

Real Estate Solutions

North Carolina Chapter of the Appraisal Institute

Legislative Report June 26, 2020

The legislature adjourned just after 3:00 a.m. Thursday night/Friday morning. Legislative work for the session is largely concluded and there will likely only be skeleton sessions every three days through July 11 with no action taken. Continuing these skeleton sessions until July 11 allows the Governor only 10 days to veto bills sent to his desk before they become law. If the Governor chooses to exercise his veto power within 10 days, then the legislature would have time to have members return to Raleigh to attempt a veto override before July 11.

The intent of the General Assembly is to recess between July 11 and September 2, and return on that date to take up a limited number of issues such as the allocation of any additional COVID-19 federal or State relief funds and any necessary appointments, nominations, and filling of vacancies. The General Assembly only intends to be in session until September 3 when they will adjourn sine die (i.e. for good), until the next session in 2021.

For a second time, the North Carolina legislature voted in favor of separate bills that would allow bars, gyms, amusement parks, playgrounds, arcades and similar establishments to reopen after months of being closed. The bills now head to Governor Cooper for his consideration. One attempt, House Bill 594, would have allowed both bars and gyms to reopen at limited capacity and allowed restaurants to operate at full capacity. Cooper vetoed the bill, and the House failed to override that veto Wednesday. The new bills do not include the provision included in prior bills that would have required the governor receive approval from the majority-Republican Council of State to declare a state of emergency or to extend it beyond 30 days. Governor Cooper has until July 6 to either sign or veto these bills.

Senator Jerry Tillman (R-Randolph), one of the longest-serving Republicans in the Senate, announced his surprise resignation in the North Carolina Senate on Thursday. Senate leader Phil Berger said Tillman "has been a leader in the Senate and a fierce advocate for his constituents. Oftentimes, after a long day of work, I'd find Jerry sitting outside my office ready to go to battle over some provision that he wanted for his district. He's left his mark on the Senate and our state, and I wish him the best in this next chapter."

Governor Cooper announced Wednesday the state will remain in Phase Two for another three weeks while making face coverings mandatory in public. The order that moved the state into Phase 2 on May 22 was scheduled to expire on Friday. It has been extended until July 17. The mask requirement took effect Friday at 5 p.m. "We know next week we've got another important announcement about schools and how we'll open those up," Cooper said during a press briefing. "We are hopeful that July 17 we can move even further on restrictions and we can have our kids in school this fall." Governor Cooper said the reason for keeping the state in Phase

Two for three more weeks is "because the health experts need that period of time to be able to analyze the data and trends that we are seeing." Exceptions to the mask requirement apply to children under 11, those with certain medical conditions and people exercising outdoors away from other people. The moves come as the state continues to fail at hitting key benchmarks in its effort to slow the spread and serious cases of COVID-19.

BILL STATUS

House Bill 308, Regulatory Reform Act of 2002. The original contents of the bill were replaced with a bill that includes various provisions, including a provision that would extend the expiration date for the emergency video notary, emergency video witness, and good fund settlement act changes provisions that were enacted in the legislature's COVID-19 relief bill, Session Law 2020-3, from August 1, 2020 to March 1, 2021. With this and other changes, the bill passed the House and Senate, was ratified, and sent to Governor Cooper for his consideration.

<u>House Bill 920, Condominium Association Changes</u>, was approved by the Senate, the House agreed with the Senate changes, and the bill was ratified and sent to Governor Cooper for his signature.

Senate Bill 364, NC Commercial Receivership Act Revisions, was introduced at the request of the Bankruptcy Section of the NC Bar Association, to enact the NC Commercial Receivership Act, to provide judges, attorneys and businesses a uniform set of procedures that apply to receiverships. The bill does not make substantive changes to the law - just puts all the applicable provisions in one place. The bill only applies to commercial or business debt- individual consumer debt is excluded.

The bill was approved by the House Rules Committee, passed the House, was approved by the Senate, was ratified, and sent to Governor Cooper for his consideration.

For more information about legislation described in the legislative reports, feel free to contact me at dferrell@nexsenpruet.com or (919) 573-7421. Information is also available on the General Assembly's website: www.ncleg.gov.

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