APPENDIX

Contents

Session Law 2011-283/ House Bill 542

Session Law 2011-317/Senate Bill 586

Session Law 2011-400/Senate Bill 33

Excerpts from *North Carolina Rules of Court* (West)

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

SESSION LAW 2011-283
HOUSE BILL 542

AN ACT TO PROVIDE TORT REFORM FOR NORTH CAROLINA CITIZENS AND BUSINESSES.

The General Assembly of North Carolina enacts:

PART I. GENERAL REFORMS

SECTION 1.1. Article 4 of Chapter 8C of the General Statutes is amended by adding a new section to read:

"**Rule 414. Evidence of medical expenses.**

Evidence offered to prove past medical expenses shall be limited to evidence of the amounts actually paid to satisfy the bills that have been satisfied, regardless of the source of payment, and evidence of the amounts actually necessary to satisfy the bills that have been incurred but not yet satisfied. This rule does not impose upon any party an affirmative duty to seek a reduction in billed charges to which the party is not contractually entitled."

SECTION 1.2. G.S. 8-58.1 reads as rewritten:

"**§ 8-58.1. Injured party as witness when medical charges at issue.**

(a) Whenever an issue of hospital, medical, dental, pharmaceutical, or funeral charges arises in any civil proceeding, the injured party or his guardian, administrator, or executor is competent to give evidence regarding the amount paid or required to be paid in full satisfaction of such charges, provided that records or copies of such charges showing the amount paid or required to be paid in full satisfaction of such charges accompany such testimony.

(b) The testimony of ~~such~~ a person pursuant to subsection (a) of this section establishes a rebuttable presumption of the reasonableness of the amount paid or required to be paid in full satisfaction of the ~~charges.~~charges. However, in the event that the provider of hospital, medical, dental, pharmaceutical, or funeral services gives sworn testimony that the charge for that provider's service either was satisfied by payment of an amount less than the amount charged, or can be satisfied by payment of an amount less than the amount charged, then with respect to that provider's charge only, the presumption of the reasonableness of the amount charged is rebutted and a rebuttable presumption is established that the lesser satisfaction amount is the reasonable amount of the charges for the testifying provider's services. For the purposes of this subsection, the word "provider" shall include the agent or employee of a provider of hospital, medical, dental, pharmaceutical, or funeral services, or a person with responsibility to pay a provider of hospital, medical, dental, pharmaceutical, or funeral services on behalf of an injured party.

(c) The fact that a provider charged for services provided to the injured person establishes a permissive presumption that the services provided were reasonably necessary but no presumption is established that the services provided were necessary because of injuries caused by the acts or omissions of an alleged tortfeasor."

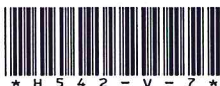
SECTION 1.3. G.S. 8C-702(a) reads as rewritten:

"(a) If scientific, technical or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training, or education, may testify thereto in the form of an ~~opinion.~~opinion, or otherwise, if all of the following apply:

(1) The testimony is based upon sufficient facts or data.
(2) The testimony is the product of reliable principles and methods.
(3) The witness has applied the principles and methods reliably to the facts of the case."

PART III. OTHER REFORMS

SECTION 3.1. G.S. 6-21.1 reads as rewritten:



"**§ 6-21.1. Allowance of counsel fees as part of costs in certain cases.**

(a) In any personal injury or property damage suit, or suit against an insurance company under a policy issued by the defendant insurance company ~~and~~ in which the insured or beneficiary is the plaintiff, instituted in a court of record, upon ~~a finding~~findings by the court (i) that there was an unwarranted refusal by the defendant ~~insurance company~~ to negotiate or pay the claim which constitutes the basis of such suit, ~~instituted in a court of record, where~~ (ii) that the ~~judgment for recovery of~~amount of damages recovered is ~~ten thousand dollars ($10,000)~~twenty thousand dollars ($20,000) or less, and (iii) that the amount of damages recovered exceeded the highest offer made by the defendant no later than 90 days before the commencement of trial, the presiding judge may, in ~~his~~the judge's discretion, allow a reasonable ~~attorney fee~~ attorneys' fees to the duly licensed ~~attorney~~ attorneys representing the litigant obtaining a judgment for damages in said suit, said ~~attorney's fee~~ attorneys' fees to be taxed as a part of the court costs. The attorneys' fees so awarded shall not exceed ten thousand dollars ($10,000).

(b) When the presiding judge determines that an award of attorneys' fees is to be made under this statute, the judge shall issue a written order including findings of fact detailing the factual basis for the finding of an unwarranted refusal to negotiate or pay the claim, and setting forth the amount of the highest offer made 90 days or more before the commencement of trial, and the amount of damages recovered, as well as the factual basis and amount of any such attorneys' fees to be awarded."

SECTION 3.2. The General Statutes are amended by adding a new Chapter to read:

"**Chapter 38B.**

"**Trespasser Responsibility.**

"**§ 38B-1. Title.**

This Chapter may be cited as the Trespasser Responsibility Act.

"**§ 38B-2. General rule.**

A possessor of land, including an owner, lessee, or other occupant, does not owe a duty of care to a trespasser and is not subject to liability for any injury to a trespasser.

"**§ 38B-3. Exceptions.**

Notwithstanding G.S. 38B-2, a possessor of land may be subject to liability for physical injury or death to a trespasser in the following situations:

(1) Intentional harms. – A possessor may be subject to liability if the trespasser's bodily injury or death resulted from the possessor's willful or wanton conduct, or was intentionally caused by the possessor, except that a possessor may use reasonable force to repel a trespasser who has entered the land or a building with the intent to commit a crime.

(2) Harms to trespassing children caused by artificial condition. – A possessor may be subject to liability for bodily injury or death to a child trespasser resulting from an artificial condition on the land if all of the following apply:

a. The possessor knew or had reason to know that children were likely to trespass at the location of the condition.

b. The condition is one the possessor knew or reasonably should have known involved an unreasonable risk of serious bodily injury or death to such children.

c. The injured child did not discover the condition or realize the risk involved in the condition or in coming within the area made dangerous by it.

d. The utility to the possessor of maintaining the condition and the burden of eliminating the danger were slight as compared with the risk to the child involved.

e. The possessor failed to exercise reasonable care to eliminate the danger or otherwise protect the injured child.

(3) Position of peril. – A possessor may be subject to liability for physical injury or death to a trespasser if the possessor discovered the trespasser in a position of peril or helplessness on the property and failed to exercise ordinary care not to injure the trespasser.

"**§ 38B-4. Definitions.**

The following definitions shall apply in this Chapter:

(1) Child trespasser. – A trespasser who is less than 14 years of age or who has the level of mental development found in a person less than 14 years of age.

(2) Possessor. – A person in lawful possession of land, including an owner, lessee, or other occupant, or a person acting on behalf of such a lawful possessor of land.

(3) Trespasser. – A person who enters on the property of another without permission and without an invitation, express or implied."

PART IV. MISCELLANEOUS PROVISIONS

SECTION 4.1. Severability. – If any provision of this act or its application to any person or circumstance is held invalid, the remainder of this act or the application of the provision to other persons or circumstances is not affected.

SECTION 4.1.(a) If Senate Bill 33 of the 2011 Regular Session of the General Assembly becomes law, then G.S. 90-21.12(b), as enacted by Section 6 of Senate Bill 33, reads as rewritten:

"(b) In any medical malpractice action arising out of the furnishing or the failure to furnish professional services in the treatment of an emergency medical condition, as the term "emergency medical condition" is defined in ~~42 U.S.C. 1395dd(e)(1),~~42 U.S.C. § 1395dd(e)(1)(A), the claimant must prove a violation of the standards of practice set forth in subsection (a) of this section by clear and convincing evidence."

SECTION 4.2. Section 4.1(a) of this act is effective when it becomes law. Section 3.2 of this act becomes effective October 1, 2011, and applies to causes of actions arising on or after that date. The remainder of this act becomes effective October 1, 2011, and applies to actions commenced on or after that date.

In the General Assembly read three times and ratified this the 17th day of June, 2011.

s/ Walter H. Dalton
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 4:20 p.m. this 24th day of June, 2011

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

SESSION LAW 2011-317
SENATE BILL 586

AN ACT AMENDING RULE 7 OF THE RULES OF CIVIL PROCEDURE TO PROVIDE THAT, WITH THE PERMISSION OF THE SENIOR RESIDENT SUPERIOR COURT JUDGE, A MOTION IN A CIVIL ACTION IN A COUNTY THAT IS PART OF A MULTICOUNTY JUDICIAL DISTRICT MAY BE HEARD DURING CIVIL SESSION IN AN INCLUDED COUNTY DIFFERENT FROM WHERE THE CASE WAS FILED.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 1A-1, Rule 7(b)(4) reads as rewritten:

"(b) Motions and other papers. –

…

(4) A motion in a civil action in a county that is part of a multicounty judicial district may be heard in another county which is part of that same judicial district with the permission of the senior resident superior court judge of that district or of that judge's designee. Except for emergencies as determined by the senior resident superior court judge or that judge's designee, a motion in a civil action to be heard outside the county in which the case is filed shall be heard at a civil session of court. ~~filed with the superior court clerk of a county that is in a superior court district consisting of more than one county or parts of more than one county may be heard in any county in that superior court district. The motion may be heard at a regular civil or civil priority session of court or, with the consent of the presiding judge, at a regular criminal or criminal priority session of court. A party shall not object to the hearing of the motion outside the county with whose superior court clerk the action was filed if the motion is heard within the superior court district where the action is pending.~~"

SECTION 1.1. If House Bill 542 of the 2011 Regular Session of the General Assembly becomes law, then Section 4.2 of House Bill 542 reads as rewritten:

"**SECTION 4.2.** Section 4.1.(a) of this act is effective when it becomes law. The remainder of this act becomes effective October 1, 2011, and applies to actions arising on or after that date."

SECTION 2. This act becomes effective October 1, 2011, and applies to motions made on or after that date.

In the General Assembly read three times and ratified this the 17th day of June, 2011.

s/ Walter H. Dalton
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 11:01 a.m. this 27th day of June, 2011

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

SESSION LAW 2011-400
SENATE BILL 33

AN ACT TO REFORM THE LAWS RELATING TO MONEY JUDGMENT APPEAL BONDS, BIFURCATION OF TRIALS IN CIVIL CASES, AND MEDICAL LIABILITY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 1-289 reads as rewritten:

"**§ 1-289. Undertaking to stay execution on money judgment.**

(a) If the appeal is from a judgment directing the payment of money, it does not stay the execution of the judgment unless a written undertaking is executed on the part of the appellant, by one or more sureties, as set forth in this section.

(b) In an action where the judgment directs the payment of money, the court shall specify the amount of the undertaking required to stay execution of the judgment pending appeal as provided in subsection (c) of this section. The undertaking shall be to the effect that if the judgment appealed from, or any part thereof, is affirmed, or the appeal is dismissed, the appellant will pay the amount directed to be paid by the judgment, or the part of such amount as to which the judgment shall be affirmed, if affirmed only in part, and all damages which shall be awarded against the appellant upon the appeal, except as provided in subsection (b) of this section. Whenever it is satisfactorily made to appear to the court that since the execution of the undertaking the sureties have become insolvent, the court may, by rule or order, require the appellant to execute, file and serve a new undertaking, as above. In case of neglect to execute such undertaking within twenty days after the service of a copy of the rule or order requiring it, the appeal may, on motion to the court, be dismissed with costs. Whenever it is necessary for a party to an action or proceeding to give a bond or an undertaking with surety or sureties, he may, in lieu thereof, deposit with the officer into court money to the amount of the bond or undertaking to be given. The court in which the action or proceeding is pending may direct what disposition shall be made of such money pending the action or proceeding. In a case where, by this section, the money is to be deposited with an officer, a judge of the court, upon the application of either party, may, at any time before the deposit is made, order the money deposited in court instead of with the officer; and a deposit made pursuant to such order is of the same effect as if made with the officer. The perfecting of an appeal by giving the undertaking mentioned in this section stays proceedings in the court below upon the judgment appealed from; except when the sale of perishable property is directed, the court below may order the property to be sold and the proceeds thereof to be deposited or invested, to abide the judgment of the appellate court.

(c) The amount of the undertaking that shall be required by the court shall be an amount determined by the court after notice and hearing proper and reasonable for the security of the rights of the adverse party, considering relevant factors, including the following:

(1) The amount of the judgment.
(2) The amount of the limits of all applicable liability policies of the appellant judgment debtor.
(3) The aggregate net worth of the appellant judgment debtor.

~~(b)~~(d) If the appellee in a civil action brought under any legal theory obtains a judgment directing the payment or expenditure of money in the amount of twenty five million dollars ($25,000,000) or more, and the appellant seeks a stay of execution of the judgment within the period of time during which the appellant has the right to pursue appellate review, including discretionary review and certiorari, the amount of the undertaking that the appellant is required to execute to stay execution of the judgment during the entire period of the appeal shall be twenty five million dollars ($25,000,000).

~~(c)~~(e) If the appellee proves by a preponderance of the evidence that the appellant for whom the undertaking has been limited under subsection ~~(b)~~(d) of this section is, for the purpose of evading the judgment, (i) dissipating its assets, (ii) secreting its assets, or (iii) diverting its assets outside the jurisdiction of the courts of North Carolina or the federal courts of the United States other than in the ordinary course of business, then the limitation in subsection ~~(b)~~(d) of this section shall not apply and the appellant shall be required to make an undertaking in the full amount otherwise required by this section."

SECTION 2. G.S. 1A-1, Rule 42(b), is amended by adding a new subdivision to read:

"(b) Separate trials. –

(1) The court may in furtherance of convenience or to avoid prejudice and shall for considerations of venue upon timely motion order a separate trial of any claim, cross-claim, counterclaim, or third-party claim, or of any separate issue or of any number of claims, cross-claims, counterclaims, third-party claims, or issues.

(2) Upon motion of any party in an action that includes a claim commenced under Article 1G of Chapter 90 of the General Statutes involving a managed care entity as defined in G.S. 90-21.50, the court shall order separate discovery and a separate trial of any claim, cross-claim, counterclaim, or third-party claim against a physician or other medical provider.

(3) Upon motion of any party in an action in tort wherein the plaintiff seeks damages exceeding one hundred fifty thousand dollars ($150,000), the court shall order separate trials for the issue of liability and the issue of damages, unless the court for good cause shown orders a single trial. Evidence relating solely to compensatory damages shall not be admissible until the trier of fact has determined that the defendant is liable. The same trier of fact that tries the issues relating to liability shall try the issues relating to damages."

SECTION 3. G.S. 1A-1, Rule 9(j), reads as rewritten:

"(j) Medical malpractice. – Any complaint alleging medical malpractice by a health care provider ~~as defined in~~ pursuant to ~~G.S. 90-21.11~~G.S. 90-21.11(2)a. in failing to comply with the applicable standard of care under G.S. 90-21.12 shall be dismissed unless:

(1) The pleading specifically asserts that the medical care ~~has~~ and all medical records pertaining to the alleged negligence that are available to the plaintiff after reasonable inquiry have been reviewed by a person who is reasonably expected to qualify as an expert witness under Rule 702 of the Rules of Evidence and who is willing to testify that the medical care did not comply with the applicable standard of care;

(2) The pleading specifically asserts that the medical care ~~has~~ and all medical records pertaining to the alleged negligence that are available to the plaintiff after reasonable inquiry have been reviewed by a person that the complainant will seek to have qualified as an expert witness by motion under Rule 702(e) of the Rules of Evidence and who is willing to testify that the medical care did not comply with the applicable standard of care, and the motion is filed with the complaint; or

(3) The pleading alleges facts establishing negligence under the existing common-law doctrine of res ipsa loquitur.

Upon motion by the complainant prior to the expiration of the applicable statute of limitations, a resident judge of the superior court for a judicial district in which venue for the cause of action is appropriate under G.S. 1-82 or, if no resident judge for that judicial district is physically present in that judicial district, otherwise available, or able or willing to consider the motion, then any presiding judge of the superior court for that judicial district may allow a motion to extend the statute of limitations for a period not to exceed 120 days to file a complaint in a medical malpractice action in order to comply with this Rule, upon a determination that good cause exists for the granting of the motion and that the ends of justice would be served by an extension. The plaintiff shall provide, at the request of the defendant, proof of compliance with this subsection through up to ten written interrogatories, the answers to which shall be verified by the expert required under this subsection. These interrogatories do not count against the interrogatory limit under Rule 33."

SECTION 4. G.S. 8C-702(h) reads as rewritten:

"(h) Notwithstanding subsection (b) of this section, in a medical malpractice action as defined in G.S. 90-21.11(2)b. against a hospital, or other health care or medical facility, a person ~~may~~ shall not give expert testimony on the appropriate standard of care as to administrative or other nonclinical issues ~~if~~ unless the person has substantial knowledge, by virtue of his or her training and experience, about the standard of care among hospitals, or health care or medical facilities, of the same type as the hospital, or health care or medical facility, whose actions or inactions are the subject of the testimony situated in the same or similar communities at the time of the alleged act giving rise to the cause of action."

SECTION 5. G.S. 90-21.11 reads as rewritten:

"§ 90-21.11. Definitions.

~~As used~~The following definitions apply in this ~~Article,~~Article:

(1) ~~the term "health care provider" means~~Health care provider. – ~~without limitation~~Without limitation, any of the following:

a. ~~any~~ A person who pursuant to the provisions of Chapter 90 of the General Statutes is licensed, or is otherwise registered or certified to engage in the practice of or otherwise performs duties associated with any of the following: medicine, surgery, dentistry, pharmacy, optometry, midwifery, osteopathy, podiatry, chiropractic, radiology, nursing, physiotherapy, pathology, anesthesiology, anesthesia, laboratory analysis, rendering assistance to a physician, dental hygiene, ~~psychiatry, psychology;~~psychiatry, or psychology.

b. ~~or a~~A ~~hospital or~~hospital, a nursing ~~home;~~home licensed under Chapter 131E of the General Statutes, or an adult care home licensed under Chapter 131D of the General Statutes.

c. ~~or any~~Any other person who is legally responsible for the negligence of ~~such person, hospital or nursing home;~~a person described by sub-subdivision a. of this subdivision, a hospital, a nursing home licensed under Chapter 131E of the General Statutes, or an adult care home licensed under Chapter 131D of the General Statutes.

d. ~~or any~~Any other person acting at the direction or under the supervision of ~~any of the foregoing persons,~~ a person described by sub-subdivision a. of this subdivision, a hospital, ~~or~~ a nursing ~~home.~~home licensed under Chapter 131E of the General Statutes, or an adult care home licensed under Chapter 131D of the General Statutes.

(2) ~~As used in this Article, the term "medical malpractice action" means~~ Medical malpractice action. – Either of the following:

a. ~~a~~A civil action for damages for personal injury or death arising out of the furnishing or failure to furnish professional services in the performance of medical, dental, or other health care by a health care provider.

b. A civil action against a hospital, a nursing home licensed under Chapter 131E of the General Statutes, or an adult care home licensed under Chapter 131D of the General Statutes for damages for personal injury or death, when the civil action (i) alleges a breach of administrative or corporate duties to the patient, including, but not limited to, allegations of negligent credentialing or negligent monitoring and supervision and (ii) arises from the same facts or circumstances as a claim under sub-subdivision a. of this subdivision."

SECTION 6. G.S. 90-21.12 reads as rewritten:

"§ 90-21.12. Standard of health care.

(a) Except as provided in subsection (b) of this section, in~~In~~ any medical malpractice action as defined in G.S. 90-21.11(2)(a), ~~action for damages for personal injury or death arising out of the furnishing or the failure to furnish professional services in the performance of medical, dental, or other health care,~~ the defendant health care provider shall not be liable for the payment of damages unless the trier of ~~the facts~~fact ~~is satisfied~~finds by the greater weight of the evidence that the care of such health care provider was not in accordance with the standards of practice among members of the same health care profession with similar training and

experience situated in the same or similar communities under the same or similar circumstances at the time of the alleged act giving rise to the cause of action; or in the case of a medical malpractice action as defined in G.S. 90-21.11(2)(b), the defendant health care provider shall not be liable for the payment of damages unless the trier of fact finds by the greater weight of the evidence that the action or inaction of such health care provider was not in accordance with the standards of practice among similar health care providers situated in the same or similar communities under the same or similar circumstances at the time of the alleged act giving rise to the cause of action.

(b) In any medical malpractice action arising out of the furnishing or the failure to furnish professional services in the treatment of an emergency medical condition, as the term "emergency medical condition" is defined in 42 U.S.C. 1395dd(e)(1), the claimant must prove a violation of the standards of practice set forth in subsection (a) of this section by clear and convincing evidence."

SECTION 7. Article 1B of Chapter 90 of the General Statutes is amended by adding the following new section to read:

"**§ 90-21.19. Liability limit for noneconomic damages.**

(a) Except as otherwise provided in subsection (b) of this section, in any medical malpractice action in which the plaintiff is entitled to an award of noneconomic damages, the total amount of noneconomic damages for which judgment is entered against all defendants shall not exceed five hundred thousand dollars ($500,000). Judgment shall not be entered against any defendant for noneconomic damages in excess of five hundred thousand dollars ($500,000) for all claims brought by all parties arising out of the same professional services. On January 1 of every third year, beginning with January 1, 2014, the Administrative Office of the Courts shall reset the limitation on damages for noneconomic loss set forth in this subsection to be equal to five hundred thousand dollars ($500,000) times the ratio of the Consumer Price Index for November of the prior year to the Consumer Price Index for November 2011. The Administrative Office of the Courts shall inform the Revisor of Statutes of the reset limitation. The Revisor of Statutes shall publish this reset limitation as an editor's note to this section. In the event that any verdict or award of noneconomic damages stated pursuant to G.S. 90-21.19B exceeds these limits, the court shall modify the judgment as necessary to conform to the requirements of this subsection.

(b) Notwithstanding subsection (a) of this section, there shall be no limit on the amount of noneconomic damages for which judgment may be entered against a defendant if the trier of fact finds both of the following:

(1) The plaintiff suffered disfigurement, loss of use of part of the body, permanent injury or death.

(2) The defendant's acts or failures, which are the proximate cause of the plaintiff's injuries, were committed in reckless disregard of the rights of others, grossly negligent, fraudulent, intentional or with malice.

(c) The following definitions apply in this section:

(1) Consumer Price Index. – The Consumer Price Index – All Urban Consumers, for the South urban area, as published by the Bureau of Labor Statistics of the United States Department of Labor.

(2) Noneconomic damages. – Damages to compensate for pain, suffering, emotional distress, loss of consortium, inconvenience, and any other nonpecuniary compensatory damage. "Noneconomic damages" does not include punitive damages as defined in G.S. 1D-5.

(3) Same professional services. – The transactions, occurrences, or series of transactions or occurrences alleged to have caused injury to the health care provider's patient.

(d) Any award of damages in a medical malpractice action shall be stated in accordance with G.S. 90-21.19B. If a jury is determining the facts, the court shall not instruct the jury with respect to the limit of noneconomic damages under subsection (a) of this section, and neither the attorney for any party nor a witness shall inform the jury or potential members of the jury panel of that limit."

SECTION 8. Article 1B of Chapter 90 of the General Statutes is amended by adding the following new section to read:

"**§ 90-21.19B. Verdicts and awards of damages in medical malpractice actions; form.**

In any malpractice action, any verdict or award of damages, if supported by the evidence, shall indicate specifically what amount, if any, is awarded for noneconomic damages. If applicable, the court shall instruct the jury on the definition of noneconomic damages under G.S. 90-21.19(b)."

SECTION 9. G.S. 1-17 reads as rewritten:

"**§ 1-17. Disabilities.**

(a) A person entitled to commence an action who is under a disability at the time the cause of action accrued may bring his or her action within the time limited in this Subchapter, after the disability is removed, except in an action for the recovery of real property, or to make an entry or defense founded on the title to real property, or to rents and services out of the real property, when the person must commence his or her action, or make the entry, within three years next after the removal of the disability, and at no time thereafter.

For the purpose of this section, a person is under a disability if the person meets one or more of the following conditions:

(1) The person is within the age of 18 years.
(2) The person is insane.
(3) The person is incompetent as defined in G.S. 35A-1101(7) or (8).

(a1) For those persons under a disability on January 1, 1976, as a result of being imprisoned on a criminal charge, or in execution under sentence for a criminal offense, the statute of limitations shall commence to run and no longer be tolled from January 1, 1976.

(b) Notwithstanding the provisions of subsection (a) of this section, and except as otherwise provided in subsection (c) of this section, an action on behalf of a minor for malpractice arising out of the performance of or failure to perform professional services shall be commenced within the limitations of time specified in G.S. 1-15(c), except that if those time limitations expire before the minor attains the full age of 19 years, the action may be brought before the minor attains the full age of 19 years.

(c) Notwithstanding the provisions of subsection (a) and (b) of this section, an action on behalf of a minor for injuries alleged to have resulted from malpractice arising out of a health care provider's performance of or failure to perform professional services shall be commenced within the limitations of time specified in G.S. 1-15(c), except as follows:

(1) If the time limitations specified in G.S. 1-15(c) expire before the minor attains the full age of 10 years, the action may be brought any time before the minor attains the full age of 10 years.
(2) If the time limitations in G.S. 1-15(c) have expired and before a minor reaches the full age of 18 years a court has entered judgment or consent order under the provisions of Chapter 7B of the General Statutes finding that said minor is an abused or neglected juvenile as defined in G.S. 7B-101, the medical malpractice action shall be commenced within three years from the date of such judgment or consent order, or before the minor attains the full age of 10 years, whichever is later.
(3) If the time limitations in G.S. 1-15(c) have expired and a minor is in legal custody of the State, a county, or an approved child placing agency as defined in G.S. 131D-10.2, the medical malpractice action shall be commenced within one year after the minor is no longer in such legal custody, or before the minor attains the full age of 10 years, whichever is later."

SECTION 10. Severability. – If the provisions of Section 7 of this act are declared to be unconstitutional or otherwise invalid by final decision of a court of competent jurisdiction, then Section 8 of this act is repealed, but the invalidity does not affect other provisions or applications of this act that can be given effect without the invalid provisions. If any other provision of this act or its application to any person or circumstance is held invalid, the remainder of this act or the application of the provision to other persons or circumstances is not affected.

SECTION 11. Sections 5, 6 and 9 of this act become effective October 1, 2011, and apply to causes of actions arising on or after that date. The remainder of this act becomes effective October 1, 2011, and applies to actions commenced on or after that date.

In the General Assembly read three times and ratified this the 13th day of June, 2011.

s/ Walter H. Dalton
President of the Senate

s/ Dale R. Folwell
Speaker Pro Tempore of the House of Representatives

VETO Beverly E. Perdue
Governor

Became law notwithstanding the objections of the Governor, 5:48 p.m. this 25th day of July, 2011.

s/ Denise Weeks
House Principal Clerk

NORTH CAROLINA RULES OF COURT

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and gratuitous acts to assist affected persons shall not be admissible to prove negligence or culpable conduct by the health care provider in an action brought under Article 1B of Chapter 90 of the General Statutes.

Added by S.L. 2004-149, § 3.1, eff. Aug. 2, 2004.

Rule 414. Evidence of medical expenses

Evidence offered to prove past medical expenses shall be limited to evidence of the amounts actually paid to satisfy the bills that have been satisfied, regardless of the source of payment, and evidence of the amounts actually necessary to satisfy the bills that have been incurred but not yet satisfied. This rule does not impose upon any party an affirmative duty to seek a reduction in billed charges to which the party is not contractually entitled.

Added by S.L. 2011-283, § 1.1, eff. Oct. 1, 2011.

ARTICLE 5

Privileges

Rule 501. General rule

Except as otherwise required by the Constitution of the United States, the privileges of a witness, person, government, state, or political subdivision thereof shall be determined in accordance with the law of this State.

Added by Laws 1983, c. 701, § 1.

North Carolina Commentary

This rule differs from Fed.R.Evid. 501. After reviewing the rules on privilege proposed by the Supreme Court, Congress rejected the proposal and substituted a rule that applies the common law of privileges in federal civil and criminal cases. In civil actions in which state law supplies the rule of decision, the state law on privileges applies.

The Uniform Rules of Evidence (1974) adopted the federal draft and several states have modeled their privilege laws on the federal draft. However, there is not a great deal of uniformity among the federal courts and various states with respect to privileges. Adoption of the federal draft would modify and delete privileges currently recognized in North Carolina and add other privileges currently not recognized in North Carolina.

Because of the extensive effort needed to clarify this confused area, the Committee decided not to draft new rules of privilege at this time but to continue the present statutory and common law system. See generally Brandis on North Carolina Evidence § 54 et seq. (1982).

ARTICLE 6

Witnesses

Rule 601. General rule of competency; disqualification of witness

(a) General rule.—Every person is competent to be a witness except as otherwise provided in these rules.

(b) Disqualification of witness in general.—A person is disqualified to testify as a witness when the court determines that the person is (1) incapable of expressing himself or herself concerning the matter as to be understood, either directly or through interpretation by one who can understand him or her, or (2) incapable of understanding the duty of a witness to tell the truth.

(c) Disqualification of interested persons.—Upon the trial of an action, or the hearing upon the merits of a special proceeding, a party or a person interested in the event, or a person from, through or under whom such a party or interested person derives his or her interest or title by assignment or otherwise, shall not be examined as a witness in his or her own behalf or interest, or in behalf of the party succeeding to his or her title or interest, against the executor, administrator or survivor of a deceased person, or the guardian of an incompetent person, or a person deriving his or her title or interest from, through or under a deceased or incompetent person by assignment or otherwise, concerning any oral communication between the witness and the deceased or incompetent person. However, this subdivision shall not apply when:

(1) The executor, administrator, survivor, guardian, or person so deriving title or interest is examined in his or her own behalf regarding the subject matter of the oral communication.

(2) The testimony of the deceased or incompetent person is given in evidence concerning the same transaction or communication.

(3) Evidence of the subject matter of the oral communication is offered by the executor, administrator, survivor, guardian or person so deriving title or interest.

tempts are made to introduce meaningless assertions which amount to little more than choosing up sides, exclusion for lack of helpfulness is called for by the rule."

Rule 702. Testimony by experts

(a) If scientific, technical or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training, or education, may testify thereto in the form of an opinion, or otherwise, if all of the following apply:

(1) The testimony is based upon sufficient facts or data.

(2) The testimony is the product of reliable principles and methods.

(3) The witness has applied the principles and methods reliably to the facts of the case.

(a1) A witness, qualified under subsection (a) of this section and with proper foundation, may give expert testimony solely on the issue of impairment and not on the issue of specific alcohol concentration level relating to the following:

(1) The results of a Horizontal Gaze Nystagmus (HGN) Test when the test is administered by a person who has successfully completed training in HGN.

(2) Whether a person was under the influence of one or more impairing substances, and the category of such impairing substance or substances. A witness who has received training and holds a current certification as a Drug Recognition Expert, issued by the State Department of Health and Human Services, shall be qualified to give the testimony under this subdivision.

(b) In a medical malpractice action as defined in G.S. 90–21.11, a person shall not give expert testimony on the appropriate standard of health care as defined in G.S. 90–21.12 unless the person is a licensed health care provider in this State or another state and meets the following criteria:

(1) If the party against whom or on whose behalf the testimony is offered is a specialist, the expert witness must:

a. Specialize in the same specialty as the party against whom or on whose behalf the testimony is offered; or

b. Specialize in a similar specialty which includes within its specialty the performance of the procedure that is the subject of the complaint and have prior experience treating similar patients.

(2) During the year immediately preceding the date of the occurrence that is the basis for the action, the expert witness must have devoted a majority of his or her professional time to either or both of the following:

a. The active clinical practice of the same health profession in which the party against whom or on whose behalf the testimony is offered, and if that party is a specialist, the active clinical practice of the same specialty or a similar specialty which includes within its specialty the performance of the procedure that is the subject of the complaint and have prior experience treating similar patients; or

b. The instruction of students in an accredited health professional school or accredited residency or clinical research program in the same health profession in which the party against whom or on whose behalf the testimony is offered, and if that party is a specialist, an accredited health professional school or accredited residency or clinical research program in the same specialty.

(c) Notwithstanding subsection (b) of this section, if the party against whom or on whose behalf the testimony is offered is a general practitioner, the expert witness, during the year immediately preceding the date of the occurrence that is the basis for the action, must have devoted a majority of his or her professional time to either or both of the following:

(1) Active clinical practice as a general practitioner; or

(2) Instruction of students in an accredited health professional school or accredited residency or clinical research program in the general practice of medicine.

(d) Notwithstanding subsection (b) of this section, a physician who qualifies as an expert under subsection (a) of this Rule and who by reason of active clinical practice or instruction of students has knowledge of the applicable standard of care for nurses, nurse practitioners, certified registered nurse anesthetists, certified registered nurse midwives, physician assistants, or other medical support staff may give expert testimony in a medical malpractice action with respect to the standard of care of which he is knowledgeable of nurses, nurse practitioners, certified registered nurse anesthetists, certified registered nurse midwives; physician assistants licensed under Chapter 90 of the General Statutes, or other medical support staff.

(e) Upon motion by either party, a resident judge of the superior court in the county or judicial district in which the action is pending may allow expert testimony on the appropriate standard of health care by a witness who does not meet the requirements of subsection (b) or (c) of this Rule, but who is otherwise qualified as an expert witness, upon a showing by the movant of extraordinary circumstances and a determination by the court that the motion should be allowed to serve the ends of justice.

(f) In an action alleging medical malpractice, an expert witness shall not testify on a contingency fee basis.

(g) This section does not limit the power of the trial court to disqualify an expert witness on grounds other than the qualifications set forth in this section.

(h) Notwithstanding subsection (b) of this section, in a medical malpractice action as defined in G.S. 90–21.11(2)b. against a hospital, or other health care or medical facility, a person shall not give expert testimony on the appropriate standard of care as to administrative or other nonclinical issues unless the person has substantial knowledge, by virtue of his or her training and experience, about the standard of care among hospitals, or health care or medical facilities, of the same type as the hospital, or health care or medical facility, whose actions or inactions are the subject of the testimony situated in the same or similar communities at the time of the alleged act giving rise to the cause of action.

(i) A witness qualified as an expert in accident reconstruction who has performed a reconstruction of a crash, or has reviewed the report of investigation, with proper foundation may give an opinion as to the speed of a vehicle even if the witness did not observe the vehicle moving.

Added by Laws 1983, c. 701, § 1. Amended by Laws 1995, c. 309, § 1; S.L. 2006–253, § 6, eff. Aug. 21, 2006; S.L. 2011–283, § 1.3, eff. Oct. 1, 2011; S.L. 2011–400, § 4, eff. Oct. 1, 2011.

North Carolina Commentary

The rule is identical to Fed.R.Evid. 702, except that the words "or otherwise" which appear at the end of the federal rule after the word "opinion" have been deleted.

The rule is identical to G.S. 8–58.13, which should be repealed when Rule 702 becomes effective. The rule is consistent with North Carolina practice. Brandis on North Carolina Evidence § 134, at 520, n. 25 (1982).

Rule 703. Bases of opinion testimony by experts

The facts or data in the particular case upon which an expert bases an opinion or inference may be those perceived by or made known to him at or before the hearing. If of a type reasonably relied upon by experts in the particular field in forming opinions or inferences upon the subject, the facts or data need not be admissible in evidence.

Added by Laws 1983, c. 701, § 1.

North Carolina Commentary

This rule is identical to Fed.R.Evid. 703.

Under the rule, facts or data upon which an expert bases an opinion may be derived from three possible sources. The first is the personal observation of the witness. The second source is presentation at trial by a hypothetical question or by having the expert attend the trial and hear the testimony establishing the facts. The third source consists of presentation of data to the expert outside of court. See Comment, Expert Medical Testimony: Differences Between the North Carolina Rules and the Federal Rules of Evidence, 12 W.F.L.R. 833, 837 (1976).

In State v. Wade, 296 N.C. 454 [251 S.E.2d 407] (1978), the Court stated that a "physician, as an expert witness, may give his opinion, including a diagnosis, based either on personal knowledge or observation or on information supplied him by others, including the patient, if such information is inherently reliable even though it is not independently admissible into evidence." Although the rule requires that the facts or data "be of a type reasonably relied upon by experts in the particular field" rather than that they be "inherently reliable," the thrust of State v. Wade is consistent with the rule. See W. Blakey, Examination of Expert Witnesses in North Carolina, 61 N.C.L.Rev. 1, 20–32 (1982).

The rule provides that the facts or data need not be admissible in evidence if of a type reasonably relied upon by experts in the particular field. In State v. Wade the Court stated that: "If his opinion is admissible the expert may testify to the information he relied on in forming it for the purpose of showing the basis of the opinion." Thus an expert may testify as to the facts upon which his opinion is based, even though the facts would not be admissible as substantive evidence.

Rule 704. Opinion on ultimate issue

Testimony in the form of an opinion or inference is not objectionable because it embraces an ultimate issue to be decided by the trier of fact.

Added by Laws 1983, c. 701, § 1.

North Carolina Commentary

This rule is identical to Fed.R.Evid. 704.

The rule would abrogate the doctrine that excludes evidence in the form of an opinion if it purports to resolve the "ultimate issue" to be decided by the trier of fact.

In State v. Wilkerson, 295 N.C. 559 [247 S.E.2d 905] (1978), the Court held that admissibility of expert opinion depends not on whether it would invade the jury's province, but rather on "whether the witness . . . is in a better position to have an opinion . . . than is the trier of fact." Professor Brandis states that: "It is hoped that a comparable reexamination of the rule as applied to lay testimony will be forthcoming. The rule has been condemned by thoughtful commentators, and judicial expressions of doubt are not wanting." Brandis on North Carolina Evidence § 126, at 480–81 (1982) (footnotes omitted).

The Advisory Committee's Note states:

"The abolition of the ultimate issue rule does not lower the bars so as to admit all opinions. Under Rules 701 and 702, opinions must be helpful to the trier of fact, and Rule 403 provides for exclusion of evidence which wastes time. These provisions afford ample assurance against the admission of opinions which would merely tell the jury what result to reach, somewhat in the man-