infeasible. This provision is effective when signed into law on November 23, 2021.

Session Law 2021-192 (S329) Bldg. Permit Exempt/Timeshare Eff. Date

Prohibits local governments from enforcing policies related to building changes if the repair is less than \$300,000 and does not make changes to load-bearing structures. Additionally, the bill exempts certain projects from permit requirements and provides no permit is required for projects costing less than \$20,000 for single family residences, farm buildings, or commercial buildings unless certain work



involves the addition of roofing, use of materials not permitted by the State Building Code, load bearing structures, plumbing, heating, air conditioning, or electrical wiring, appliances or equipment, and changes to which the North Carolina Fire Prevention Code applies. Effective December 15, 2021, and apply to construction, installation, repair, replacement, remodeling, renovation, or alteration projects beginning on or after that date.

[Session Law 2022-1 \(S219\) Surveyor Lic.&Ed.Req's/Constr.Contract Rev's](#)

Makes various changes to the design-build contracting process. Effective when signed into law on January 26, 2022.

Finance

[Session Law 2021-113 \(H273\) Modify Builders Inventory Tax Exclusion](#)

Adds townhouses to the list of residences excluded from property tax for up to three years while being held for sale by a builder. Effective for taxes imposed for taxable years beginning on or after July 1, 2022.

[Session Law 2021-124 \(S314\) Local Gov. Commission Assistance Toolkit](#)

Makes various changes aimed at assisting local governments in financial distress. Requires additional fiscal training for county managers and requires counties to give additional notice to municipalities in their jurisdiction when changing the county's method of sales tax distribution. Effective when signed into law on August 30, 2021.

[Session Law 2021-191 \(S473\) Enhance Local Government Transparency](#)

The legislation makes various changes to statutes to increase local government transparency and accountability surrounding public employees' undue financial gain. The law creates a new misdemeanor penalty for public officials participating in making or administering a contract, including the award of money, with any nonprofit with which the public official is associated (including serving on the governing board of a nonprofit). The misdemeanor penalty would not apply to local government employees or to a public official in a county in which no municipality has a population over 15,000. The bill creates other exceptions to this misdemeanor penalty provision.

Other provisions of the legislation include:

- Makes it a felony for an elected official to receive personal financial gain from the local government in which they serve through intimidation, undue influence, or misuse of local government employees.
- Requires the garnishment of county commissioner compensation to collect unpaid monies due for county services.
- Makes various changes to State Auditor and Local Government Commission authority in regard to audit reports.

Infrastructure

[Session Law 2021-37 \(H20\) 1998 Clean Water Bond Add'l Connections](#)

Requires the Secretary of Environmental Quality to authorize additional connections to waterlines funded by the Clean Water and Natural Gas Critical Needs Bond Act of 1998 for structures located on lots zoned for residential and mixed-use development. Effective when signed into law on June 16, 2021.

Elections

[Session Law 2021-56 \(S722\) Revise Local Gov't Redistricting/Census](#)

Makes various election scheduling changes due to the delayed receipt of census data. The law delays 2021 municipal elections for certain affected municipalities to 2022. For counties required to redistrict, the law requires boards of county commissioners to revise electoral districts and adopt a resolution containing the new districts on or before November 17, 2021, regardless of the requirement in N.C.G.S. 153A-22(e). Effective when signed into law on June 28, 2021.

Justice and Public Safety

[Session Law 2021-123 \(S207\) Various Raise the Age Changes/JJAC Recs.](#)

Makes various changes to comply with 2019 Raise the Age Legislation. Allows courts to require counties to pay for assessment and treatment of juveniles in need of services who are otherwise indigent. Effective December 1, 2021.

[Session Law 2021-138 \(S300\) Criminal Justice Reform](#)

This session law is a broad piece of legislation focusing on many different criminal justice reform issues.

- Section 13 of the session law prohibits criminal enforcement of certain regulatory ordinances. The bill prohibits creating a criminal penalty for any new ordinance in the first meeting it is introduced and creates a compliance defense for any alleged ordinance violations. Under the language of the bill, any new or existing ordinance may only be enforced criminally if the ordinance specifies as such. NCACC recommends counties review all county ordinances to ensure they specify criminal enforcement of the ordinances.

Section 13 of the session law also provides that no ordinance of the following types may impose a criminal penalty:

- (1) Any ordinance adopted under Article 18 of this Chapter, Planning and Regulation of Development or, its successor, Chapter 160D of the General Statutes, except for those ordinances related to unsafe buildings.
- (2) Any ordinance adopted pursuant to G.S. 153A-134, Regulating and licensing businesses, trades, etc.
- (3) Any ordinance adopted pursuant to G.S. 153A-138, Registration of mobile homes, house trailers, etc.
- (4) Any ordinance adopted pursuant to G.S. 153A-140.1, Stream-clearing programs.
- (5) Any ordinance adopted pursuant to G.S. 153A-143, Regulation of outdoor advertising or, its successor, G.S. 160D-912, Outdoor advertising
- (6) Any ordinance adopted pursuant to G.S. 153A-144, Limitations on regulating solar collectors or, its successor, G.S. 160D-914, Solar collectors.
- (7) Any ordinance adopted pursuant to G.S. 153A-145, Limitations on regulating cisterns and rain barrels.
- (8) Any ordinance regulating trees.

As originally filed, the bill prohibited the criminal enforcement of any current or future local ordinance. Effective December 1, 2021, and applies to offenses and violations committed on or after that date.

- Section 20 of the session law creates a Criminal Recodification Working Group of legislators charged with gathering information from stakeholders, including NCACC, to make recommendations to the General Assembly regarding a streamlined, comprehensive, orderly, and principled criminal code for common law, statutory, regulatory, and ordinance crimes. Effective when signed into law on September 2, 2021.

[Session Law 2021-181 \(H404\) Ltd. Immunity for PSAP/TC for S.L. 2021-171](#)

Limits liability for public safety answering points (PSAPs), regional PSAPs, and employees of a law enforcement agency certified by the North Carolina Sheriffs' Education and Training Standards Commission, in cases for civil damages unless there is found to be gross negligence, wanton and willful conduct, or when there is applicable insurance coverage. Effective when signed into law on November 18, 2021.

Health and Human Services

[Session Law 2021-132 \(S693\) Expedite Child Safety and Permanency](#)

Makes various changes to laws related to child placement including timelines related to the assessment and placement of children in need of mental health services. The law requires county department of social service directors to request an assessment within 24 hours of the determination that the child should not remain in the hospital and requires LME/MCOs or prepaid health plans to arrange for a clinical assessment within five business days. The law also requires DSS directors to notify NC Department of Health and Human Services' Rapid Response Team if they are unable to locate an appropriate placement. Effective October 1, 2021.

Retirement

[Session Law 2021-57 \(H160\) Retirement Service Purchase Rewrite Part II](#)

Amends various service purchase requirements for the Local Governmental Employees' Retirement System. Effective January 1, 2022 and applies to purchases of creditable service occurring on or after that date.

[Session Law 2021-58 \(H163\) Treasury Administrative Changes](#)

Makes clarifying and administrative changes to statutes pertaining to the Local Government Commission. Effective when signed into law on June 17, 2021.

[Session Law 2021-59 \(H278\) Sunset ABC Board Participation in LGERS](#)

Provides that any ABC board that is not a participating employer in the Local Governmental Employees' Retirement System on June 30, 2021, is not eligible to participate in the system. Effective when signed into law on June 28, 2021.

[Session Law 2021-72 \(S668\) Anti-Pension Spiking Amds & Litig. Moratorium](#)

- Amends the Local Governmental Employees' Retirement System (LGERS) statutes to add a payment option for a contribution-based benefit cap (CBBC) liability that allows the required employer contribution rate to be adjusted to include an additional contribution amount estimated to resolve the CBBC liability. Effective July 1, 2022, and applies to assessments imposed on or after that date.
- Amends various anti-pension spiking and CBBC provisions in LGERS statutes. Effective July 1, 2022.

[Session Law 2021-75 \(H168\) Retirement Administrative Changes Act of 2021](#)

- Amends local government finance statutes to allow contribution-based benefit cap (CBBC) liabilities to the Local Governmental Employees' Retirement System (LGERS) to be paid into a trust for post-employment benefits.
- Amends the LGERS statutes that currently allow the Office of State Budget and Management to withhold from any State appropriation due to an employer, the amount equal to delinquent contributions and other debts due to the Retirement Systems Division. Clarifies that for the payment of a CBBC liability, the date for payment is 12 months after the member's effective date of retirement, or the first day of the month coincident with or next following six months after the date of the invoice, whichever is later.
- Makes other technical and clarifying changes to various LGERS statutes.
- Effective July 1, 2021.

[Session Law 2021-178 \(S311\) No Waiting Period Under LGERS/VFDF Grants](#)

Prohibits employers from imposing a waiting period on employees who are otherwise eligible for membership in the Local Governmental Employees' Retirement System (LGERS). This provision is effective December 1, 2021.

Additionally, the bill authorizes the Board of Trustees of the Local Governmental Employees' Retirement System (LGERS) to approve, in its discretion, one-time pension supplements to LGERS members. This provision is effective when signed into law on November 10, 2021.

The bill also updates the Volunteer Fire Department Fund (VFDF) grant matching requirements to the following:

- Entities that receive less than \$50,000 in municipal and county funding would not be required to match the grant funding.
- Entities that receive between \$50,000 and \$75,000 in municipal and county funding would be required to match one dollar for every three dollars in grant funding.
- Entities that receive more than \$75,000 in municipal and county funding would be required to match on a dollar-for-dollar basis.

These changes are effective December 1, 2021.

Legislation Vetoed by Governor Cooper During the 2021 Legislative Long Session

Governor Cooper has vetoed 18 pieces of legislation during the 2021 legislative long session. In order to override a veto a bill must receive a 3/5 majority vote of legislative members present (as opposed to simple majority) in each chamber. None of the bills vetoed by the Governor have been overridden by the General Assembly. Below is a list of legislation vetoed by the Governor during the 2021 legislative long session presented chronologically in order of veto date:

Vetoed Bills with a County Impact

[House Bill 398](#) Pistol Purchase Permit Repeal

Repeals the requirement to obtain a pistol purchase permit from a sheriff prior to the purchase or transfer of a pistol.

[House Bill 805](#) Prevent Rioting and Civil Disorder

Among other things, the bill increases penalties for offense related to rioting (as newly clarified and defined in the bill) and increases penalties for certain assaults on emergency personnel.

[Senate Bill 326](#) Election Day Integrity Act

Requires completed absentee ballots to be returned to the county board of elections by 5 PM on election day, regardless of postmark on the ballot. Also requires county boards of elections and the State Board of Election to publish the date of the availability of absentee ballots and the date requests for ballots must be submitted to the board. Finally, the legislation requires county boards to submit reports on absentee ballots.

[Senate Bill 725](#) Prohibit Private Money in Elections

Prohibits the State Board of Elections, as well as county boards, from accepting donations to administer elections or to employ workers on a temporary basis for elections. The bill gained final approval in late November but was vetoed by Governor Cooper in early December. As of the publishing this report, it has been returned to the Senate Rules and Operations Committee.

[House Bill 220](#) Choice of Energy/Add'l Provisions

Prohibits local governments from adopting any ordinance that prohibits any energy service based on the type or source of energy to be delivered to the end-user of the energy service. The bill also amends the laws regarding public records to exclude specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure, whether physical or virtual, for any of the following:

- The production, generation, transmission, or distribution of energy.
- The treatment, transmission, or distribution of water.
- The outfall, collection, or treatment of wastewater.

[House Bill 605](#) 2022 Primary Date

Sets Tuesday, June 7, 2022, as the date of the primary in 2022. Under the legislation, the filing period will run from March 24, 2022, to April 1, 2022. Any person who filed a notice of candidacy during the December 2021 filing period and did not withdraw that notice of candidacy before the filing period was closed by order of the court, will be deemed to have filed during this time.

[Senate Bill 173](#) Free the Smiles Act

Allows parents to opt their children out of any mask mandates imposed in K-12 public schools, regardless of any state or local law to the contrary mandating masks to be worn in public and/or indoor places.



Other Vetoed Bills

[Senate Bill 37](#) In-Person Learning Choice for Families

Requires all local school boards to offer in-person instruction to public school students in grades K-12 for the remainder of the 2020-2021 school year.

[Senate Bill 43](#) Protect Religious Meeting Places

Authorizes, under certain conditions, the carrying a handgun at a place of religious worship that is also educational property.

[House Bill 453](#) Human Life Non-Discrimination Act/No Eugenics

Prohibits the performance of an abortion if the reason for the abortion was the actual or presumed race or sex of the unborn child or the presumed presence of Down syndrome.

[Senate Bill 116](#) Putting North Carolina Back to Work Act

Among other things, cuts off the extra \$300 a week federal unemployment benefits received through the Federal Pandemic Unemployment Compensation Program to unemployment benefit claimants.

[House Bill 729](#) Charter Schools Omnibus

Makes certain changes to the makeup of membership on the Charter School Advisory Board.

[House Bill 352](#) Hotel Safety Issues

Provides that rental of an accommodation at a hotel, motel, campground, or similar facility for fewer than 90 days does not create a tenancy or a residential tenancy subject to the laws governing responsibilities of landlords and tenants.

[Senate Bill 636](#) Donor Privacy

Protects the identity of persons making donations of money or property to nonprofits.

[House Bill 324](#) Ensuring Dignity & Nondiscrimination/Schools

Prohibits public schools from promoting certain identified concepts and from compelling students, teachers, administrators, or other school employees to affirm or profess belief in the identified concepts.

[Senate Bill 360](#) Prohibit Collusive Settlements by the AG

Requires that the Speaker of the House of Representatives and the President Pro Tempore of the Senate must approve any consent judgement or settlement agreement when they have intervened as a party in a case or have been named in their official capacities in a case before the Attorney General may enter into a judgement or agreement to settle a case or claim.

[House Bill 264](#) Emergency Powers Accountability Act

Among other things, states that a statewide state of emergency declared by the Governor or legislature expires in seven days of declaration unless a majority concurrence of the Council of State is sought and received. Any extension of the declaration would expire in 45 days unless extended by the General Assembly. Requires the Governor to seek the concurrence of the Council of State prior to imposing prohibitions or restrictions appropriate to deal with the emergency in lieu of a county or city exercising its own authority under the Emergency Management Act.

[House Bill 294](#) Sale of Salvage Vehicles

Permits used vehicle dealers to sell a used vehicle that has been issued a salvage certification without conducting a safety inspection.



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