



**2020**

## **North Carolina Rules with Economic Impact**

- **Schedule of Anticipated  
Rule Actions**
- **Rules that Affected Local  
Governments**

Prepared by the North Carolina Office of State  
Budget and Management,  
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## Background

On May 17, 1994, Governor James B. Hunt Jr. issued Executive Order No. 49 entitled “Fiscal Notes on Administrative Rules Affecting Local Governments.” The Executive Order set forth policies and procedures for state agencies to follow when proposing permanent rules with an impact on local governments. Through Session Law 1995-415, the General Assembly incorporated these policies, as well as other changes, in [G.S. 150B-21.28](#) of the [Administrative Procedure Act](#) (APA). The revised APA increases state agencies’ awareness of the effect proposed rules would have on local governments and enables local governments to be more involved in estimating the fiscal impact of permanent rules on local budgets.

According to requirements in the APA, the North Carolina Office of State Budget and Management (OSBM) prepares annually a report containing a schedule of anticipated rule actions in the upcoming fiscal year, as well as a summary of the projected economic impact on local governments of rules adopted in the preceding fiscal year. OSBM provides a copy of this annual report to the Governor, the General Assembly, the North Carolina Association of County Commissioners, and the North Carolina League of Municipalities, as required by the APA.

## Outline

### *I. Summary*

The Summary section contains statistics on anticipated rule actions in the following fiscal year that might have an economic impact, and rules adopted in the previous year with projected impact on local governments.

### *II. Schedule of Anticipated Rule Actions, July 1, 2020 – June 30, 2021*

This section contains information on rules state agencies expect to adopt in SFY 2020-21 that would have an impact on: i) state expenditure or distribution of funds; ii) local government revenues or expenditures; or iii) would create a substantial economic impact. Substantial impact is statutorily defined as an aggregate financial impact to all parties involved of \$1,000,000 or greater over a 12-month period ([G.S. 150B-21.4\(b1\)](#)). The information in this section is organized by agency and agency division, and it includes the rule title, the North Carolina Administrative Code (NCAC) citation, staff contact information, proposed action, anticipated impact, and a brief description of the rule change.

### *III. Rules that Affected Local Governments, Adopted July 1, 2018 – June 30, 2019*

The last section provides information on rules North Carolina agencies adopted in SFY 2018-19 that have a projected impact on local governments. The information is organized by agency and by adoption date, and it includes the rule title, NCAC citation, staff contact information, and expected net impact on local government revenues and expenditures over a five-year period.

## I. Summary

In SFY 2020-21, state agencies anticipate taking action on 52 different rule packages, based on reports submitted by more than 75 percent of agencies. This report uses the terms “rule change” or “rule” to refer to a package of permanent individual rules an agency proposes to adopt together that constitute a new policy. Therefore, the number of individual rules on which the agencies plan to take action is higher than the number noted in this report. See Table 1 below for a breakdown by agency.

The 52 rule package actions agencies anticipate making in SFY 2020-21 is a smaller amount than the 59 actions agencies anticipated engaging in during the current fiscal year (SFY 2019-20), based on information presented in the [2019 NC Rules with Economic Impact Report](#). Approximately 88% of the 52 anticipated rule actions with economic impact for the following year include an amendment to existing regulations, eight of which are rule packages the agencies are required to readopt by G.S. 150B-21.3A. New rule adoptions make up 21% of the anticipated actions, and 8% include rule repeals (see Table 2).

**Table 1. Number of Anticipated Rules with Economic Impact in SFY 2020-21**

<i><b>Agency</b></i>	<i><b>Number of Rule Packages</b></i>	<i><b>Percentage of Total</b></i>
Department of Environmental Quality	17	32.7%
Department of Health and Human Resources	17	32.7%
Department of Labor	5	9.6%
Wildlife Resources Commission	5	9.6%
Department of State Treasurer	4	7.7%
Department of Administration	1	1.9%
Department of Information Technology	1	1.9%
Department of Justice	1	1.9%
Industrial Commission	1	1.9%
<b>Total Anticipated Rules</b>	<b>52</b>	<b>100.0%</b>

**Table 2. Number of Anticipated Rules by Type of Action**

<i><b>Type of Impact</b></i>	<i><b>Number of Rule Packages</b></i>	<i><b>Percentage of Total</b></i>
Amend	28	53.8%
Readopt	12	23.1%
Adopt	6	11.5%
Adopt and Amend	2	3.8%
Adopt, Amend, and Repeal	3	5.8%
Repeal and Amend	1	1.9%
Repeal and Adopt	0	0.0%
Repeal	0	0.0%
<b>Total Anticipated Rules</b>	<b>52</b>	<b>100.0%</b>

The Department of Environmental Quality (DEQ) and Department of Health and Human Services (DHHS) anticipate carrying out the majority of the rulemaking in SFY 2020-21. Note that three of the 17 DEQ actions and five of the 17 DHHS actions are readoptions of existing regulations, which

are required for the agency to comply with the review of existing regulation provisions in [G.S. 150B-21.3A](#).

As agencies continue to engage in the existing rule review process, there might be additional rulemaking actions than those contained in this report. Based on the [Readoption Schedule](#) published by the Office of Administrative Hearings (as of February 20, 2020), agencies are planning to review another 14 rule chapters, totaling 938 individual rules, in the following fiscal year. At this point, it is unclear how many of those rules will be repealed or readopted, and of those readopted, how many will result in an economic impact. Since agencies may still be in the planning stages for their readoption packages, they may not be able to state whether the rules will be readopted with substantive changes. Therefore, it is possible for the total number of rule actions with economic impact to be higher in the upcoming year than the 52 reported here.

Table 3 presents the number of anticipated rule actions in the next fiscal year that agencies estimate will have a state government, local government, or substantial economic impact, which is defined in [G.S. 150B-21.4\(b1\)](#) as an aggregate economic impact of \$1 million or more over a 12-month period. In comparison to the estimates for the current fiscal year (see the [2019 NC Rules with Economic Impact Report](#)), agencies report an increase in rules that might have an impact on state or local governments, and a small decrease from ten to six rules with substantial economic impact. For more details, see Table 6 in Section II of this report.

**Table 3. Number of Anticipated Rules by Type of Impact\***

<i>Type of Impact</i>	<i>Number of Rule Packages</i>	<i>Percentage of Total</i>
State Government	35	67.3%
Local Government	27	51.9%
Substantial Economic Impact	6	11.5%

In SFY 2018-19, state agencies adopted 32 rule changes estimated to have an impact on local governments (either a cost or benefit), as shown in Table 4.

**Table 4. Number of Rules Adopted in SFY 2018-2019 with Local Government Impact, by Agency**

<i>Agency</i>	<i>Number of Rule Packages</i>	<i>Percentage of Total</i>
Department of Environmental Quality	8	25.0%
Department of Health and Human Services	9	28.1%
Department of Public Safety	1	3.1%
Department of Transportation	1	3.1%
Industrial Commission	9	28.1%
Wildlife Resources Commission	4	12.5%
<b>Total Adopted Rules</b>	<b>32</b>	<b>100.0%</b>

Table 5 below presents the estimated quantified impact on local governments over a five-year period resulting from the rules adopted in SFY 2018-19. The net present value of these quantified impacts on local governments is approximately \$1.5 million in benefits (computed using a 7% discount rate, as mandated in [G.S. 150B-21.4\(b1\)](#) for fiscal note analyses). Note, these rule changes may result in

additional costs and benefits to local governments during the next five years, however these impacts were difficult to quantify. See Table 7 in Section III of this report for more detailed information on these rule changes.

**Table 5. Estimated Impact on Local Governments of Rules Adopted by  
Agencies in SFY 2018-2019, (in thousands of \$)\***

<i>Agency</i>	<i>SFY 2018- 19</i>	<i>SFY 2 2019- 20</i>	<i>SFY 3 2020- 21</i>	<i>SFY 4 2021- 22</i>	<i>SFY 5 2022- 23</i>
Department of Environmental Quality	\$1,865	\$990	\$411	\$413	\$416
Department of Health and Human Services	-\$1,273	-\$1,230	-\$1,260	-\$1,283	-\$968
Department of Public Safety			Unquantified		
Department of Transportation			Unquantified		
Industrial Commission			Unquantified		
Wildlife Resources Commission	-\$6	\$4	\$4	\$4	\$4
<b>Total Impact of Adopted Rules</b>	<b>\$586</b>	<b>-\$236</b>	<b>-\$845</b>	<b>-\$865</b>	<b>-\$548</b>

## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

**Table 6. Schedule of Anticipated Rule Actions between July 1, 2020 and June 30, 2021**

Contact						Required by Federal Law/ Regulation	Impacts		
Division	Rule Title and Description	NCAC Citation(s)	Name	Phone	Rule Action		State	Local	Substantial
Department of Environmental Quality									
Marine Fisheries	Shellfish Leases	15A NCAC 03O .0201, .0202, .0204	Catherine Blum	252-808-8014	Readopt	Yes	S	-	-
	The N.C. General Assembly passed Session Law 2019-37, effective July 1, 2019. The General Assembly noted that the purpose of the bill is “to provide further support to the shellfish aquaculture industry in the State of North Carolina.” Section 9 of the bill requires the N.C. Department of Environmental Quality, Division of Marine Fisheries, and the North Carolina Marine Fisheries Commission to study how to reduce user conflict related to shellfish cultivation leases and to adopt rules and reform internal operating procedures consistent with the findings of the study. Proposed amendments implement the required rule changes.								
Marine Fisheries	Secondary Nursery Areas	15A NCAC 03R .0104, .0105	Catherine Blum	252-808-8014	Readopt	No	S	-	-
	In accordance with the N.C. Shrimp Fishery Management Plan Amendment 1, proposed amendments change the designation of special secondary nursery areas that have not been opened to trawling since 1991 to permanent secondary nursery areas and subject these areas to gill net attendance under 15A NCAC 03R .0112(b)(1).								
Marine Fisheries	Oyster Sanctuaries	15A NCAC 03R .0117	Catherine Blum	252-808-8014	Amend	No	S	-	-
	Proposed amendments add the boundaries of five new Oyster Sanctuaries (Long Shoal, Little Creek, Pea Island, Raccoon Island, and Swan Island), remove boundaries of two Oyster Sanctuaries (Ocracoke and Clam Shoal), and update boundaries for three existing Oyster Sanctuaries (Neuse River, West Bluff, and Gibbs Shoal) where material was found to be outside of the perimeter due to construction or movement during settlement. These changes will protect oysters from bottom disturbing gear and safeguard boaters navigating the sanctuaries.								
Marine Fisheries	Classification of Shellfish Growing Waters	15A NCAC 18A .0431, .0704, .0901-.0910, .0913, .0914	Catherine Blum	252-808-8014	Readopt	No	S	-	-
	North Carolina is part of the National Shellfish Sanitation Program (NSSP), a federal/state cooperative program designed to promote and improve the sanitation of shellfish (oysters, clams, mussels, and scallops) sold through interstate commerce. Division of Marine Fisheries staff work together with representatives from other states, the federal government, and industry through the Interstate Shellfish Sanitation Conference to develop guidelines for all state shellfish programs that are summarized in the NSSP Guide for the Control of Molluscan Shellfish (Guide). North Carolina must meet the minimum standards included in this Guide for North Carolina shellfish to be able to be sold through interstate commerce. Proposed changes bring North Carolina standards into agreement with the national standards for rules for shellfish growing waters and laboratory procedures.								

\* S = State Impact, L = Local Impact, SE = Substantial Economic Impact of \$1,000,000 or greater in a 12-month period, U = Impact Unknown.

## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

Marine Fisheries	<b>Coastal Recreational Waters Monitoring, Evaluation, and Notification</b>	15A NCAC 18A .3401-.3407	Catherine Blum	252-808-8014	Readopt	Yes	S	-	-
Proposed amendments update the N.C. Recreational Water Quality (RWQ) Program rules that were established in 2004 to bring the program into compliance with new Environmental Protection Agency (EPA) criteria and standards and to be more efficient as a program in protecting public health. The RWQ Program is required to follow the EPA's National Beach Guidance and Required Performance Criteria to remain grant eligible. The grant funds more than half of the RWQ Program, funding salaries, equipment and supplies for day to day operations. Significant changes were made with the release of the 2014 guidance document that are being addressed in the amended rules.									
Coastal Management	<b>Technical Standards for Beach Fill Projects</b>	15A NCAC 07H .0312	Mike Lopazanski	252-808-2808	Amend	No	-	L	-
This rule ensures that sand used for beach nourishment closely matches the sand on the existing beach. The rule requires that the sediment intended for beach placement, as well as the sand on the existing beach be analyzed for grain size and composition, and that they be within defined ranges of similarity before the project can begin. The Coastal Resources Commission proposes to amend this rule to allow the project's consultant/engineer to design a sampling protocol that assures sediment compatibility between the beach and borrow area, while strengthening recipient beach sampling protocols.									
Coastal Management	<b>Inlet Hazard Areas</b>	15A NCAC 07H .0304, .0308, .0310, .1800	Mike Lopazanski	252-808-2808	Amend	No	-	L	-
The inlet hazard area (IHA) are locations that "are especially vulnerable to erosion, flooding and other adverse effects of sand, wind, and water because of their proximity to dynamic ocean inlets." The Coastal Resources Commission (CRC) seeks to amend Inlet Hazard Area (IHA) boundaries and its administrative rules governing structure size, development density, and citing of new construction within these areas more prone to erosion caused by inlet related processes.									
Coastal Management	<b>Development Line Procedures</b>	15A NCAC 07J .1300	Mike Lopazanski	252-808-2808	Amend	No	-	L	-
The Commission will be addressing issues regarding the mapping of the Development Line by local governments as well as what types of development will be allowed seaward of the Development Line.									
Water Resources	<b>Triennial Review of Groundwater Quality Standards</b>	15A NCAC 02L .0202	Julie Ventaloro	919-707-9117	Amend	No	S	L	U
Adopting standards for groundwater contaminants. A net benefit to state and local government agencies and regulated entities is anticipated under the Underground Storage Tank, Hazardous Waste, Inactive Hazardous Waste, and Solid Waste Landfill programs.									
Water Resources	<b>Water Resources Development Grant Program</b>	15A NCAC 02G .0100, .0200, .0300	Coley Cordeiro	919-707-9013	Amend	No	U	U	-
Updates to grant program rules to incorporate administrative guidelines. Minimal impact, if any, to state/local government.									

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

Water Resources	<b>Central Coastal Plain Capacity Use Area</b>	15A NCAC 02E .0500	Nat Wilson	919-707-9032	Readopt	No	U	U	-
	Updates to existing rules. Minimal impacts anticipated.								
Waste Management	<b>Solid Waste Management Facilities</b>	15A NCAC 13B .0100 through .0700 and .1300	Jessica Montie	919-707-8247	Readopt	No	S	L	-
	Rules will be proposed for readoption with amendments or repealed through readoption in accordance with G.S. 150B-21.3A.								
Waste Management	<b>Solid Waste Management Facilities</b>	15A NCAC 13B .1500	Jessica Montie	919-707-8247	Readopt	No	S	L	-
	Rules will be proposed for readoption with amendments in accordance with G.S. 150B-21.3A.								
Air Quality	<b>H74 Readoption for Group 6 Rules</b>	15A NCAC 02D .0403, .0500, .0615 .0900, .1400, .1700 and .2615	Patrick Knowlson	919-707-8711	Readopt	No	S	-	SE
	The readoption of Rules in 15A NCAC 02D .0403, .0500, .0900, .1400, .1700 and .2615 and repeal of 02D .0536 and .0615 are pursuant to the requirements of S.L. 2013-413 and G.S. 150B. The revisions to 15A NCAC 02D .0932, .0960, and .2615 are anticipated to have a substantial economic impact.								
Air Quality	<b>Revise Permit Fees</b>	15A NCAC 02Q .0203	Patrick Knowlson	919-707-8711	Amend	No	S	L	SE
	To update fee schedule as needed to appropriately fund permitting and compliance activities.								
Air Quality	<b>Revise Permit Rules to Reduce Paper Copies</b>	15A NCAC 02Q .0305, .0505, and .0507	Patrick Knowlson	919-707-8711	Amend	No	S	-	-
	To revise several permit rules to reduce the number of paper copies to be submitted as the Division transitions to digital documents.								
Air Quality	<b>Landfill Rules</b>	15A NCAC 02D .1700	Patrick Knowlson	919-707-8711	Amend	Yes	S	L	U
	To revise the landfill rules for consistency with new federal landfill requirements.								

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

Department of Health and Human Services									
Division of Aging & Adult Services	<b>06A-State In Home Aide Services for Older Adults (predominately deals with DAAS and HCCBG funding); 06X-State In-Home Services Fund: In-Home Aide Services (predominately deals with DSS and DSS funding)</b>	10A NCAC 06A and 10A NCAC 06X	Misty Piekaar-McWilliams	919.855.4980	Adopt, Amend, and Repeal	No	-	L	U
DAAS will be reaching out to DHSR to determine if DAAS can abolish their certification process of in-home aide agencies under the In-Home Aide program, through the Home & Community Care Block grant. Due to several in-home aide providers being local county departments of social services, this may impact their government budgets. Specifically, we are aware of a \$510.00 annual licensing fee that would be mandated that certified agencies would pay. This would not create a substantial impact, but we do not know how this may affect their county budgets and the process as some local departments of social services subcontract with agencies.									
DCDEE	<b>Child Care Rules</b>	10A NCAC 09 .0102, .0302, .0403, .0601, .0606, .0607, .0701, .0713, .0801, .0802, .1103, .1106, .1402, .1403, .1703, .1706, .1707, .1714, .1718, .1721, .1724, .1729, .1730, .2204, .2206, .2209, .2318, .2408, .2410, .2509, .2703, .2809, .2817, .2903, .3012	Rachel Kaplan	919-814-6311	Amend		S	L	U
The proposed amendments implement new birth-kindergarten teacher licensing pathways, provide qualifying annual training credit for receiving technical assistance (TA), increase enforcement of out-of-state background checks, and modify operational documentation and communication requirements. The rule package also includes technical edits and clarifies amendments that were made since the review of existing rules in 2019.									
DCDEE	<b>Child Care Rules</b>	10A NCAC . 0704 and .3013	Rachel Kaplan	919-814-6311	Amend		U	U	U
The proposed rules amend education and experience requirements for pre-K teacher assistants and child care administrators.									

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

DHSR	<b>Certificate of Need Readoptions Phase 1</b>	10A NCAC 14C .0202, .0203, .0205, .0303, .2101, .2103, .2201, .2203, .3901, .3903	Nadine Pfeiffer	919-855-3811	Readopt	No	U	-	-
<p>These rules are being readopted following the periodic review and expiration of existing rules process having been identified as "Necessary With Substantive Public Interest," in Subchapter 10A NCAC 14C. Of these rules, 10A NCAC 14C .2101 will be a temporary rule effective February 1, 2020 and will be proposed as a readoption as becoming a permanent rule. The Healthcare Planning and Certificate of Need Section of DHSR is responsible for reviewing applications and awarding applicants a Certificate of Need (CON) only when need is demonstrated based on the State Medical Facilities Plan and criterion in law for health care providers acquiring, replacing, or adding to their facilities and equipment, and for the initiation of certain medical services. Monitoring of the progress of conditions in the awarded CON is conducted by the Healthcare Planning and Certificate of Need Section through licensing with the respective agency within DHSR. These rules are being readopted with substantive changes from stakeholder input. These rules will update the application review process for the determination of a review, filing applications and the review period; replacement equipment exemptions; surgical services and operating room definitions and performance standards; end stage renal disease services definitions and performance standards; and GI endoscopy procedure rooms definitions and performance standards. There is a possibility for state impact if the rules increase the time for CON applications review by CON staff. There will be no local government impact. None of these changes are predicted to be of a substantial fiscal impact; however, the amount of fiscal impact is unknown.</p>									
DHSR	<b>OEMS Education</b>	10A NCAC 13P .0101, .0102, .0501, .0502, .0507, .0508, .0510 - .0512, .0601, .0602, .1505, and .1507	Nadine Pfeiffer	919-855-3811	Amend	No	S	L	U
<p>These rules will amend definitions and abbreviations as technical clarifications to the rules. In addition, the rules will be amended addressing EMS credentialing educational program standards that includes the process for initial credential application for individuals, maintenance of credentials through continuing education and renewal, as well as reinstatement of lapsed credentials, background checks, and EMS education program instructor's qualifications and renewal of the instructor. The Office of Emergency Medical Services (OEMS) in DHSR oversees the education programs for the credentialing of emergency response personnel. These changes effect either the EMS individual credentialed personnel, the EMS System (made up of local and county governments) and the OEMS in the DHSR. The amount of anticipated fiscal impact is unknown.</p>									

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

DHSR	<b>Ambulatory Surgical Center Readoptions</b>	10A NCAC 13C .0202, .0203, .0301, .0501, .0702, .0902	Nadine Pfeiffer	919-855-3811	Readopt	Yes	S	L	-
Four of these rules are being readopted following the periodic review and expiration of existing rules process having been identified as "Necessary With Substantive Public Interest," and two rules are being amended. The Acute and Home Care Licensure and Certification Section of DHSR is responsible for licensing, certifying, and regulating these providers. These facilities are operated by entities that may include county government agencies, for-profit and non-profit entities, and hospital owned non-profit and for-profit entities located in urban and rural areas in the state. These rule changes have not been finalized. These rules will address the requirements for issuance of a license, suspension or revocation of the ambulatory surgical facility, the governing authority, the provision of anesthesia services and radiology services, and nursing personnel. Any costs incurred by these rule changes that affect the regulated providers will therefore impact local government. Any costs for changes to regulatory activities for the Acute and Home Care Licensure and Certification Section of DHSR will impact state government. The amount of anticipated fiscal economic impact is unknown. None of these changes are predicted to be of a substantial fiscal impact.									
DHSR	<b>Adult Care Home/Family Care Home Readoptions Phase 2</b>	10A NCAC 13F .0406, .0703, .0801, .0802; 10A NCAC 13G .0405, .0702, .0703, .0801, .0802	Nadine Pfeiffer	919-855-3811	Readopt	No	S	L	U
Eight rules are being readopted following the periodic review and expiration of existing rules process having been identified as "Necessary With Substantive Public Interest," in Subchapters 10A NCAC 13F and 10A NCAC 13G, and one rule is being amended. Adult Care Homes and Family Care Homes are licensed long-term residential healthcare facilities operated by for-profit and non-profit entities that are located in urban and rural areas of the State. The Adult Care Licensure Section of DHSR is responsible for the licensure and regulatory oversight of licensed Adult Care Homes and licensed Family Care Homes. County Department of Social Services also provide oversight of these facilities. These rules are being amended and readopted with substantial changes with input from a stakeholder group. Two of the rules for readoption will be readopted as a repeal as they are no longer needed because two other readoption rules will incorporate the requirements of the repealed rules. These rules will update requirements for tuberculosis testing, admission requirements, and resident assessment and care plan. Costs will be incurred by the private entity licensed Adult Care Homes and Family Care Homes with these rule changes. However, it is anticipated that local governments will be impacted due to changing County DSS oversight activity costs. It is anticipated there will be a state impact with a cost incurred to the Adult Care Licensure Section for regulatory compliance activities. The amount of anticipated fiscal economic impact is unknown. It is unknown whether these changes will be of a substantial fiscal impact.									

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

DHSR	<b>Hospice Construction Readoptions</b>	10A NCAC 13K .1109, .1113-.1116, .1201, .1204-.1208, .1211, .1212	Nadine Pfeiffer	919-855-3811	Readopt	Yes	S	U	-
<p>All of these are being readopted following the periodic review and expiration of existing rules process having been identified as "Necessary With Substantive Public Interest," in Subchapter 10A NCAC 13K. Hospice facilities are licensed inpatient and residential healthcare facilities caring for terminally ill patients operated in free-standing and hospital based private and county, for-profit and non-profit entities that are located in urban and rural areas in the State.</p> <p>The Construction Section of DHSR is responsible for regulating the physical plant and construction aspect for these providers. These rules are being readopted with substantive changes to clarify the physical plant requirements for hospice residential care facilities for resident care areas, construction or remodeling plans and specifications, plumbing, waste disposal, and the application of physical plant requirements. These rules are also being readopted with substantive changes to clarify physical plant requirements for hospice inpatient units for resident care areas, furnishings, fire and safety, heating and air conditioning, emergency electrical service, and the application of physical plant requirements. The likelihood of costs being incurred by the licensed and certified Hospice providers with private and local government impact is unknown with these rule readoptions. It is anticipated there will be a state impact with a cost incurred to the Construction Section for regulatory compliance activities. The amount of anticipated fiscal economic impact is unknown. None of these changes are predicted to be of a substantial fiscal impact.</p>									
DHSR	<b>NH Ventilator Assisted Care</b>	10A NCAC 13D .2001, .2506, .3003	Nadine Pfeiffer	919-855-3811	Repeal and Amend	Yes	S	-	U
<p>These rules are being amended for ventilator assisted care to be consistent with Code of Federal Regulations (CFR) for Nursing Homes for individuals with this type of care need. Nursing Homes are licensed long-term nursing healthcare facilities operated by for-profit, non-profit and state-owned entities located in urban and rural areas in the State. The Nursing Home Licensure and Certification Section of DHSR is responsible for the licensure, CMS certification and regulatory oversight of licensed Nursing Homes. There is an identified need for more ventilator assisted care units in nursing homes as access to care for these residents is currently impeded with only three Nursing Homes licensed to provide ventilator assisted care in the state. There are no state-owned Nursing Homes with licensed ventilator beds. By adopting the requirements in the CFR in the proposed rule amendments, confusion will be eliminated between the differences in the standards between the State licensure rules and the CFR. The requirements in the proposed rule amendments will be broadened to allow more access for ventilator assisted care service in Nursing Homes and the requirements will be more current, relevant, and backed by research. These rule amendments will include technical changes to definitions, redefine the definition of ventilator assisted care, refer requirements for respiratory care to the CFR's where applicable, and define the requirements of nurse staffing and the responsibilities of the pulmonary physician. One rule will be repealed as the requirements are being relocated into another rule. Because these rule changes will align with the federal CMS requirements for Nursing Homes, costs will not be incurred by the 3 Medicare/Medicaid certified licensed Nursing Homes already providing this care as they are currently in compliance with these requirements. However, costs will be incurred by facilities that choose to provide this service. It is anticipated that there will be minimal state impact to the Nursing Home Licensure and Certification Section for regulatory compliance activities. No local government impact is anticipated. It is unknown whether these changes will be of a substantial fiscal impact.</p>									
DPH	<b>Clinical Chemistry / Newborn Screening</b>	10A NCAC 42B .0102	Virginia Niehaus	(919) 707-5006	Amend	No	S	-	SE
<p>Anticipated amendment required by S.L. 2018-5 to allow conditions added to the Recommended Uniform Screening Panel at the federal level to be included in the Newborn Screening program and to increase the screening fee to offset the cost.</p>									

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

DPH	<b>Definitions / Water Recreation Attractions</b>	15A NCAC 18A .2508, .2543	Virginia Niehaus	(919) 707-5006	Amend	No	S	L	U
	Anticipated permanent amendment of rules governing the construction and operation of artificial swimming lagoons (previously amended under temporary procedures in compliance with S.L. 2019-88).								
DPH	<b>The Sanitation of Food Service Establishments</b>	15A NCAC 18A Section .2600	Virginia Niehaus	(919) 707-5006	Amend	No	S	L	U
	Anticipated amendment of the rules governing food establishments to incorporate the 2017 edition of the FDA Food Code, pursuant to authority granted under S.L. 2019-129. This includes the anticipated readoption of 15A NCAC 18A .2650, .2670, and .2674.								
DPH	<b>Sewage Treatment and Disposal Systems</b>	15A NCAC 18E	Virginia Niehaus	(919) 707-5006	Adopt	No	S	L	SE
	Anticipated repeal of 15A NCAC 18A .1900 and adoption of new subchapter 18E to update requirements for on-site wastewater treatment systems following a report from the On-Site Wastewater Task Force issued under S.L. 2019-151.								
DPH	<b>Reportable Diseases and Conditions</b>	10A NCAC 41A .0101	Virginia Niehaus	(919) 707-5006	Amend	No	S	L	-
	Anticipated permanent amendment to update the communicable diseases and conditions reporting requirements to include novel coronavirus. This change was adopted under emergency procedures on 2/5/2020 and is currently open for public comment under temporary procedures.								
Commission for MH/DD/SAS	<b>Staff Definitions</b>	10A NCAC 27G .0104	Denise Baker	919-715-2095	Amend	No	S	L	U
	Amendment of the Rule will permit both pre- and post-degree experience to be considered when credentialing an individual as a Qualified Professional.								
Commission for MH/DD/SAS	<b>Definitions</b>	10A NCAC 28A .0102	Denise Baker	919-715-2095	Amend	No	S	U	U
	Amendment of the Rule will permit both pre- and post-degree experience to be considered when credentialing an individual as a Qualified Professional.								
Commission for MH/DD/SAS	<b>Scope</b>	10A NCAC 27G .2301	Denise Baker	919-715-2095	Amend	Yes	S	L	U
	Amendment of the Rule will permit Adult Developmental Vocational Program Services to be provided in an integrated community setting via the Person Centered Planning process.								
Department of Information Technology									
GDAC	<b>Education Longitudinal Data System - Proposed Rules</b>	XXX NCAC XXX .XX01	Leigh Jackson	919-917-6620 919-754-6232	Adopt	No	U	U	-
	These rules will provide guidelines and parameters for individuals requesting data from the Education Longitudinal Data System								

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

Department of Administration									
Purchase and Contract	<b>Negotiation</b>	01 NCAC 05B .0503	Shanon Gerger	984-236-0008	Amend	No		(Choose one)	SE
	The proposed rule would clarify the conditions under which the Division of Purchase and Contract may enter into negotiations with potential vendors. Due to ambiguity in the current rule, the state rejects potentially strong vendors on procedural grounds rather than the substantive merits of the vendors’ proposals.								
Department of Justice									
Sheriffs' Standards Division	<b>Minimum Training Requirements</b>	12NCAC 10B .2005	Diane Konopka	919-662-4375	Amend	No	S	L	SE
	Sheriffs' Commission rules have required annual in-service training for active officers each year since 2006; however, the topics change each year, thereby requiring an amendment to this rule each year.								
Department of Labor									
	<b>Tramway Requirements</b>	13 NCAC 15.0205	Jill F. Cramer	919-707-7710	Amend	No	-	-	-
	Agency seeks to amend several rules to incorporate by reference various industry standards and increase inspection fees for all elevators (and related devices), amusement devices and passenger tramways; adoption of the industry standard for funiculars.								
	<b>Responsibility for Compliance</b>	13 NCAC 15.0402	Jill F. Cramer	919-707-7710	Amend	No	-	-	-
	Agency seeks to amend several rules to incorporate by reference various industry standards and increase inspection fees for all elevators (and related devices), amusement devices and passenger tramways; adoption of the industry standard for funiculars.								
	<b>Elevator, Escalator, Dumbwaiter, and Special Equipment Inspection Fee Schedule</b>	13 NCAC 15.0702	Jill F. Cramer	919-707-771	Amend	No	S	L	-
	Agency seeks to amend several rules to incorporate by reference various industry standards and increase inspection fees for all elevators (and related devices), amusement devices and passenger tramways; adoption of the industry standard for funiculars.								
	<b>Amusement Device Inspection Fee Schedule</b>	13 NCAC 15.0703	Jill F. Cramer	919-707-7710	Amend	No	S	L	-
	Agency seeks to amend several rules to incorporate by reference various industry standards and increase inspection fees for all elevators (and related devices), amusement devices and passenger tramways; adoption of the industry standard for funiculars.								

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

	<b>Passenger Tramway Inspection Fee Schedule</b>	13 NCAC 15.0705	Jill F. Cramer	919-707-7710	Amend	No	-	-	-
	Agency seeks to amend several rules to incorporate by reference various industry standards and increase inspection fees for all elevators (and related devices), amusement devices and passenger tramways; adoption of the industry standard for funiculars.								
<b>Department of State Treasurer</b>									
Local Government Commission	<b>Finance Officer Training</b>		Laura Rowe	814-3851	Adopt	No	U	L	U
	Establish requirements for the training authorized by G.S. 159-25(d), related to the powers, duties, and responsibilities of a finance officer. Local impacts may include costs, if any, in complying with the training requirements, staff time to attend the training, and costs in generating and providing the proof of compliance. Possible State impact of time and costs spent to develop or deliver the training, if UNC system or Community College System is involved, and possible revenues to those same stakeholders if fees are paid for the training. Unknown at this time if there will be substantial economic impact.								
Local Government Commission	<b>Establish Minimum Qualifications for Finance Officers</b>		Laura Rowe	814-3851	Adopt	No	U	L	U
	Establish minimum qualifications for Finance Officers as authorized by G.S. 159-25, subsection c. Local impacts could include budgeting for higher salaries to attract qualified candidates and recruiting costs.								
Office of State Treasurer	<b>Petition for Rulemaking</b>	20 NCAC 01F	Laura Rowe	814-3851	Adopt	No	U	U	-
	Establish process for petitioning the agency to make rules.								
Office of State Treasurer	<b>Declaratory Rulings</b>	20 NCAC 01F	Laura Rowe	814-3851	Adopt and Amend	No	U	U	-
	Update the process for seeking declaratory rulings from the agency.								
<b>Industrial Commission</b>									
Industrial Commission	<b>Working Title: Fees for Data Processing Services</b>	Likely will adopt new rule called 11 NCAC 23E .0205	Gina Cammarano	919-807-2524	Adopt	No	S	L	U
	The Industrial Commission expects to adopt a rule establishing fees for data processing services associated with the Commission's new legal case management system.								
<b>Wildlife Resources Commission</b>									
NCWRC	<b>Game Lands Regulations</b>	15A NCAC 10D	Carrie Ruhlman	919-707-0011	Amend	No	S	U	-
	Multiple modifications to include changes to use, establishment of new game lands, target shooting, fishing, permit requirements, and administrative updates.								

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## II. Schedule of Anticipated Rules Actions in SFY 2020-2021

NCWRC	<b>Inland Fishing Regulations</b>	15A NCAC 10C	Carrie Ruhlman	919-707-0011	Adopt, Amend, and Repeal	No	S	U	-
Amendments will modify size and/or creel limits, modify list of waters designated as Public Mountain Trout Waters to further classifications: Hatchery Supported, Delayed Harvest or Wild Trout, and modify/update special fishing devices. The Commission will readopt general regulations and game fish rules.									
NCWRC	<b>Wildlife Management</b>	15A NCAC 10B	Carrie Ruhlman	919-707-0011	Adopt and Amend	No	S	U	-
Amendments will modify trapping for live sale regulations, adopt wildlife conservation land program rules, and amend hunting and trapping seasons.									
NCWRC	<b>Regulated Activities</b>	15A NCAC 10H	Carrie Ruhlman	919-707-0011	Adopt, Amend, and Repeal	No	S	L	-
The Commission will modify taxidermy rules and field trial rules, readopt controlled fox hunting preserve rules, and adopt rabbit pen, wildlife control agent, and alligator agent rules.									
NCWRC	<b>Various Water Safety Regulations</b>	15A NCAC 10F	Carrie Ruhlman	919-707-0011	Amend	No	S	L	-
Amendments will modify and add no wake zones throughout the state.									

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### III. Rules with Estimated Local Government Impact Adopted in SFY 2018-2019

**Table 7. Rules with Estimated Local Governments Adopted Between July 1, 2018 and June 30, 2019**

						Quantified Impact on Local Government (thousands):*				
Agency	Division	Title of Rule Change	Citation(s)	Contact	Date Adopted	2018- 19	2019- 20	2020- 21	2021- 22	2022- 23
Department of Environmental Quality										
	DCM	Land Use Plan Certification	5A NCAC 07B .0802, .0803	Rachel Love-Adrick	11/28/18			Unquantified		
	DWR	Water protection planning	15A NCAC 18C .1305	Jay Frick	11/7/18	\$1,507	\$0	\$0	\$0	\$0
	DWR	Permitting and Inspection of Private Drinking Water Wells	15A NCAC 02C .0301 - .0309	Wilson Mize	5/9/19	\$358	\$372	\$381	\$382	\$385
	DWR	Licensed Operators Cross Connection Controls	15A NCAC 18D .0206	Jay Frick	9/18/18	\$0	\$587	\$0	\$0	\$0
	DWR	Laboratory Certification	15A NCAC 02H .0801 - .0810	Dana Satterwhite	5/9/19	\$0	-\$46	-\$46	-\$46	-\$46
	DWR	Biological Laboratory Certification	15A NCAC 02H .1101-.1111	Julie Ventaloro	5/9/19			Unquantified		
			15A NCAC 18C .0102, .0202, .0203, .0305, .0307, .0402, .0403, .0404, .0405, .0408, .0409, .0503, .0601, .0703, .0706, .0707, .0708, .0711, .0713, .0714, .0715, .0803, .0904, .0906, .1002, .1003, .1004, .1406, .1507, .1508, .1509, .1511, .1512, .1515, .1516, .1519, .1523, .1524, .1525, .1527, .1528, .1529, .1532, .1535, .1537, .1538, .1804, .2001, .2002, .2005, .2008	Jessica Godreau	5/8/19	\$0	\$13	\$13	\$13	\$13
	DWR	Public water systems - Readoptions								
	DWR	Public water systems - Backflow Prevention and Cross-Connection Control	15A NCAC 18C .0406	Jessica Godreau	5/8/19	\$0	\$65	\$65	\$65	\$65
Total quantified impact for Department of Environmental Quality:						\$1,865	\$990	\$411	\$413	\$416

\* Note that positive values are net costs to local governments and negative values are net benefits. The table does not present unquantified costs and benefits.

### III. Rules with Estimated Local Government Impact Adopted in SFY 2018-2019

#### Department of Health and Human Services

DPH	Reportable Diseases and Conditions	10 NCAC 41A .0101	Virginia Niehaus	8/8/18	\$12	\$12	\$12	\$12	\$12
DPH	Onsite Wastewater Subchapter - Amendments after Public Comments	15A NCAC 18E	Virginia Niehaus	8/8/18	-\$37	-\$39	-\$39	-\$40	-\$39
DCDEE	Rated License and Minimum Requirements	10A NCAC 09 .2800	Rachel Kaplan	11/5/18	\$3	\$3	\$3	\$3	\$3
DCDEE	Subsidized Child Care Reimbursements	10A NCAC 10 .0100; .0200; .0300; .0500; .0600; .0700; .0900; .1000; .1100; .1200	Rachel Kaplan	1/9/19	-\$1,250	-\$1,271	-\$1,293	-\$1,315	-\$1,315
DHSR	Jails Operation and Construction	10A NCAC 14J .0100, .0200, .0300, .0400, .0500, .0600, .0700, .0900, .1000, .1200	Nadine Pfeiffer	2/11/19	\$0	\$66	\$58	\$58	\$372
DHSR	Operating Room Certificate of Need Procedural Rules	10A NCAC 14C .2101, .2103	Nadine Pfeiffer	10/12/18				Unquantified	
DHSR	Hospital Construction Readoptions	10A NCAC 13B .3102, .6101, .6102, .6103, .6207	Nadine Pfeiffer	2/8/19				Unquantified	
DSS	Regional Department of Social Services	10A NCAC 67A .0301	Alycia Blackwell-Pittman	1/9/19				Unquantified	
DMA	Medicaid Eligibility Requirements	10A NCAC 23E .0101-.0108; 10A NCAC 23E .0201-.0209	Ryan Eppenberger	6/17/19				Unquantified	
<b>Total quantified impact for Department of Health and Human Services:</b>					<b>-\$1,273</b>	<b>-\$1,230</b>	<b>-\$1,260</b>	<b>-\$1,283</b>	<b>-\$968</b>

#### Industrial Commission

	IC Group 1 and 2 - Electronic Filing Medical Motions	11 NCAC 23A .0108, .0302, .0609A	Ashley Snyder	10/17/18				Unquantified	
	IC Group 1 and 2 – Motions Practice and Written Communication with Commission	11 NCAC 23A .0609, 11 NCAC 23A .0620	Ashley Snyder	11/19/18				Unquantified	
	IC Group 1 and 2 - Waiver of Rules and Contact Information	11 NCAC 23A .0801, 11 NCAC 23A .0109	Ashley Snyder	11/19/18				Unquantified	

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### III. Rules with Estimated Local Government Impact Adopted in SFY 2018-2019

IC Group 1 and 2 - Compromise Settlement Agreements	11 NCAC 23A .0502	Ashley Snyder	11/19/18	Unquantified
IC Group 1 and 2 - Foreign and Sign Language Interpreters	11 NCAC 23A .0619	Ashley Snyder	11/19/18	Unquantified
IC Group 1 and 2 - Review of Appeals and Admin Decisions	11 NCAC 23A .0701, .0702	Ashley Snyder	11/19/18	Unquantified
IC Readoptions - Motions in Tort Claims	11 NCAC 23B .0204	Ashley Snyder	1/17/19	Unquantified
IC Readoptions - Appeals to Commission	11 NCAC 23B .0302, .0310, .0501	Ashley Snyder	1/17/19	Unquantified
IC Readoptions - Electronic Filings: How to File	11 NCAC 23B .0104	Ashley Snyder	1/17/19	Unquantified

#### Total quantified impact for Industrial Commission:

#### Department of Transportation

Railroads Right of Way	19A NCAC 02B .0150, .0152, .0153, .0154, .0156, .0157, .0158	Jahmal Pullen	4/22/19	Unquantified
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#### Total quantified impact for Department of Transportation:

#### Department of Public Safety

Grant Application Process	14B NCAC 05B .0101, .0201- .0203, .0301	Margaret McDonald	1/16/19	Unquantified
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#### Total quantified impact for Department of Public Safety:

#### Wildlife Resources Commission

No Wake Zone Various	15A NCAC 10F .0307; .0320; .0342; .0353; .0360; .0366; .0373; .0375	Carrie Ruhlman	7/12/18	-\$6	-\$6	-\$6	-\$6	-\$6
Trapping Season	15A NCAC 10B.0303	Michael Smallwood	2/21/19		Unquantified			
Importation of Parts	15A NCAC 10B .0124	Carrie Ruhlman	2/21/19		Unquantified			

\* Note that positive values are net costs to local governments and negative values are net benefits. The table does not present unquantified costs and benefits.

### III. Rules with Estimated Local Government Impact Adopted in SFY 2018-2019

Annual Rule Package - Hunting on Game Lands	15A NCAC 10D .0103	Carrie Ruhlman	2/21/19	\$0	\$10	\$10	\$10	\$10
Total quantified impact for Wildlife Resources Commission:				-\$6	\$4	\$4	\$4	\$4
				Total for ALL Agencies (quantifiable impact only)*:				
				\$586	-\$236	-\$845	-\$865	-\$548

\* Note that positive values are net costs to local governments and negative values are net benefits. The table does not present unquantified costs and benefits.