

Contents

	Chapter	Page
	Editor's Preface	1
1	The General Assembly	3
	Overview of the 2006 Regular Session	3
	Major Legislation Enacted in 2006	4
	Governor's Veto	7
	The Legislative Institution	7
2	The State Budget	9
	The Budget Process	9
	Budget Highlights	10
	The 2006–07 State Budget	11
	Special Indebtedness	18
3	Alcoholic Beverage Control	21
	Keg Regulation	21
	Rehiring of Former Permittees	22
	Underage Consumption	22
	Permit Amendments	22
4	Children and Juvenile Law	23
	Child Protective Services	23
	Juvenile Court	25
	Delinquent Juveniles	26
	Child Care	27
	Studies	27
5	Community Planning, Land Development, and Related Topics	31
	Zoning	31
	Planning Jurisdiction and Annexation	33
	Community Appearance	34
	Adequate Public Facilities, Dedication, and Land Subdivision Control	35

	Community Planning, Land Development, and Related Topics (continued)	
	Historic Preservation	35
	Building and Housing Code Enforcement	36
	Transportation	37
	Eminent Domain	39
	Economic Development	40
	Environment	41
	Housing	42
6	Courts and Civil Procedure	43
	Court System Budget	43
	District Changes	44
	Ethics and Judicial Standards Commission	45
	Closing of Courts in Emergencies	47
	Juror Summonses and Fees	47
	Judicial Elections	47
	Civil Procedure	48
	Matters of Particular Interest to Clerks	49
7	Criminal Law and Procedure	53
	Sex Offender Act	53
	Innocence Commission	62
	Criminal Offenses	64
	Law Enforcement	68
	Sentencing	68
	Collateral Consequences and Proceedings	69
	Studies	69
8	Economic and Community Development	71
	Eminent Domain for Economic Development	72
	One North Carolina Fund/Economic Development Reserve	72
	Transportation Projects for Economic Development	72
	Biotechnology	72
	Development Tiers, Urban Progress Zones, and Agrarian Growth Zones	73
	Bill Lee Act/Growing Business Tax Credits Restructuring	75
	Job Development Investment Grant Program	77
	Sales Tax Reduction for Manufacturers	77
	Renewable Fuel Business Incentives	78
	Economic Incentives for Specific Industries and Projects	78
	Other Economic Development Changes	80
	Community Development	81
	Housing	81
9	Elections	83
	Parties, Candidates, and Access to the Ballot	83
	Conduct of Elections	85
	Eligibility to Register and Vote	86
	Pilot Tests for Instant Runoff Voting	87
	Changes in Nonpartisan Judicial Elections	88
	Campaign Finance	91
10	Elementary and Secondary Education	95
	Financial Issues	95
	Student Issues	96
	Miscellaneous	101
	Studies and Reports	102

	Selected Local Acts	104
	School Employment	104
11	Emergency Management	107
	Liability Protection for State Medical Assistance Teams	107
	Embargo Authority Enhancements/Protection of Food Supply	108
	Extreme Pricing Practices	108
	Disaster Insurance Claim Voluntary Mediation Program	109
	2006 Budget Actions Affecting Emergency Management and Disaster Preparedness	109
12	Environment and Natural Resources	111
	Agriculture	111
	Air Quality	111
	Coastal Resources	112
	Contaminated Property Cleanup	112
	Energy	112
	Environmental Finance	112
	Forest Resources	112
	Marine Fisheries	113
	State Parks, Natural Areas, and Land Conservation	113
	Solid Waste	113
	Toxics and Biocides	114
	Water Supply	114
	Water Quality	114
13	Health	117
	Public Health	117
	School Health	123
	Health Insurance	125
	Health Information	127
	Health Care Professions	131
	Health Care Facilities	133
	Other Laws of Interest	134
14	Higher Education	137
	Appropriations and Salaries	137
	University and Community College Governance	139
	Student Relationships and Financial Aid	141
15	Local Government and Local Finance	143
	Video Service Competition Act	143
	The State Budget	146
	Various Revenue Law Changes	148
	Minimum Wage Increase	148
	Capital Lease Financing for Public Schools	148
	Regional Planning Commissions and Regional Councils of Government Borrowing	149
	State and Local Fiscal Modernization Study Commission	149
	Protection of Private Solid Waste Collection Firms	149
	Eminent Domain for Economic Development	151
	Miscellaneous	152
	Secondary Road Funding and Construction Changes	154
	Incorporation of Midway	154
	High Point Elections	155

16	Local Taxes and Tax Collection	157
	Collection of Property Taxes	158
	Assessment	162
	Motor Vehicles	163
	Privilege License Taxes	164
	Occupancy Taxes	164
	Local Legislation	164
	Technical Corrections	167
17	Mental Health	169
	Appropriations	170
	Involuntary Commitment Pilot	172
	Crisis Services	172
	Secretary of the Department of Health and Human Services	173
	Local Management Entities	175
	Area Authorities and County Programs	179
	Consumer and Family Advisory Committee	180
	Confidentiality of MH/DD/SA Records	182
	Joint Legislative Oversight Committee	183
	Drug Treatment Court Study	183
	Licensure of Substance Abuse Facilities	184
18	Miscellaneous	185
	Administrative Procedure Act	185
	Identity Theft	185
	Junk Faxes	186
	The Lottery	186
	Wildlife and Boating	188
19	Motor Vehicles	191
	Driver's Licenses	191
	Registration	192
	Equipment	193
	Impaired Driving	194
	School Bus Passing Violations	199
	Insurance	199
	Local Acts	199
20	Public Employment	201
	State Employees	201
	Local Government Employees	204
	Other Employment Legislation	204
	Public School Employees	205
21	Public Purchasing and Contracting	207
	School Capital Lease Authority	207
	Other Changes Affecting Public Contracting Procedures	208
22	Registers of Deeds, Land Records, and Notaries	211
	Real Estate Instrument Registration	211
	Notary Act Changes	212
23	Senior Citizens	215
	Government Programs for Senior Citizens	215
	Long-Term Care	216
	Retired State and Local Government Employees	217

24	Social Services	219
	Child Protective Services	219
	Medicaid	220
	State–County Special Assistance	223
	Studies	223
	Miscellaneous	224
25	State Government Ethics and Lobbying	225
	The Lottery’s Progeny	225
	State Government Ethics Act—G.S. Chapter 138A	226
	Lobbying—G.S. Chapter 120C	232
26	State Taxation	235
	Tax Reductions	235
	Economic Development Tax Changes	236
	Sales Tax	237
	Tax Credits	238
	Corporate and Business Taxes	240
	Individual Income Tax	241
	Tax Administration	241