

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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HOUSE BILL 149  
Committee Substitute Favorable 3/7/23  
Senate Education/Higher Education Committee Substitute Adopted 4/4/23  
Proposed Conference Committee Substitute H149-CCSMCxr-1 [v.22]  
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Short Title: Gaming and Medicaid Modifications. (Public)

Sponsors:

Referred to:

February 21, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE CERTAIN TYPES OF GAMING AND TO MAKE CHANGES TO  
3 MEDICAID.

4 The General Assembly of North Carolina enacts:

5  
6 **PART I. VIDEO GAMING ENTERTAINMENT**

7 **SECTION 1.1.(a)** Chapter 18C of the General Statutes is amended by adding a new  
8 Article to read:

9 "Article 12.

10 "Video Gaming Entertainment.

11 "Part 1. General Provisions.

12 **"§ 18C-1200. Definitions.**

13 The following definitions apply in this Article:

- 14 (1) Associated equipment. – Any hardware that is connected to the video gaming  
15 terminal or to the central monitoring system for the purpose of  
16 communication, validation, play, payment, or other functions of the video  
17 gaming terminal.
- 18 (2) Central monitoring system. – The system that maintains on a real-time basis  
19 the financial, integrity, and security controls on video gaming terminals and  
20 associated equipment and provides administrative services for its operation.
- 21 (3) Fraternal establishment. – a qualified fraternal organization that derives its  
22 charter from a national fraternal organization. The term does not include any  
23 establishment with attached or detached residential space.
- 24 (4) Independent testing laboratory. – An independent, nationally recognized  
25 testing laboratory approved by the Commission for use in testing whether a  
26 video entertainment game or video gaming terminal complies with the  
27 standards set forth in this Article.
- 28 (5) Manufacturer. – A person that distributes, manufactures, imports, assembles,  
29 services, or produces video gaming terminals or associated equipment for use  
30 in this State.
- 31 (6) Net machine revenue. – Gross revenue minus prizes actually paid per  
32 machine. For purposes of this subdivision, prizes do not include a player  
33 reward system, player tracking system, marketing, or promotional prizes or



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1 credits. For the purposes of calculating net machine revenue, a prize that is  
2 unclaimed is not considered actually paid until redeemed.

3 (7) Off-premises ABC permit. – An off-premises malt beverage permit, or  
4 off-premises unfortified or fortified wine permit issued pursuant to Chapter  
5 18B of the General Statutes.

6 (8) On-premises ABC permit. – An on-premises malt beverage permit,  
7 on-premises unfortified or fortified wine permit, or mixed beverages permit  
8 issued pursuant to Chapter 18B of the General Statutes.

9 (9) Operator. – A person licensed by the Commission who owns, leases, or  
10 otherwise controls video gaming terminals for which a video gaming terminal  
11 permit has been issued by the Commission.

12 (10) Truck stop. – An establishment that is situated on three or more acres and  
13 meets all of the following criteria:

14 a. Primarily engaged in retail sale of commercial automotive or  
15 commercial fuel.

16 b. Engaged in ancillary activities, including repair services, selling  
17 automotive fluids, parts, and accessories, and providing food or food  
18 services.

19 c. At least 30,000 gallons of commercial fuel are sold at retail per month,  
20 as demonstrated by estimated future sales or past sales averages.

21 d. Has 24-hour surveillance as specified by the Commission.

22 (11) Veterans establishment. – A qualified veterans organization that derives its  
23 charter from a national organization.

24 (12) Video entertainment games. – Electronically simulated games of chance  
25 allowed under this Article that are displayed and played on permitted video  
26 gaming terminals.

27 (13) Video gaming merchant. – A person licensed by the Commission and with  
28 whom an operator has contracted to do both of the following

29 a. Allow placement of video gaming terminals for play in accordance  
30 with this Article.

31 b. Pay cash prizes or redemption of shares of video entertainment games  
32 in accordance with this Article.

33 (14) Video gaming terminal. – A device operated under the authority of the  
34 Commission that is exempt from G.S. 14-306 and G.S. 14-306.1A and is any  
35 electronic computerized video game machine that, upon the insertion of cash  
36 or a video gaming ticket, is available to play a video entertainment game  
37 authorized by the Commission and which uses a video display and  
38 microprocessors in which, by chance, the player may receive free games or  
39 credits that can be redeemed for cash. The term does not include a machine  
40 that directly dispenses coins, cash, or tokens.

41 (15) Video gaming terminal permit. – A permanently affixed tag or other device  
42 issued to a licensed operator for each video gaming terminal approved by and  
43 registered with the Commission.

44 **§ 18C-1203. Video gaming.**

45 (a) Except as otherwise provided in this Article, the provisions of Articles 4, 5, and 7 of  
46 this Chapter shall not apply to the conduct of video entertainment games.

47 (b) Video gaming terminals and associated equipment shall be connected to a central  
48 monitoring system at all times during play and as otherwise determined by the Commission. No  
49 video gaming merchant shall be engaged solely in the business of placing video gaming terminals  
50 for play in accordance with this Article. All video gaming terminals shall be available for play in

1 accordance with this Article only with a video gaming merchant who meets as least one of the  
2 following criteria:

- 3 (1) Holds a valid off-premises ABC permit.
- 4 (2) Hold a valid on-premises ABC permit.
- 5 (3) Is a fraternal establishment.
- 6 (4) Is a veterans establishment.
- 7 (5) Is a licensed lottery retailer, as defined in Article 5 of this Chapter.

8 (c) The Commission shall allow each video gaming operator to operate up to three video  
9 gaming terminals per location and may allow up to an additional three video gaming terminals  
10 per location based upon a net machine revenue benchmark established by the Commission. The  
11 Commission shall allow each licensed video gaming merchant that is a truck stop to operate up  
12 to ten video gaming terminals per truck stop. Nothing in this subsection shall limit the  
13 Commission from reducing the number of video gaming terminals allowed based upon the net  
14 machine revenue benchmark.

15 (d) In contracting with operators, the Commission shall ensure that, at the time each video  
16 gaming terminal location is initially licensed, the video gaming terminal shall not be available  
17 for play within 500 feet of a church, public school, or any nonpublic school as defined by Part 1  
18 or 2 of Article 39 of Chapter 115C of the General Statutes.

19 (e) Prizes for play of video entertainment games on video gaming terminals shall be a  
20 voucher that is redeemable for cash or may be inserted into video gaming terminals to generate  
21 credits for the play of video entertainment games.

22 (f) Operators placing video gaming terminals for play in this State are subject to the  
23 following:

- 24 (1) Video gaming terminals and associated equipment shall only be purchased  
25 from manufacturers licensed under this Article.
- 26 (2) The placement of video gaming terminals for play shall be only with licensed  
27 video gaming merchants.
- 28 (3) The play of the video entertainment game on the video gaming terminal shall  
29 be in accordance with this Article.

30 (g) The Commission shall limit the total number of permitted video gaming terminals in  
31 this State to no more than 35,000 for the 36 months after the issuance of the first video gaming  
32 merchant's license. At the end of the 36 months after the issuance of the first video gaming  
33 merchant's license, the Commission may raise the total number of permitted video gaming  
34 terminals to no more than 50,000.

35 **"§ 18C-1205. Local preemption.**

36 (a) Notwithstanding any authority granted to local governments, including those  
37 imposing taxes, fees, or charges, a local government may not adopt or enforce any regulation that  
38 has the effect of imposing any restriction, condition, tax, license, or fee not placed by this Article  
39 upon video gaming or its participants, or that is in any manner in conflict or inconsistent with the  
40 provisions of this Article.

41 (b) A local government may adopt and enforce development regulations in accordance  
42 with Chapter 160D of the General Statutes, but may not adopt or enforce any development  
43 regulation that has the effect of prohibiting or excluding video gaming terminal play within the  
44 jurisdiction of that local government.

45 **"§ 18C-1206. North Carolina Video Gaming Fund.**

46 (a) An enterprise fund, to be known as the North Carolina Video Gaming Fund, is created  
47 within the State treasury consisting of the transfer of net machine revenues pursuant to  
48 G.S. 18C-1207(1), any monies remaining from the administrative expenses of the Commission  
49 under G.S. 18C-1207(1), and any interest earned on those funds.

50 (b) The General Assembly shall appropriate the monies in the North Carolina Video  
51 Gaming Fund annually in the Current Operations Appropriations Act, based upon estimates of

1 the net machine revenue from video entertainment games to the North Carolina Video Gaming  
2 Fund.

3 **"§ 18C-1207. Allocation of net machine revenues.**

4 Net machine revenues shall be collected by video gaming operators no less than weekly. The  
5 portion of net machine revenues allotted to the Commission in subdivision (1) of this subsection  
6 shall be transferred before any other allocations are made from the net machine revenues and  
7 deposited into an account as directed by the Commission. The deposited net machine revenues  
8 shall be distributed by the Commission in conformity with all of the following:

- 9 (1) Forty percent (40%) of the total net machine revenues from video  
10 entertainment games shall be transferred to the Commission. An amount not  
11 exceeding five percent (5%) of the funds transferred in accordance with this  
12 subdivision may be used by the Commission for administrative expenses,  
13 including compensation to the central monitoring system provider related to  
14 duties imposed upon the Commission under this Article. Net machine  
15 revenues remaining after deduction of administrative expenses shall be  
16 transferred to the Video Gaming Fund in accordance with G.S. 18C-1206(a).  
17 (2) Thirty percent (30%) of the net machine revenues shall be allocated to  
18 operators.  
19 (3) Thirty percent (30%) of the net machine revenues shall be allocated to video  
20 gaming merchants.

21 "Part 2. Licenses and Permits.

22 **"§ 18C-1210. Video gaming permit required on video gaming terminals.**

23 (a) Every video gaming terminal shall have affixed to it a video gaming terminal permit  
24 in the manner set forth by the Commission prior to play in accordance with this Article. The  
25 placement of the video gaming terminal permit represents that the video gaming terminal has  
26 been registered, inspected, and approved for operation in the State.

27 (b) The Commission shall issue video gaming terminal permits, valid for two years, based  
28 on the number of approved video gaming terminals registered with the Commission per licensed  
29 operator. The Commission shall include an option for a licensed operator to request to add video  
30 gaming terminals to a video gaming merchant's location during the license year.

31 (c) Only persons authorized by the Commission may affix or remove a video gaming  
32 terminal permit. No video gaming terminal may be transported out of this State until the video  
33 gaming terminal permit has been removed.

34 (d) Manufacturers, licensed operators, and video gaming merchants must make video  
35 gaming terminals and associated equipment available for inspection by the Commission. No  
36 video gaming terminal shall be issued a video gaming terminal permit unless the software and  
37 hardware of the video gaming terminal and associated equipment are compatible with the  
38 Commission's central monitoring system and all video entertainment games installed on the video  
39 gaming terminal are approved by the Commission.

40 (e) Any machine that meets any of following criteria is illegal and, notwithstanding  
41 G.S. 18C-1240, is subject to confiscation:

- 42 (1) The machine uses a video display and microprocessors and which, by chance,  
43 the player may receive free games or credits that can be redeemed for cash, or  
44 that directly dispenses coins, cash, coupons, tokens, or other representations  
45 of value redeemable for cash, cash equivalents, or any other thing of value.  
46 (2) A video gaming terminal that does not display the video gaming terminal  
47 permit as required by this section.

48 **"§ 18C-1214. Minimum qualifications for license.**

49 (a) The Commission shall not grant licenses to applicants and shall revoke licenses of  
50 licensees under this Article if the Commission reasonably determines that any of the following  
51 apply:

- 1           (1) The applicant meets one or more of the following criteria:  
2           a. Has been convicted of a felony or any gambling-related offense in any  
3           state or federal court of the United States within 10 years of issuance  
4           of the license.  
5           b. Employs officers or directors who have been convicted of a felony or  
6           any gambling-related offense in any state or federal court of the United  
7           States within 10 years of issuance of the license.  
8           c. Has completed a sentence for a felony or any gambling-related offense  
9           in any state or federal court of the United States within 10 years of  
10           issuance of the license.  
11           d. Employs officers or directors who have completed a sentence for a  
12           felony or any gambling-related offense in any state or federal court of  
13           the United States within 10 years of issuance of the license.  
14           e. Has been convicted, or employs an officer or director who has been  
15           convicted, under Article 37 of Chapter 14 of the General Statutes with  
16           two years of issuance of the license.  
17           (2) The applicant is less than 21 years of age.  
18           (3) The applicant has falsified any portion of the application.  
19           (4) The applicant has failed to timely file all applicable tax returns to the State or  
20           has overdue tax debts, as defined in G.S. 105-243.1 and in payment of all  
21           taxes, interest, and penalties owed to the State, excluding items under formal  
22           appeal under applicable statutes.  
23           (5) The applicant fails to provide any information and documentation requested  
24           by the Commission.  
25           (6) The Commission is not reasonably satisfied through evidence the Commission  
26           has received or discovered that the applicant is all of the following:  
27           a. A person of good character, honesty, and integrity.  
28           b. A person whose background, including criminal record, reputation,  
29           and associations, does not pose a threat to the public interest of the  
30           State or to the security and integrity of the Commission.  
31           c. A person who, either individually or through employees, demonstrates  
32           business ability and experience to establish, operate, and maintain the  
33           business for the type of license for which the application is made.  
34           d. A person who demonstrates adequate financing for the business  
35           proposed under the type of license for which the application is made.  
36           (7) The applicant resides in the same household as a member or employee of the  
37           Commission.  
38           (8) The applicant is an employee, director, officer, partner, or proprietor of a  
39           manufacturer, operator, or video gaming merchant.  
40           (b) The applicant must furnish all information, documents, certifications, consents,  
41           waivers, individual history forms, and other materials required or requested by the Commission  
42           for purposes of determining qualification for licensure. If the applicant is a public company, the  
43           applicant must file with the Commission a copy of any disclosure statement involving ownership  
44           of the public company required to be filed with the United States Securities and Exchange  
45           Commission.  
46           (c) The applicant must submit to a background investigation, including each partner,  
47           director, officer, and all stockholders of five percent (5%) or more of any business entity, except  
48           for institutional investors.  
49           (d) The burden of proof for establishing qualification under this section shall be on the  
50           applicant.

1       (e) No licensee or applicant shall pay, give, or make any economic opportunity, gift, loan,  
2 gratuity, special discount, favor, hospitality, or service, including food and beverages, to the  
3 Director, to any member or employee of the Commission, or to any member of the immediate  
4 family residing in the same household as one of these individuals.

5       (f) A licensed operator or an agent of the licensed operator shall not give, and a video  
6 gaming merchant shall not accept, anything of value, including a loan or a financing arrangement,  
7 to any video gaming merchant as an incentive or inducement to locate video gaming terminals in  
8 a specific location. The Commission shall adopt additional rules prohibiting the exchange of  
9 gifts, loans and other financing arrangements, gratuities, special discounts, favors, hospitality, or  
10 service between licensees. Any conduct in violation of this subsection shall be immediately  
11 reported to the Commission. The Commission's staff and the Department of Public Safety,  
12 Alcohol Law Enforcement Division shall investigate and enforce the prohibitions in this  
13 subsection and shall report any violation to the Commission and the appropriate District Attorney  
14 or Attorney General's office.

15       (g) A licensee has an ongoing duty to meet and maintain the minimum qualifications for  
16 licensure and failure to do so shall be cause for revocation or suspension of licensure. The  
17 Commission may impose fines and other penalties upon licensees and may revoke or suspend  
18 any license issued under this Article for a violation of the requirements imposed upon a licensee  
19 pursuant to this Article. The Commission establish a dispute resolution and hearings process for  
20 licensees to contest any penalties or consequences imposed by the Commission.

21       (h) A person licensed pursuant to this Article shall not be deemed a "lottery contractor,"  
22 "lottery supplier," or "potential contractor" as those terms are defined in G.S. 18C-103 for the  
23 purposes of the activities identified in this Article.

24       (i) In addition to the requirements provided in subsection (a) of this section, the  
25 Commission shall not approve an application for an operator's license unless at least one of the  
26 following applies:

27           (1) If an individual, the applicant has been (i) a resident of this State and (ii) an  
28 amusement or game operator in this State for at least two years immediately  
29 preceding the application, without interruption.

30           (2) If a business entity, the applicant meets all of the following criteria:

31               a. The applicant has (i) maintained a physical office location and (ii) has  
32 been an amusement or game operator in this State for at least two years  
33 immediately preceding the application, without interruption.

34               b. The applicant has paid and is current on all tax obligations in this State.

35               c. The applicant has been either of the following:

36                   1. Incorporated or organized in this State for at least two years  
37 immediately preceding the application, without interruption.

38                   2. Registered to do business in this State for at least two years  
39 immediately preceding the application, without interruption.

40       (j) In addition to the requirements provided in subsection (a) of this section, the  
41 Commission shall not approve an application for an operator's license if, within two years of  
42 submitting an application, a change of control of the applicant has occurred such that a foreign  
43 individual or foreign business entity acquired a majority ownership of the applicant or otherwise  
44 gained effective control of the applicant. For the purposes of this subsection, the term "foreign  
45 individual" means an individual who does not meet the requirements of subdivision (1) of  
46 subsection (i) of this section and the term "foreign business entity" means a business entity that  
47 does not meet the requirements of subdivision (2) of subsection (i) of this section.

48 **"§ 18C-1215. Advertising, marketing and prizes.**

49       (a) Operators and video gaming merchants shall ensure that all video gaming-related  
50 advertisements and marketing materials meet the following requirements:

51           (1) It does not target persons under the age of 21.

- 1           (2)    It discloses the identity of the gaming operator.  
2           (3)    It provides information about, or links to, resources related to responsible  
3                gaming and gambling addiction and prevention.  
4           (4)    It is not misleading to a reasonable person.  
5           (5)    It does not present gaming as a means of relieving any person's financial or  
6                personal difficulties.  
7           (6)    It satisfies the rules adopted by the Commission.  
8       (b)    Prizes may be awarded in the form of cash or gift cards.  
9       (c)    For the purposes of marketing, operators may issue promotional non-redeemable  
10       credits solely for play on a video gaming terminal.  
11       (d)    All prizes are subject to the State income tax.

12    **"§ 18C-1220. Fees.**

- 13       (a)    The Commission shall charge initial license application fees as follows:  
14           (1)    Manufacturers. – Fifty thousand dollars (\$50,000).  
15           (2)    Operators. – Two hundred fifty thousand dollars (\$250,000), plus one hundred  
16                fifty dollars (\$150.00) per video gaming terminal in each retail location.  
17           (3)    Video gaming merchants. – One thousand dollars (\$1,000) per retail location.  
18       (b)    The Commission shall charge a renewal fee as follows:  
19           (1)    Manufacturers. – One hundred thousand dollars (\$100,000) for the first  
20                renewal and one hundred fifty thousand dollars (\$150,000) for each  
21                subsequent renewal.  
22           (2)    Operators. – Fifty thousand dollars (\$50,000), plus three hundred dollars  
23                (\$300.00) per video gaming terminal in each retail location.  
24           (3)    Video gaming merchants. – Two thousand dollars (\$2,000) per retail location.  
25       (c)    The initial license issued by the Commission shall be valid for two years unless the  
26       license is cancelled or terminated.  
27       (d)    A license issued by the Commission may be transferred or assigned, provided the new  
28       license holder submits an application and associated fee and is approved for licensure by the  
29       Commission.  
30       (e)    Counties and cities shall not levy any license tax or license fee on any business  
31       activity licensed under this Article.  
32       (f)    License application and biennial renewal fees collected pursuant to this section shall  
33       be allocated by the Commission annually as follows:  
34           (1)    The first two million one hundred thousand dollars (\$2,100,000) to the  
35                Department of Public Safety, Alcohol Law Enforcement Division, for  
36                gambling enforcement activities.  
37           (2)    The next one million five hundred thousand dollars (\$1,500,000) to the  
38                Department of Health and Human Services for gambling addiction education  
39                and treatment programs.  
40           (3)    The next five million dollars (\$5,000,000) to the Department of Public Safety,  
41                Alcohol Law Enforcement Division for gambling enforcement activities.  
42           (4)    Any funds remaining after the allocations described in this subsection shall be  
43                allocated by the Commission, in its sole discretion for any of the activities  
44                listed in this subsection.

45    **"§ 18C-1222. Limitations on licenses.**

- 46       (a)    A manufacturer, or any affiliate company, employee, beneficiary, stockholder,  
47       officer, director, member, partner, or immediate family member of a manufacturer shall be  
48       ineligible for a license to be a video gaming merchant or operator. An operator, or any affiliate  
49       company, employee, beneficiary, stockholder, officer, director, member, partner, or immediate  
50       family member of an operator, shall be ineligible for a license to be a manufacturer or video  
51       gaming merchant. A video gaming merchant, or any affiliate company, employee, beneficiary,

1 stockholder, officer, director, member, partner, or immediate family member of a video gaming  
2 merchant, shall be ineligible for a license to be a manufacturer or operator.

3 (b) When contracting for a central monitoring system under Part 3 of this Article, the  
4 Commission may contract with a manufacturer if the Commission is satisfied that manufacturer  
5 shall not use any knowledge or control of the central monitoring system to advantage that  
6 manufacturer, an operator associated with that manufacturer, or a video gaming merchant with  
7 whom that manufacturer's video gaming terminals are available for play in accordance with this  
8 Article.

9 (c) The Commission shall strive to have (i) no fewer than five manufacturers licensed in  
10 this State at all times and (ii) no fewer than 12 operators licensed in this State at all times.

11 (d) No video gaming merchant license shall require a fraternal establishment or veterans  
12 establishment to be open to those who are not members of the fraternal establishment or veterans  
13 establishment.

14 **"§ 18C-1224. General duties of licensees.**

15 A licensee under this Article shall do all of the following:

16 (1) Promptly report to the Commission any of the following:

17 a. Any factors or circumstances related to video entertainment games  
18 operated under this Article that constitute a violation of State or federal  
19 law or that would affect a license holder's eligibility for a license.

20 b. If the licensee or any of the licensee's officers or directors have been  
21 convicted of a felony or any gambling-related offense in any state or  
22 federal court of the United States at any time following the submission  
23 of an application or receipt of a license under this Article.

24 (2) Conduct all video gaming activities and functions in a manner that does not  
25 pose a threat to the public health, safety, or welfare of the citizens of this State  
26 and that does not adversely affect the security and integrity of the lottery or  
27 harm video entertainment games.

28 (3) Hold the Commission and the State of North Carolina harmless from and  
29 defend and pay for the defense of any and all claims that may be asserted  
30 against a licensee, this State, or the Commission and its employees arising  
31 from the licensee's participation in or operation of video entertainment games.

32 (4) Assist the Commission in maximizing video entertainment games revenue to  
33 the State.

34 (5) Maintain all records required by the Commission.

35 (6) Keep current in all payments and obligations to the Commission.

36 **"§ 18C-1225. Transfer of control.**

37 Upon the sale or transfer of the majority ownership, management, or effective control of a  
38 licensed manufacturer, operator, or video gaming merchant, the licensed manufacturer, operator,  
39 or video gaming merchant shall not continue to operate in this State until a new application for  
40 licensure and associated fee has been submitted and approved by the Commission.

41 "Part 3. Video Gaming Terminals.

42 **"§ 18C-1230. Possession; permitting.**

43 (a) Every video gaming terminal shall have a video gaming terminal permit prior to play  
44 in this State and shall be located on the premises of a video gaming merchant for play in  
45 accordance with this Article.

46 (b) Operators shall file with the Commission the location of each permitted video gaming  
47 terminal and the name and address of the video gaming merchant where each video gaming  
48 terminal for play is located.

49 (c) No video gaming terminal shall be issued a permit unless the game software is  
50 certified by an independent testing laboratory. The game software, and any other component  
51 required by the Commission, for all video gaming terminals must be submitted by the



1 manufacturer to an independent testing laboratory to test for compliance with Commission rules  
2 and regulations, which shall include compatibility with the central monitoring system.

3 (d) The Commission shall not limit licensure or connection to the central monitoring  
4 system to one type of video gaming terminal, one manufacturer, or one operator.

5 **"§ 18C-1231. Commission rules and regulations.**

6 The Commission has the powers and duties necessary and proper to implement, administer,  
7 and enforce all aspects of this Article, including licensing, regulating, and enforcing the system  
8 of casinos and gaming for the benefit of the State and the public. The Commission's exemption  
9 under G.S. 150B-1 applies to this Article. The Commission shall from time to time adopt, amend,  
10 waive, or repeal rules, regulations, policies, procedures, and appropriate conditions as it may  
11 deem necessary or desirable in the public interest in carrying out the policy and provisions of this  
12 Article.

13 **"§ 18C-1232. Central monitoring system.**

14 The Commission shall contract with a provider for a central monitoring system from a  
15 supplier of central monitoring systems. To the extent practicable, the Commission shall solicit  
16 bids from at least four different vendors. All of the following shall apply to the central monitoring  
17 system used by the Commission for video gaming terminals:

- 18 (1) The central monitoring system shall be linked by a communications network  
19 through which all video gaming terminals shall connect to a single point of  
20 commerce.
- 21 (2) All video gaming terminals shall be linked by a communications network to  
22 the central monitoring system for purposes of monitoring and reading device  
23 activities as provided for in this section.
- 24 (3) The Commission shall routinely assess and inspect the operation of the central  
25 monitoring system and shall notify licensees and video gaming merchants of  
26 any deficiencies.
- 27 (4) The video gaming terminal must adhere to the standards adopted by the  
28 Commission with regard to the hardware and software requirements of the  
29 central monitoring system.
- 30 (5) The central monitoring system shall be designed and operated to allow the  
31 monitoring and reading of all video gaming terminals for compliance play and  
32 revenues to the State.
- 33 (6) The Commission may contract for the administration of the central monitoring  
34 system but shall be responsible for oversight of that administration.
- 35 (7) The central monitoring system shall not provide for the monitoring or reading  
36 of personal or financial information concerning patrons of video gaming  
37 terminals.

38 **"§ 18C-1234. Video gaming play; posting of odds.**

39 (a) No person shall allow play of a video gaming terminal by a person under the age of  
40 21 years. No person under the age of 21 years may play a video gaming terminal. No person  
41 under the age of 21 years may seek payment or be paid for a redemption voucher. A person who  
42 violates this subsection shall be guilty of a Class 1 misdemeanor.

43 (b) Video gaming terminals may not allow more than the amount established by the  
44 Commission to be played on a single wager. The odds of winning each video entertainment game  
45 shall be posted on or near each video gaming terminal. The manner in which the odds are  
46 calculated and how the odds are posted shall be established by the Commission.

47 (c) For purposes of this section, the following definitions shall apply:

- 48 (1) Redemption voucher. – A ticket or other indicator of winnings owed to a  
49 player.
- 50 (2) Wager. – A sum of money or thing of value risked on an uncertain occurrence,  
51 whether cash, cash equivalent, or redemption voucher.

**"§ 18C-1236. Transportation of video gaming terminals.**

Any person transporting a video gaming terminal from one video gaming merchant's establishment to another in the State, other than for servicing or repair, shall notify the Commission, in the manner and form established by the Commission, in writing prior to the transportation of the video gaming terminal. This section shall also apply to truck stops.

**"Part 4. Enforcement.****"§ 18C-1240. Enforcement.**

(a) The Commission shall have sole regulatory and administrative authority. The Department of Public Safety, Alcohol Enforcement Division shall be the law enforcement authority responsible for making recommendations to the Commission regarding discipline or revocation of licensure under this Article.

(b) The Department of Public Safety, Alcohol Enforcement Division shall be the law enforcement authority responsible for confiscation of any video gaming terminals not displaying the video gaming permit as required by this Article.

**"§ 18C-1242. Inspection of premises, records, activities.**

(a) In accordance with G.S. 18B-502, the Commission or the Department of Public Safety, Alcohol Law Enforcement Division, may inspect an establishment of a licensed video gaming merchant, licensed operator, or a licensed manufacturer. The inspection may include the examination of records, equipment, and proceeds related to the operation of video entertainment games.

(b) The Department of Public Safety, Alcohol Law Enforcement Division, shall report to the Commission the results of such an inspection and any potential violations noted during the inspection.

**"§ 18C-1244. Criminal offenses.**

(a) Any person who tampers with a video gaming terminal with intent to interfere with the proper operation of the video gaming terminal is guilty of a Class 1 misdemeanor for the first offense, a Class H felony for a second offense, and a Class G felony for a third or subsequent offense.

(b) Any person who, with intent to manipulate the outcome, payoff, or operation of a video gaming terminal, manipulates the outcome, payoff, or operation of a video gaming terminal by physical tampering or any other means is guilty of a Class G felony for the first offense and a Class F felony for any subsequent offense.

(c) A video gaming merchant or operator who falsely reports or fails to report the amount due as required by the Commission, or who pays or accepts an incentive or inducement prohibited by the Commission, is guilty of a Class G felony and the license is subject to termination by the Commission.

(d) Any video gaming merchant who pays a prize to any person in the amount less than the specified prize won is guilty of a Class G felony and is subject to termination by the Commission.

**"§ 18C-1245. Commission competition prohibited.**

The operation of video entertainment games shall be considered a service establishment for the rendering of services for the purposes of G.S. 68-58, and the Commission shall not operate any video entertainment game in competition with the citizens of this State."

**SECTION 1.1.(b) G.S. 18C-113(b) reads as rewritten:**

"(b) Records of the Commission shall be open and available to the public in accordance with Chapter 132 of the General Statutes, except as provided in this ~~Article~~ Chapter or unless disclosure could be used to potentially (i) provide an unfair advantage to a player or (ii) impair or adversely impact the security or integrity of the operation of the Lottery, any of its ~~games, games~~ or gaming activities regulated by the Commission under this Chapter, or investigations into lottery contractors, potential contractors, licensees or applicants for licensure

1 under this Chapter, or potentially fraudulent or other activities in violations of any laws, laws or  
 2 Lottery Commission rules, regulations, and policies."

3 **SECTION 1.1.(c)** G.S. 18C-114 reads as rewritten:

4 **"§ 18C-114. Powers and duties of the Commission.**

5 (a) The Commission shall have the following powers and duties:

- 6 ...
- 7 (15) To establish requirements for linking all video gaming terminals under a  
 8 central monitoring system in accordance with Article 12 of this Chapter,  
 9 including creating and maintaining a central monitoring system, which shall  
 10 accommodate connection to the central monitoring system by video gaming  
 11 terminals of each manufacturer without unnecessary costs of implementing  
 12 the program modifications to connect to the central monitoring system.
- 13 (16) To establish criteria for information systems, operating procedures, reporting,  
 14 and accounting criteria for video gaming entertainment consistent with this  
 15 Article 12 of this Chapter.

16 (b) Article 15 of Chapter 143B of the General Statutes shall not apply to the  
 17 Commission."

18 **SECTION 1.1.(d)** G.S. 18C-120 reads as rewritten:

19 **"§ 18C-120. Selection of the Director; powers and duties.**

20 ...

21 (b) The Director shall have the following powers and duties, under the supervision of the  
 22 Commission:

- 23 ...
- 24 (4) To enter into contracts with lottery retailers, lottery contractors, ~~or~~ lottery  
 25 suppliers-suppliers, or with a licensed manufacturer upon approval by the  
 26 Commission.
- 27 (5) To provide for the security and accuracy in the operation and administration  
 28 of the Commission and the Lottery, including examining the background of  
 29 all prospective employees, lottery potential contractors, lottery contractors,  
 30 and ~~lottery retailers-retailers,~~ licensees, and potential licensees under this  
 31 Chapter.
- 32 ...
- 33 (7) To confer with the Commission on the operation and administration of ~~the~~  
 34 Lottery ~~this Chapter~~ and make available for inspection by the Commission all  
 35 books, records, files, documents, and other information ~~of the~~  
 36 Lottery ~~maintained under this Chapter.~~
- 37 ...
- 38 (9) To provide monthly financial reports to the Commission of all ~~lottery~~  
 39 revenues, prize disbursements, expenses, net revenues, and all other financial  
 40 transactions involving lottery ~~funds-funds~~ and activities governed under this  
 41 Chapter.
- 42 ...
- 43 (12) To engage an independent firm experienced in security procedures, including  
 44 computer security and systems security, to conduct a comprehensive study  
 45 and evaluation of all aspects of security in the operation of video gaming  
 46 terminals. At a minimum, the comprehensive study and evaluation shall  
 47 include a review of network vulnerability, application vulnerability,  
 48 application code review, wireless security, security policy and processes,  
 49 security and privacy program management, technology infrastructure and  
 50 security controls, security organization and governance, and operational  
 51 effectiveness."

1           **SECTION 1.1.(e)** G.S. 18B-502(a) reads as rewritten:

2           "(a) Authority. – To procure evidence of violations of the ABC law, alcohol  
3 law-enforcement agents, employees of the Commission, local ABC officers, and officers of local  
4 law-enforcement agencies that have contracted to provide ABC enforcement under  
5 G.S. 18B-501(f) shall have authority to investigate the operation of each licensee under this  
6 Chapter and each licensed premises for which an ABC permit has been issued, to make  
7 inspections that include viewing the entire premises, and to examine the books and records of the  
8 permittee. The inspection authorized by this section may be made at any time it reasonably  
9 appears that someone is on the premises. Alcohol law-enforcement agents are also authorized to  
10 be on the premises to the extent necessary to enforce the provisions of Article 68 of Chapter 143  
11 of the General Statutes. For purposes of this subsection, the phrase "licensed premises for which  
12 an ABC permit has been issued" includes a social district authorized under G.S. 18B-300.1 and  
13 an extended area authorized under G.S. 18B-904(h)."

14           **SECTION 1.1.(f)** Article 8 of Chapter 18C of the General Statutes is amended by  
15 adding the following new sections to read:

16 **"§ 18C-176. Revocation of licenses contracts upon conviction of certain offenses.**

17           (a) Upon conviction or plea of guilty of an offense described in G.S. 14-309, the  
18 following shall apply:

19               (1) A contract to sell tickets or shares under Article 5 of this Chapter is void.

20               (2) Any license issued under this Chapter is revoked.

21           (b) A business entity may restore a contract or license revoked under this section if the  
22 business entity demonstrates to the satisfaction of the Commission that the person convicted or  
23 having pled guilty of an offense described in G.S. 14-309 has been removed from the business  
24 entity.

25           **SECTION 1.1.(g)** G.S. 20-30(6) is amended by adding a new sub-subdivision to  
26 read:

27               "e. A licensee under Article 12 of Chapter 18C of the General Statutes for  
28 the purposes of prize validation and identity verification."

29           **SECTION 1.1.(h)** G.S. 14-306 reads as rewritten:

30 **"§ 14-306. Slot machine or device defined.**

31 ...

32           (e) The definition contained in subsection (a) of this section and G.S. 14-296,  
33 G.S. 14-301, G.S. 14-302, G.S. 14-305, and G.S. 14-306.1A does not include a video gaming  
34 terminal with a valid permit affixed to it and authorized under Article 12 of Chapter 18C of the  
35 General Statutes."

36           **SECTION 1.1.(i)** G.S. 14-306.1A reads as rewritten:

37 **"§ 14-306.1A. Types of machines and devices prohibited by law; penalties.**

38           (a) Ban on Machines. – It shall be unlawful for any person to operate, allow to be  
39 operated, place into operation, or keep in that person's possession for the purpose of operation  
40 any video gaming machine as defined in subsection (b) of this section, except for the following:

41               (1) An exemption for a federally recognized Indian tribe under subsection (e) of  
42 this section for whom it shall be lawful to operate and possess machines as  
43 listed in subsection (b) of this section if conducted in accordance with an  
44 approved Class III Tribal-State Compact applicable to that tribe, as provided  
45 in G.S. 147-12(14) and G.S. 71A-8.

46               (2) An exemption for those licensed by the North Carolina State Lottery  
47 Commission to conduct activities set forth in Article 12 of Chapter 18C of the  
48 General Statutes.

49 ...."

50           **SECTION 1.1.(j)** G.S. 14-306.3 reads as rewritten:

51 **"§ 14-306.3. Certain game promotions unlawful.**

1 (a) It is unlawful to promote, operate, or conduct a server-based electronic game  
2 promotion.

3 (b) It is unlawful for any person to possess any game terminal with a display that  
4 simulates a game ordinarily played on a slot machine regulated under G.S. 14-306 or a video  
5 gaming machine regulated under G.S. 14-306.1A for the purpose of promoting, operating, or  
6 conducting a server-based electronic game promotion.

7 (c) As used in this section, "server-based electronic game promotion" means a system  
8 that meets all of the following criteria:

9 (1) A database contains a pool of entries with each entry associated with a prize  
10 value.

11 (2) Participants purchase, or otherwise obtain by any means, a prepaid card.

12 (3) With each prepaid card purchased or obtained, the participant also obtains one  
13 or more entries.

14 (4) Entries may be revealed in any of the following ways:

15 a. At a point-of-sale terminal at the time of purchase or later.

16 b. At a game terminal with a display that simulates a game ordinarily  
17 played on a slot machine regulated under G.S. 14-306 or a video  
18 gaming machine regulated under G.S. 14-306.1A.

19 (d) Upon conviction or plea of guilty, all of the following held by the person shall be  
20 automatically revoked:

21 (1) A permit issued under Chapter 18B of the General Statutes.

22 (2) A contract to sell tickets or shares under Article 5 of Chapter 18C of the  
23 General Statutes.

24 (3) Any license issued under Chapter 18C of the General Statutes.

25 (e) Nothing in this section shall apply to the form of Class III gaming legally conducted  
26 on Indian lands which are held in trust by the United States government for and on behalf of  
27 federally recognized Indian tribes if conducted in accordance with an approved Class III  
28 Tribal-State Gaming Compact applicable to that tribe as provided in G.S. 147-12(14) and  
29 G.S. 71A-8.

30 (f) Nothing in this section shall apply to any video entertainment game under Article 12  
31 of Chapter 18C of the General Statutes."

32 **SECTION 1.1.(k)** G.S. 14-306.4(d) reads as rewritten:

33 (d) Nothing in this section shall be construed to make illegal any activity which is  
34 lawfully conducted as follows:

35 (1) ~~on~~On Indian lands pursuant to, and in accordance with, an approved  
36 Tribal-State Gaming Compact applicable to that Tribe as provided in  
37 G.S. 147-12(14) and G.S. 71A-8.

38 (2) Any activity or product licensed by or operated by the North Carolina Lottery  
39 Commission."

40 **SECTION 1.1.(l)** G.S. 14-309.3 reads as rewritten:

41 "**§ 14-309.3. Exempt wagering.**

42 This Article shall not apply to:

43 (1) Sports wagering lawfully conducted in compliance with Article 9 of Chapter  
44 18C of the General Statutes.

45 (2) Pari-mutuel wagering lawfully conducted in compliance with Article 10 of  
46 Chapter 18C of the General Statutes.

47 (3) Video entertainment game play lawfully conducted in accordance with Article  
48 12 of Chapter 18C of the General Statutes."

49 **SECTION 1.1.(m)** G.S. 16-1 reads as rewritten:

50 "**§ 16-1. Gaming and betting contracts void.**

1 (a) All wagers, bets or stakes made to depend upon any race, or upon any gaming by lot  
2 or chance, or upon any lot, chance, casualty or unknown or contingent event whatever, shall be  
3 unlawful; and all contracts, judgments, conveyances and assurances for and on account of any  
4 money or property, or thing in action, so wagered, bet or staked, or to repay, or to secure any  
5 money, or property, or thing in action, lent or advanced for the purpose of such wagering, betting,  
6 or staking as aforesaid, shall be void.

7 (b) This section shall not apply to:

8 (1) Any sports wager, as defined in G.S. 18C-901, placed in accordance with  
9 Article 9 of Chapter 18C of the General Statutes.

10 (2) Any pari-mutuel wager, as defined in G.S. 18C-1001, placed in accordance  
11 with Article 10 of Chapter 18C of the General Statutes.

12 (3) Any video entertainment game play lawfully conducted in accordance with  
13 Article 12 of Chapter 18C of the General Statutes."

14 **SECTION 1.1.(n)** This section becomes effective upon the date identified and  
15 published in the North Carolina Registry by the North Carolina Lottery Commission under  
16 Section 1.5 of this Part.

17 **SECTION 1.2.(a)** Part 1 of Article 37 of Chapter 14 of the General Statutes is  
18 amended by adding the following new section to read:

19 "**§ 14-309.4. Amusements with non-cash prizes.**

20 (a) The provisions of G.S. 14-296, G.S. 14-301, G.S. 14-302, G.S. 14-305, G.S. 14-306,  
21 and G.S. 14-306.1A do not apply to coin-operated machines, video games, pinball machines, and  
22 other computer, electronic, or mechanical devices that are operated and played for amusement  
23 and that meet all of the following criteria:

24 (1) Non-cash prizes, toys, novelties, free replays, coupons, or other  
25 representations of value redeemable for non-cash prizes, toys, or novelties are  
26 awarded.

27 (2) The retail value of a prize, toy, or novelty awarded for a single win from any  
28 individual play does not exceed ten dollars (\$10.00).

29 (3) Each successful play of the game depends upon the use of some skill or  
30 dexterity.

31 (4) A notice is affixed to each machine or device in view of the player that  
32 provides notice that it is a criminal offense, with the potential of  
33 imprisonment, to award cash prizes from the play of the machine or device.

34 (5) An owner, operator, or an affiliate of an owner or operator of coin-operated  
35 machines, video games, pinball machines, and other computer, electronic, or  
36 mechanical devices that are operated and played for amusement described in  
37 this section shall not redeem or repurchase non-cash prizes, toys, novelties, or  
38 other prizes awarded in exchange for cash or cash equivalents.

39 (b) Prior to operating or offering for play any coin-operated machine; video game; pinball  
40 machine; or other computer, electronic, or mechanical device in accordance with this section,  
41 every person shall register the same with the North Carolina Lottery Commission in a manner  
42 prescribed by the North Carolina Lottery Commission.

43 (c) Any person who violates this section is guilty of a Class 1 misdemeanor for the first  
44 offense, and is guilty of a Class H felony for a second offense and a Class G felony for a third or  
45 subsequent offense."

46 **SECTION 1.2.(b)** This section is effective when it becomes law, and expires 90 days  
47 after publication in the North Carolina Registry of the date identified and published by the North  
48 Carolina Lottery Commission under Section 1.5 of this Part.

49 **SECTION 1.3.(a)** G.S. 18C-1214(i) is repealed.

50 **SECTION 1.3.(b)** G.S. 18C-1214(j) is repealed.

1           **SECTION 1.3.(c)** This section becomes effective 730 days after publication in the  
2 North Carolina Registry of the date identified and published by the North Carolina Lottery  
3 Commission under Section 1.5 of this Part.

4           **SECTION 1.4.** The North Carolina State Lottery Commission may use up to ten  
5 million dollars (\$10,000,000) in funds available from the North Carolina State Lottery Fund to  
6 implement the provisions of this act, and those funds are hereby appropriated for that purpose.  
7 The North Carolina State Lottery Commission shall credit funds to the North Carolina State  
8 Lottery Fund in an amount equal to the sum expended pursuant to this section.

9           **SECTION 1.5.(a)** The North Carolina State Lottery Commission shall identify a  
10 date upon which video gaming terminal play is authorized in this State and shall do all of the  
11 following at least 90 days in advance of that date:

- 12           (1) Publish that date in the North Carolina Registry.
- 13           (2) Report that date to the Joint Legislative Lottery Oversight Committee on the  
14 North Carolina State Lottery.
- 15           (3) Notify all persons registering amusement play in accordance with  
16 G.S. 14-309.4, as enacted by this act.

17           **SECTION 1.5.(b)** The North Carolina State Lottery Commission may adopt rules to  
18 facilitate the licensure authorized in this Part prior to the date published in the North Carolina  
19 Registry of the date identified by the North Carolina Lottery Commission under Section 1.5 of  
20 this Part; however, no rule may become effective until on or after that date. The Commission  
21 may accept and issue applications for licensure in accordance with Article 12 of Chapter 18C of  
22 the General Statutes, as enacted by this section, prior to the date published in the North Carolina  
23 Registry of the date identified by the North Carolina Lottery Commission under Section 1.5 of  
24 this Part, in order that licensees may begin operations on on that date; however, no license issued  
25 by the Commission shall become effective prior to the date published in the North Carolina  
26 Registry of the date identified by the North Carolina Lottery Commission under Section 1.5 of  
27 this Part.

28           **SECTION 1.6.** Except as otherwise provided, this Part is effective when it becomes  
29 law.  
30

## 31 **PART II. RURAL TOURISM INCENTIVE PROGRAM**

32           **SECTION 2.(a)** Article 10 of Chapter 143B of the General Statutes is amended by  
33 adding a new section to read:

### 34 **"§ 143B-437.02C. Rural Tourism Incentive Program.**

35           (a) Creation and Purpose. – There is established the Rural Tourism Incentive Program to  
36 be administered by the Secretary of Commerce. The purpose of the program is to encourage and  
37 promote tourism in rural counties on the State border and along major transportation corridors.  
38 The program will allow for gaming, which is a new and expanding component of the tourism  
39 industry and is currently allowed in North Carolina on certain Indian lands. As many contiguous  
40 states allow gaming, those industry business opportunities and employment opportunities are  
41 being lost to this State.

42           (b) Definitions. – The following definitions apply in this section:

- 43           (1) Agreement. – A Rural Tourism Incentive Program agreement under this  
44 section.
- 45           (2) Base period. – The period of time set by the Secretary during which new  
46 employees are to be hired for the positions on which the agreement is based.
- 47           (3) Business. – A corporation, sole proprietorship, cooperative association,  
48 partnership, S corporation, limited liability company, nonprofit corporation,  
49 or other form of business organization, located either within or outside this  
50 State. The term includes affiliates under common ownership with a business

- 1 and organizations owned in whole or part by a tribe of Indians recognized in  
2 Chapter 71A of the General Statutes.
- 3 (4) Commission. – The North Carolina State Lottery Commission established  
4 pursuant to G.S. 18C-110.
- 5 (5) District. – A Rural Tourism District.
- 6 (6) Eligible location. – A site that is located in a county that meets all of the  
7 following criteria:
- 8 a. Is a development tier one county, as defined in G.S. 143B-437.08, for  
9 the 2022 calendar year.
- 10 b. Has a majority of its land area within 90 miles of an international  
11 airport.
- 12 c. Is any of the following:
- 13 1. A border county and east of counties traversed by Interstate 77  
14 and west of or in a county traversed by future Interstate 73.
- 15 2. A border county traversed by Interstate 85.
- 16 3. A county traversed by Interstate 95 and traversed by or north  
17 of U.S. 64.
- 18 4. A county east of the counties traversed by Interstate 95 and  
19 traversed by or north of U.S. 64.
- 20 d. Does not contain Indian lands with gaming as of July 1, 2023.
- 21 e. Has a population of less than 100,000 as of the most recent federal  
22 decennial census at the time the proposal is made.
- 23 f. Is not a county listed in G.S. 14-292.4(b).
- 24 (7) Eligible position. – A position created by a business and filled by a new  
25 full-time employee in this State during the base period. Positions created in  
26 the year the business achieves the minimum requirements set forth in this  
27 section may be considered eligible positions even if created outside the base  
28 period. In a year other than during the base period, an eligible position must  
29 be filled for at least 30 weeks of the applicable agreement year.
- 30 (8) Full-time employee. – A person who is employed for consideration for at least  
31 35 hours a week, whose wages are subject to withholding under Article 4A of  
32 Chapter 105 of the General Statutes, who is not a worker with an H-1B visa  
33 or with H-1B status, and who is determined by the Secretary to be employed in  
34 a permanent position according to criteria the Secretary develops in  
35 consultation with the Secretary of Administration. The term does not include  
36 any person who works as an independent contractor or on a consulting basis  
37 for the business.
- 38 (9) Gross gaming revenue. – Defined in G.S. 105-113.150.
- 39 (10) New employee. – A full-time employee who represents a net increase in the  
40 number of the business's employees statewide.
- 41 (11) Rural Tourism District. – Real property that meets all of the following criteria:  
42 a. Consists of at least 100 acres.
- 43 b. Is sited at an eligible location where a business intends to develop and  
44 operate gaming and non-gaming activities pursuant to a Rural Tourism  
45 Incentive Program agreement.
- 46 c. Is, by resolution, designated by the governing body of the local  
47 government denoted in this sub-subdivision as an eligible site for the  
48 development and operation of gaming activities. The local government  
49 authorized to designate property as an eligible site is as follows:
- 50 1. If the largest percentage of the real property acreage lies within  
51 the corporate limits or the extraterritorial jurisdiction of a



1 municipality with a population of 35,000 or more as of the  
2 most recent federal decennial census, then that municipality is  
3 the authorized local government.

4 2. If no municipality meets the criteria of sub-sub-subdivision 1.  
5 of this sub-subdivision for the site, then the county with the  
6 largest percentage of the real property acreage is the authorized  
7 local government.

8 (12) Secretary. – The Secretary of Commerce.

9 (c) Agreement. – Notwithstanding any other provision of law, including Article 3 of  
10 Chapter 143 of the General Statutes, the Secretary shall enter into three agreements with a  
11 business or businesses recommended by the Secretary of Administration in accordance with the  
12 provisions of this section. In order to ensure economically distressed counties across the State  
13 benefit from this program, the Secretary shall not enter into an agreement for more than one  
14 district within a single county and shall require that a district is not located within 75 miles of  
15 another authorized district. Consistent with subsection (e) of this section, the Secretary of  
16 Administration shall evaluate proposals submitted by businesses to determine whether the  
17 proposed projects are consistent with the purposes of this program and make a binding  
18 recommendation to the Secretary of the business or businesses chosen for entry into an  
19 agreement. As part of the binding recommendation, the Secretary of Administration shall certify  
20 to the Secretary that all of the following conditions are met by each recommended business:

21 (1) Each district proposed by the business will create, during the term of the  
22 agreement, a net increase in employment in this State by the business in an  
23 amount that is at least equal to 1,750 eligible positions.

24 (2) The business plans to invest at least five hundred million dollars  
25 (\$500,000,000) in private funds in each proposed district.

26 (3) Each district proposed by the business will be sited in an eligible location that  
27 has been designated as an eligible site by a resolution adopted by the  
28 governing board of the applicable county or municipality.

29 (4) The business demonstrates at least 10 years of experience in the commercial  
30 gaming industry.

31 (5) The business demonstrates at least 10 years of experience in developing and  
32 operating mixed-use, non-gaming real estate projects.

33 (d) Proposal. – A business shall submit a proposal to the Secretary of Administration for  
34 an agreement under this section by timely delivering the proposal to the place designated by the  
35 Secretary of Administration. A business may propose multiple districts in a single proposal;  
36 however, each district shall be evaluated independently by the Secretary of Administration. A  
37 proposal shall include:

38 (1) The name, business address, and contact information of the business.

39 (2) Identification of each district proposed by the business and a description of  
40 the proposed gaming and non-gaming uses to be developed in each district.

41 (3) Confirmation that each proposed district is situated in an eligible location that  
42 has been designated as an eligible site by a resolution adopted by the  
43 governing body of the applicable county or municipality.

44 (4) Documentation establishing the ownership or control of each proposed district  
45 by the business as well as plans to address any impact to nearby properties.

46 (5) The proposed number of employees at each district and the percentage of  
47 employees that will be permanent residents of this State.

48 (6) The proposed amount of investment by the business in each district.

49 (7) The projected tax revenue to the State to be generated by each proposed  
50 district.

51 (8) The time line for development of each proposed district.

1           (9)    Information reflecting the business's culture of compliance and responsible  
2                gaming.

3           (10)   Information establishing the business's gaming and development experience,  
4                including its satisfaction of the experience requirements in subdivisions (c)(4)  
5                and (c)(5) of this section.

6           (e)    Evaluation. – The Secretary of Administration shall evaluate each proposal to  
7                determine whether it complies with the requirements of subsection (d) of this section. A business  
8                shall provide all documentation and information the Secretary of Administration deems  
9                necessary to evaluate the proposal. The Secretary of Administration shall prioritize proposals for  
10              agreements by considering which proposals best satisfy the conditions in subsection (c) of this  
11              section and will maximize the reasonably anticipated benefits to the State, considering the  
12              following factors:

13           (1)    The percentage of employees to be hired that are permanent residents in the  
14                State.

15           (2)    The extent to which the proposed district will induce visitation to and enhance  
16                tourism in the State.

17           (3)    The proposed time line for the business to begin operation.

18           (4)    The business's control of real property comprising each proposed district.

19           (5)    The extent to which the business demonstrates a culture of investment in  
20                responsible gaming programs and an effective governance and compliance  
21                program.

22           (6)    Any other benefit to be realized by the State from the proposal.

23           (f)    Recommendation. – The Secretary of Administration shall begin accepting proposals  
24                under subsection (d) of this section no later than December 1, 2023, and shall accept proposals  
25                for 60 days. After evaluating the proposals under subsection (e) of this section, the Secretary of  
26                Administration shall select a business or businesses to be its binding recommendations to the  
27                Secretary to enter agreements for the three districts authorized under this section within 60 days  
28                of the date the period to accept proposals closes. The Secretary of Administration shall ensure  
29                that the districts proposed by the business or businesses selected for recommendation comply  
30                with the geographic and mileage requirements in subsection (c) of this section. Nothing in this  
31                section shall preclude the Secretary of Administration from recommending a single business for  
32                more than one agreement, provided each district proposed by the business satisfies the  
33                requirements of this section.

34           (g)    Exclusive Remedy. – The General Assembly makes the following findings of fact: (i)  
35                the Rural Tourism Incentive Program is designed and enacted to bring substantial economic  
36                benefits to the citizens of North Carolina and generate new tax revenue to the State; (ii) ensuring  
37                the expedited implementation of the Rural Tourism Incentive Program and the development of  
38                the districts authorized thereunder will accelerate the realization of those economic benefits and  
39                is in the public interest; and (iii) providing for an exclusive and expedited opportunity for review  
40                of the Secretary of Administration's recommendations will facilitate these goals. Accordingly, a  
41                business that is not selected for recommendation and that wants to seek review of a  
42                recommendation of the Secretary of Administration shall comply with the provisions of this  
43                subsection as its exclusive remedy:

44           (1)    The business shall submit a written request for a review meeting to the State  
45                Purchasing Officer within 20 calendar days from the date of the  
46                recommendation. The business's request shall concisely state its objections to  
47                the recommendation and include any supporting documentation.

48           (2)    Upon submission of a written request, the proposal submission fee paid by the  
49                business under subsection (h) of this section shall be converted to a review  
50                bond. The written request submitted by the business under subdivision (1) of  
51                this subsection shall include an executed written consent authorizing the

1 Department of Administration to hold the proposal submission fee as a review  
2 bond. In the event the State Purchasing Officer vacates the challenged  
3 recommendation in accordance with this subsection, the review bond shall be  
4 refunded to the business by the Department of Administration. In the event  
5 the State Purchasing Officer does not vacate the recommendation, the  
6 Department of Administration shall transfer the review bond to the General  
7 Fund.

8 (3) If the written request submitted by a business does not contain the information  
9 and consent required under subdivisions (1) and (2) of this subsection, or if  
10 the State Purchasing Officer determines that the review request is meritless,  
11 the State Purchasing Officer may, within 10 calendar days from the date of  
12 receipt of the request, respond in writing to the business and refuse the review  
13 meeting request.

14 (4) If the review meeting request is granted, the State Purchasing Officer shall  
15 schedule the meeting at the earliest practical date but not later than 30 calendar  
16 days after receipt of the request. Within 20 calendar days from the date of the  
17 review meeting, the State Purchasing Officer shall respond to the business in  
18 writing with the State Purchasing Officer's decision. The State Purchasing  
19 Officer shall uphold the Secretary of Administration's recommendation unless  
20 the recommendation is contrary to the provisions of this section or is arbitrary,  
21 capricious, or an abuse of discretion. The decision of the State Purchasing  
22 Officer is final and shall not be subject to appeal to any forum.

23 (5) Notwithstanding any other provision of this subsection, the submission of a  
24 request for a review meeting regarding a specific recommendation of the  
25 Secretary of Administration shall not affect any other recommendation.

26 (h) Proposal Application and Submission Fees. – A proposal submitted by a business to  
27 the Secretary of Administration pursuant to subsection (d) of this section shall include with the  
28 proposal (i) a single, non-refundable application fee of five hundred thousand dollars (\$500,000)  
29 and (ii) a proposal submission fee of seven million five hundred thousand dollars (\$7,500,000)  
30 for each district included in the proposal. The Department of Administration shall transfer all  
31 application fees to the Commission for expenses associated with administering Article 11 of  
32 Chapter 18C of the General Statutes and hold all proposal submission fees received. The proposal  
33 submission fee paid by a business recommended by the Secretary of Administration shall be  
34 credited against the excise tax applicable to that business under G.S. 105-113.151 upon the  
35 Secretary's entry into an agreement pursuant to subsection (i) of this section with the business  
36 and the Commission's approval of a Class III gaming license for the business. At that time, the  
37 Department of Administration shall transfer the proposal submission fee paid by the  
38 recommended business to the Secretary of Revenue, who shall credit the proceeds in accordance  
39 with G.S. 105-113.153. In the event a business recommended by the Secretary of Administration  
40 does not enter into an agreement or is not approved by the Commission for a Class III gaming  
41 license, the Department of Administration shall refund its proposal submission fee. Except as  
42 required under subsection (g) of this section, a proposal submission fee paid by a business that is  
43 not recommended by the Secretary of Administration shall be refunded to the business by the  
44 Department of Administration.

45 (i) Agreement Contingencies, Terms, Duration, and Expiration. – If, after finding all the  
46 conditions of subsection (c) of this section to have been met and appropriately prioritizing the  
47 proposals pursuant to subsection (e) of this section, the Secretary of Administration recommends  
48 a business or businesses to the Secretary for each of the three districts authorized under this  
49 section, the Secretary shall enter into an agreement with each recommended business. If the  
50 Secretary of Administration recommends a business for more than one district, the Secretary  
51 shall enter into a separate agreement for each district to be developed by the recommended

1 business. The agreement shall create a rebuttable presumption the business is also qualified to  
2 receive a Class III gaming license issued by the Commission pursuant to G.S. 18C-1103. The  
3 agreement is effective only if the business subsequently applies for and receives a Class III  
4 gaming license issued to the business by the Commission pursuant to G.S. 18C-1103. The initial  
5 term of an agreement under this section is 30 years and may be extended by the Secretary. For  
6 any agreement that is so extended, the business's Class III gaming license shall remain in effect  
7 pending the extension and be renewed pursuant to the Class III gaming license renewal  
8 requirements under G.S. 18C-1103. The authority of the Secretary to enter into agreements under  
9 this section expires December 31, 2024; provided, however, the Secretary shall have continuing  
10 authority pursuant to subsection (c) of this section to grant extensions to agreements entered into  
11 prior to December 31, 2024. Each agreement must include at least all of the following:

- 12 (1) A detailed description of the proposed project that will result in job creation  
13 and the number of new employees to be hired during the base period.
- 14 (2) The term of the agreement and the criteria used to determine the first year of  
15 the agreement.
- 16 (3) The number of eligible positions that are subjects of the agreement.
- 17 (4) A method for determining the number of new employees hired during an  
18 agreement year and for the business to report annually to the Secretary the  
19 number of eligible positions.
- 20 (5) A provision that makes the agreement effective only in the event the business,  
21 subsequent to entering into the agreement, applies for and receives a Class III  
22 gaming license issued to the business by the Commission pursuant to  
23 G.S. 18C-1103.
- 24 (6) A provision requiring the business to satisfy the minimum job creation and  
25 private investment program criteria no later than 60 months after the date the  
26 business receives a Class III gaming license from the Commission.
- 27 (7) A provision establishing the conditions, other than statutory provisions under  
28 this section, under which the agreement may be terminated.
- 29 (8) A provision stating that the business agrees to submit to an audit at any time  
30 that the Secretary requires.
- 31 (9) A provision allowing the Secretary to require any information from the  
32 business the Secretary considers necessary to effectuate the agreement.

33 (j) Noncompliance. – If a business fails to meet or comply with a condition or  
34 requirement set forth in the agreement or the criteria developed by the Secretary and if the  
35 provisions of subsection (k) of this section do not apply, the following provisions apply:

- 36 (1) If the failure is related to not having the required number of jobs, the Secretary  
37 shall impose a civil fine on the business of no less than two and one-half  
38 percent (2.5%) and up to seven and one-half percent (7.5%) of gross gaming  
39 revenue for the period of noncompliance, which shall be imposed on the basis  
40 of each district associated with the business with respect to which  
41 noncompliance has occurred. The amount of the civil fine shall be determined  
42 by the Secretary.
- 43 (2) If the failure is related to not having made the required private investment, the  
44 Secretary shall impose a civil fine on the business of no less than two and  
45 one-half percent (2.5%) and up to seven and one-half percent (7.5%) of gross  
46 gaming revenue for the period of noncompliance, which shall be imposed on  
47 the basis of each district associated with the business with respect to which  
48 noncompliance has occurred. The amount of the civil fine shall be determined  
49 by the Secretary.
- 50 (3) If the failure is related to refusal to submit to an audit or provide information,  
51 as either are required by the Secretary or the Commission, the Secretary shall

1 inform the Commission within 10 days and the Commission shall suspend the  
2 Class III gaming license until such time as the failure has been cured.

3 (4) For any other failure, the Secretary shall impose a civil fine in an amount that  
4 is proportionate to the failure on the part of the business. The determination  
5 of the civil fine imposed is within the Secretary's sole discretion but shall not  
6 exceed fifty thousand dollars (\$50,000) per violation with respect to each  
7 district associated with the business in which noncompliance has occurred.

8 (5) The civil fines imposed under subsections (j)(1) and (j)(2) of this section are  
9 cumulative. In the event of noncompliance under both paragraphs, the  
10 Secretary shall impose a single civil fine of up to seven and one-half percent  
11 (7.5%) of gross gaming revenue for the period of noncompliance.

12 (k) Force Majeure. – In the event the business fails to meet or comply with a condition  
13 or requirement set forth in the agreement as a result of force majeure, then the Secretary, in the  
14 Secretary's sole discretion, reasonably exercised, may waive some or all of the civil fine imposed  
15 pursuant to subsection (j) of this section for the period of time to which the Secretary determines  
16 the force majeure event applies. Force majeure includes events beyond the control of the  
17 business, including:

18 (1) Flood.

19 (2) Earthquake or other natural disaster.

20 (3) Fire or other casualty.

21 (4) Riot or other civil unrest.

22 (5) Court order issued by a court of competent jurisdiction.

23 (6) Act of God.

24 (7) Act of terrorism.

25 (8) War.

26 (9) Destruction of all or substantially all of the facilities of the business.

27 (10) Exposure to toxic substances.

28 (11) Condemnation or other taking of all or a sufficient portion of the facilities so  
29 as to prevent gaming activities."

30 **SECTION 2.(b)** Chapter 18C of the General Statutes is amended by adding a new  
31 Article to read:

32 "Article 11.

33 "Casinos.

34 "**§ 18C-1101. Definitions.**

35 As used in this Article, the following definitions apply:

36 (1) Applicant. – A person who applies for licensure or registration under this  
37 Article.

38 (2) Application. – All materials and information submitted by the applicant or on  
39 the applicant's behalf to the Commission, including the instructions, forms,  
40 and other documents required or requested by the Commission comprising an  
41 applicant's request for licensure under this Article and rules adopted by the  
42 Commission.

43 (3) Associated equipment. – Any of the following:

44 a. Equipment which is a mechanical, electromechanical, or electronic  
45 contrivance, component, or machine, and which is used indirectly or  
46 directly in connection with gaming.

47 b. Equipment that would not otherwise be classified as a gaming device,  
48 including links, modems, and dedicated telecommunication lines, that  
49 connect to progressive electronic gaming devices.

50 c. Computerized systems that monitor electronic gaming devices, table  
51 games, and other gambling games approved by the Commission.

- 1            d.      Equipment that affects the reporting of gross receipts.  
2            e.      Any other equipment designated by the Commission.  
3            (4)     Background investigation. – A confidential security, criminal, tax, credit,  
4            reputational, or other investigation of a person who applies for or who is  
5            granted a license under this Article.  
6            (5)     Books and records. – Any document pertaining to, prepared for, or generated  
7            by a licensee without regard to the medium through which the record is  
8            generated or maintained, including all general ledger records, subsidiary  
9            records and ledgers, computer-generated data, forms, documents, internal  
10           audit reports and work papers, correspondence, and personnel records.  
11           (6)     Casino. – The portion of a building or buildings in which gaming operations  
12           are conducted.  
13           (7)     Cheating. – To defraud or steal from any player, gaming operator, or the State  
14           while operating or playing a gambling game or engaging in Class III gaming  
15           activities, including causing, aiding, abetting, or conspiring with another  
16           person to do so. The term shall also mean to alter the selection of criteria that  
17           determine the result of a gambling game or the amount or frequency of  
18           payment in a gambling game in violation of this Article, State law, rules  
19           adopted by the Commission, or rules of the gaming operator. The term shall  
20           also mean to act alone, facilitate, deceive, or conspire or collude with another  
21           person to improve the chance of winning a wager or to alter the outcome of a  
22           wager by doing any of the following:  
23           a.      Altering or misrepresenting the outcome of a gambling game on which  
24           a wager has been placed.  
25           b.      Claiming or collecting winnings on a wager that the person did not win  
26           or that the person was not otherwise authorized to claim or collect.  
27           c.      Manipulating, altering, or interfering with gaming equipment,  
28           associated equipment, communication technology, or client software  
29           with the intent to affect or alter the outcome of a gambling game.  
30           d.      Using or possessing with the intention of using a device to assist in  
31           any of the following:  
32           1.      Projecting the outcome of a game.  
33           2.      Keeping track of cards played.  
34           3.      Analyzing the probability of the occurrence of an event relating  
35           to a game.  
36           4.      Analyzing the strategy for playing or betting to be used in a  
37           game, except as permitted by rules adopted by the  
38           Commission.  
39           e.      Placing a bet after acquiring knowledge not available to all players of  
40           the outcome of the game that is the subject of the bet or to aid a person  
41           in acquiring the knowledge for the purpose of placing a bet contingent  
42           on that outcome.  
43           f.      Any other conduct that violates State or federal law or rules adopted  
44           by the Commission.  
45           (8)     Class III gaming. – An activity defined by the federal Indian Gaming  
46           Regulatory Act, 25 U.S.C. § 2701, et seq., and described in G.S. 14-292.2 that  
47           is conducted by a gaming operator under this Article.  
48           (9)     Convicted. – To have been convicted, plead guilty of, or plead no contest to  
49           any charge, even if a prayer for judgment was granted.  
50           (10)    Eligible business. – A business that enters into a Rural Tourism Incentive  
51           Program agreement under G.S. 143B-437.02C.

- 1           (11) Eligible location. – Defined in G.S. 143B-437.02C.
- 2           (12) Gambling game. – Any game played with cards, dice, equipment, or machine  
3 which upon payment of consideration is available for play or operation,  
4 utilizing skill, chance, or both, the outcome of which may entitle the player to  
5 receive money, credit, or anything else of value. This term includes faro,  
6 monte, roulette, keno, bingo, fan tan, twenty one, blackjack, seven and a half,  
7 klondike, craps, poker, chuck a luck, Chinese chuck a luck (dai shu), wheel of  
8 fortune, chemin de fer, baccarat, pai gow, beat the banker, panguingue, slot  
9 machine, any banking or percentage game, or any other game or device  
10 identified by the Commission. This term does not include games played with  
11 cards in private homes or residences in which the person operating the game  
12 receives no money.
- 13           (13) Gaming employee. – An employee of a gaming operator or, if designated by  
14 the Commission, a Class III gaming supplier licensee who meets any of the  
15 following criteria:
- 16           a. Is directly connected to the operation or maintenance of a slot  
17 machine, associated equipment, or gaming equipment.
- 18           b. Is directly connected to gaming taking place in a casino.
- 19           c. Provides physical or cybersecurity at a casino or has knowledge of a  
20 gaming operator's security procedures and protocols.
- 21           d. Has access to a restricted area of a casino.
- 22           e. Is connected to gaming operations.
- 23           f. Is designated by the Commission.
- 24           (14) Gaming equipment. – Any device, gambling-related software, expendable  
25 supply, or any other paraphernalia used as a part of gambling or to make  
26 gambling possible. The term includes the following:
- 27           a. Amusement games.
- 28           b. Electronic devices for conducting, facilitating, or accounting for the  
29 results of gambling activities, including:
- 30               1. Electronic devices for reading and displaying outcomes of  
31 gambling activities.
- 32               2. Accounting systems that are a part of, or directly connected to,  
33 a gambling system, including bet totalizers, progressive  
34 jackpot meters, or keno systems.
- 35           c. Bingo equipment.
- 36           d. Electronic raffle systems.
- 37           e. Devices and supplies used to conduct card games, fundraising events,  
38 recreational gaming activities, or Class III gaming activities,  
39 including:
- 40               1. Gambling chips.
- 41               2. Cards.
- 42               3. Dice.
- 43               4. Card shuffling devices.
- 44               5. Graphical game layouts for table games.
- 45               6. Ace finders or no-peek devices.
- 46               7. Roulette wheels.
- 47               8. Keno equipment.
- 48               9. Tables manufactured exclusively for gambling purposes.
- 49           f. Cashless wagering systems used to participate in Class III gaming.
- 50           g. Any other equipment designated by the Commission.

- 1           (15) Gaming floor. – The part of a casino where gambling games have been  
2           installed for use or play.
- 3           (16) Gaming operations. – To deal, operate, carry on, conduct, maintain, expose,  
4           or offer for play any gambling games.
- 5           (17) Gaming operator. – An eligible business that has received a Class III gaming  
6           license from the Commission pursuant to G.S. 18C-1103.
- 7           (18) Gaming service employee. – An employee of a gaming operator or, if  
8           designated by the Commission, a Class III gaming supplier licensee who does  
9           not meet the definition of a gaming employee.
- 10          (19) Key person. – An officer or director of a licensee or applicant for licensure  
11          who is directly involved in, or who exercises substantial influence or control  
12          over, the operation, management, or control of the activities governed by this  
13          Article or a person who is a member, partner, or shareholder of five percent  
14          (5%) or more of a business entity, except for institutional investors.
- 15          (20) Non-gaming supplier. – A person that provides non-gaming-related goods or  
16          services valued at an amount greater than specified by the Commission in  
17          adopted rules, which cannot be less than two hundred fifty thousand dollars  
18          (\$250,000) per year, to a casino of a gaming operator. This term includes  
19          construction companies, vending machine providers, linen suppliers, garbage  
20          handlers, maintenance companies, limousine service companies, and food  
21          purveyors.
- 22          (21) Occupational license. – A license issued by the Commission to a gaming  
23          employee.
- 24          (22) Wager. – The betting or staking of something of value made with a gaming  
25          operator, with consciousness of risk and hope of gain, on the outcome of a  
26          game, contest, or an uncertain event whose result may be determined by skill,  
27          chance, or both.

28 **"§ 18C-1102. Regulation and control of gaming, rules.**

29       The Commission has the powers and duties necessary and proper to implement, administer,  
30       and enforce all aspects of this Article, including licensing, regulating, and enforcing the system  
31       of casinos and gaming for the benefit of the State and the public. The Commission's exemption  
32       under G.S. 150B-1 applies to this Article. The Commission shall, from time to time, adopt,  
33       amend, waive, or repeal rules, regulations, policies, procedures, and appropriate conditions as it  
34       may deem necessary or desirable in the public interest in carrying out the policy and provisions  
35       of this Article.

36 **"§ 18C-1103. Class III gaming license.**

37       (a) It shall be unlawful for any person to conduct gaming operations without a valid Class  
38       III gaming license. Notwithstanding any other provision of law, the Commission may review and  
39       approve applications from an eligible business seeking licensure to conduct gaming operations  
40       at an eligible location.

41       (b) An eligible business is subject to a rebuttable presumption that the business is also  
42       qualified to receive a Class III gaming license. The Commission shall approve the application  
43       and issue a Class III gaming license to the eligible business unless the Commission finds by clear  
44       and convincing evidence that that business does not meet the requirements of this Article.

45       (c) A license issued pursuant to this section shall expire 30 years after issuance unless  
46       extended or revoked pursuant to this Article. A license may be extended for a term consistent  
47       with the extension of a Rural Tourism Incentive Program agreement pursuant to  
48       G.S. 143B-437.02C upon the submission of a renewal application and the provision of evidence  
49       satisfactory to the Commission that the licensee remains in compliance with initial terms and  
50       conditions for licensure.

51 **"§ 18C-1104. Class III gaming supplier license.**



1       (a) A person shall have a valid Class III gaming supplier license to sell, lease, or contract  
2 to sell or lease, or otherwise provide gaming equipment, associated equipment, or any other  
3 gaming-related supplies or services to a gaming operator. A gaming operator may not obtain  
4 gaming equipment, associated equipment, or any other gaming-related supplies or services from  
5 a person who is not licensed pursuant to this section.

6       (b) A Class III gaming supplier license is valid for five years. An applicant shall apply  
7 on a form prescribed by the Commission, along with the required licensing fee of fifty thousand  
8 dollars (\$50,000). The Commission may, in its discretion, reduce but not eliminate the license  
9 fee when necessary to ensure adequate availability of gaming equipment, associated equipment,  
10 and gaming supplies to the gaming operators in this State. The Commission shall adopt rules  
11 establishing the criteria for the issuance and renewal of Class III gaming supplier licenses.

12 **"§ 18C-1105. Non-gaming supplier registration.**

13       (a) A non-gaming supplier shall register with the Commission. A non-gaming supplier  
14 who fails to register with the Commission may not provide goods or services to a gaming  
15 operator, and no gaming operator may receive goods or services from an unregistered  
16 non-gaming supplier. No person registered as a non-gaming supplier may be licensed as a Class  
17 III gaming supplier.

18       (b) A non-gaming supplier registration is valid for five years. A non-gaming supplier  
19 shall pay a registration fee of ten thousand dollars (\$10,000) at the time of registration. The  
20 Commission shall adopt rules establishing the criteria for the registration of non-gaming  
21 suppliers.

22 **"§ 18C-1106. Occupational license and registration.**

23       (a) A gaming employee must hold an occupational license from the Commission while a  
24 gaming service employee must be registered with the Commission. It is the responsibility of each  
25 employee of a gaming operator to ensure the employee's respective occupational license or  
26 registration is current. All employees of a gaming operator must be at least 18 years of age;  
27 however, gaming employees must be at least 21 years of age.

28       (b) The Commission shall adopt rules establishing the criteria for licensing gaming  
29 employees and registering gaming service employees as well as the duration of the license and  
30 registration. Each gaming employee shall pay a licensing fee of seventy-five dollars (\$75.00) for  
31 licensure. No fee is required for registration as a gaming service employee, and registration shall  
32 not include a background check or fingerprinting.

33       (c) The Commission may adopt rules authorizing the issuance of a temporary  
34 occupational license for gaming employees or temporary registration for gaming service  
35 employees. The Commission may adopt rules exempting categories of gaming employees from  
36 the licensure requirements of this section if it determines that the requirements are not necessary  
37 to protect the public interest.

38 **"§ 18C-1107. Application requirements.**

39       (a) The Commission shall prescribe the form and required contents of license  
40 applications under this Article. The Commission shall, by rule, set the application fee necessary  
41 to cover the cost of reviewing a license application under this Article; however, the fee shall not  
42 exceed the cost associated with the application and approval process. There shall be no  
43 application fee required for Class III gaming license applications except in the event of a transfer  
44 of control pursuant to G.S. 18C-1111. For occupational license applications, the Commission  
45 may collect the application fee from a sponsoring gaming operator or an individual applicant.

46       (b) Each applicant shall furnish all information, documents, certifications, consents,  
47 waivers, individual history forms, and other materials required or requested by the Commission  
48 for purposes of determining eligibility and qualifications for licensure. Any information the  
49 Commission deems necessary related to key persons shall be provided to the Commission.

1       (c)     The Commission shall review an application and in a prompt manner issue the license  
2 to the qualified applicant or deny the application. Any denial shall be in writing and state the  
3 grounds for denial.

4       (d)     The Commission shall conduct a background investigation on the applicant and any  
5 key persons the Commission deems necessary. The applicant and key persons shall consent to  
6 all background investigations required by the Commission and shall submit all necessary  
7 fingerprints to conduct a background check. Refusal to consent to a background investigation  
8 may constitute grounds for the Commission to deny licensure. In the event an applicant or key  
9 person has had a completed criminal history record check in the 12 months prior to the  
10 application, the Commission may, in its discretion, accept the results of that prior criminal history  
11 record check upon submission of an affidavit that there has been no change in criminal history  
12 since the prior criminal history record check in this or any other state.

13       (e)     The Commission may expedite the review of applications for applicants that have met  
14 another domestic jurisdiction's requirements for licensure, certification, or registration that are  
15 substantially equivalent to or exceed the requirements of this State and, in such case, waive some  
16 or all of the requirements of this Article or issue a license to an applicant having a similar license,  
17 certification, or registration.

18 **"§ 18C-1108. Grounds for denial of license.**

19       (a)     The Commission may deny an application for a Class III gaming license, a Class III  
20 gaming supplier license, or an occupational license if any of the following apply:

21           (1)   The applicant is unable to satisfy the requirements of this Article or any rule  
22               adopted by the Commission.

23           (2)   The applicant was convicted of a felony or any gambling offense within the  
24               10 years prior to the submission date of the application or a key person of the  
25               applicant was convicted of such a felony or gambling offense, and the  
26               applicant fails to remove that key person within a reasonable period of time.

27           (3)   The applicant knowingly makes a false statement of material fact or  
28               deliberately fails to disclose information required by the Commission.

29           (4)   The applicant or any key person has had any license, permit, certificate, or  
30               other authority related to gaming suspended or revoked in this State or in any  
31               other jurisdiction.

32           (5)   The Commission is not satisfied that the applicant is all of the following:

33               a.   A person of good character, honesty, and integrity.

34               b.   A person whose background, including criminal record, reputation,  
35               and associations, does not pose a threat to the public interest of the  
36               State or the security and integrity of the Commission.

37           (6)   For applicants seeking a Class III gaming license, the Commission is not  
38               satisfied that the applicant is all of the following:

39               a.   A person who, either individually or through employees, demonstrates  
40               the business ability and experience to establish, operate, and maintain  
41               the business proposed.

42               b.   A person who demonstrates adequate financing for the business  
43               proposed.

44               c.   A person who demonstrates a culture of investments in responsible  
45               gaming programs and an effective governance and compliance  
46               program.

47               d.   The applicant validly exists and is authorized to transact business in  
48               North Carolina.

49       (b)     The Commission shall not approve a license application for a Class III gaming license  
50 or Class III gaming supplier license if the applicant is not current in filing all applicable tax  
51 returns with the State and in payment of all taxes, interest, and penalties owed to the State,

1 excluding items under formal appeal under applicable statutes. Upon request of the Director, the  
2 Department of Revenue shall provide information relevant to this subsection about a specific  
3 person to the Commission.

4 **"§ 18C-1109. Confidentiality of information.**

5 (a) Except as provided in subsection (b) of this section, any information submitted in  
6 connection with an application for a license authorized under this Article or to register a gaming  
7 service employee that is designated or indicated as confidential by an applicant or licensee shall  
8 not become a public record by virtue of its submission to the Commission and shall be maintained  
9 strictly as confidential and withheld from public disclosure by the Commission and its staff and  
10 contractors. Nothing in this subsection shall prevent the Commission from disclosing  
11 confidential information to a federal or State law enforcement agency or upon an order by a court  
12 of competent jurisdiction.

13 (b) Notwithstanding Chapter 132 of the General Statutes or any other provision of law,  
14 the following information submitted in conjunction with an application for any license authorized  
15 under this Article shall be a public record, with respect to each such applicant and licensee:

16 (1) Name and address.

17 (2) Names of key persons.

18 (3) The documented history of working to prevent compulsive gambling,  
19 including training programs for its employees.

20 (4) The proposed casino brand the applicant plans to hold out to the public as the  
21 name of the casino.

22 (5) Whether the application was approved or denied.

23 (6) All other information which is in the public domain or will be publicly  
24 disclosed in the ordinary course of business.

25 (c) If an action is brought pursuant to G.S. 132-9 to compel the Commission to disclose  
26 any information an applicant or licensee has designated as confidential, the Commission shall  
27 promptly notify such applicant or licensee in writing. The Commission shall have no liability to  
28 any applicant or licensee for the disclosure of applicant or licensee information ordered by a court  
29 of competent jurisdiction pursuant to G.S. 132-9 or any other applicable law.

30 **"§ 18C-1110. Duties of licensee.**

31 (a) Each licensee under this Article shall promptly report to the Commission all criminal  
32 or disciplinary proceedings commenced against them. Each applicant for licensure shall promptly  
33 report to the Commission all criminal or disciplinary proceedings commenced against them while  
34 their application is pending before the Commission.

35 (b) Each gaming operator shall do the following:

36 (1) Allow the Commission to conduct periodic inspections of records, at least  
37 semiannually, to verify that the criteria for licensure eligibility is being  
38 maintained. The Commission shall determine the schedule for periodic  
39 inspections, which it shall conduct in a manner consistent with other duties  
40 and powers described herein.

41 (2) Promptly report any change of key persons to the Commission. All new key  
42 persons shall consent to a background investigation under G.S. 18C-1107.

43 (3) Reimburse the Commission the cost of conducting a background investigation  
44 on a new key person.

45 (4) Authorize the Commission to inspect and investigate any facilities associated  
46 with the licensee at any time deemed necessary by the Commission to protect  
47 and promote the overall safety, security, and integrity of gaming in this State  
48 and to ensure compliance with this Article and rules adopted by the  
49 Commission.

50 (c) In addition to the requirements of subsection (b) of this section, each Class III gaming  
51 supplier shall furnish to the Commission a list of all management services, equipment, devices,

1 and supplies offered for sale or lease in connection with the games authorized under this Article  
2 and rules adopted by the Commission. The list shall be updated as required by the Commission.  
3 Gaming equipment, devices, and supplies shall not be distributed unless such equipment, devices,  
4 and supplies conform to standards adopted by the Commission and are approved for use in the  
5 State. Any gaming equipment, devices, or supplies that are not approved for use in the State or  
6 are used by any person for unauthorized gaming operations shall be seized and forfeited to the  
7 State.

8 **"§ 18C-1111. Transfer of control.**

9 (a) Except as authorized under subsection (b) of this section for gaming operators and  
10 Class III gaming supplier licensees, no license may be transferred, assigned to another person, or  
11 pledged as collateral.

12 (b) Upon the sale or transfer of the majority ownership of a gaming operator or Class III  
13 gaming supplier licensee, the licensee may not continue to operate in this State until a new  
14 application for licensure, including required applications from any key persons and any  
15 associated fees, have been submitted to and approved by the Commission.

16 **"§ 18C-1112. Record keeping.**

17 The Commission shall adopt rules prescribing the record keeping requirements for licensees.  
18 The Commission shall have the right to inspect and copy, during normal business hours, any and  
19 all records relating to Class III gaming. All records, and copies thereof, shall remain the property  
20 of the gaming operator regardless of their location. All such records, and information derived  
21 from them, are confidential and proprietary information of the licensee and shall not be deemed  
22 a public record under Chapter 132 of the General Statutes.

23 If an action is brought pursuant to G.S. 132-9 to compel the Commission to disclose any  
24 confidential or trade secret information of a gaming operator or Class III gaming supplier, the  
25 Commission shall promptly notify such licensee in writing. The Commission shall have no  
26 liability to any licensee with respect to the disclosure of licensee information ordered by a court  
27 of competent jurisdiction pursuant to G.S. 132-9 or any other applicable law.

28 **"§ 18C-1113. Commission presence during inspection and investigation.**

29 The Commission's need to inspect and investigate licensees and their facilities is presumed  
30 at all times. The Commission has authority at any time to be present through its inspectors,  
31 agents, auditors, and staff in any casino or Class III gaming supplier licensee's facility in this  
32 State for the purposes of (i) enforcing this Article and the Commission's rules and (ii) protecting  
33 and promoting the overall safety, security, and integrity of gaming.

34 **"§ 18C-1114. Class III gaming.**

35 A gaming operator may offer Class III gaming, subject to the following:

- 36 (1) Wagers may be received only from a person physically present at the casino.  
37 No person present at such facility shall place or attempt to place a wager on  
38 behalf of another person who is not physically present on the gaming floor.  
39 (2) No person under the age of 21 is permitted to place a wager within a casino.  
40 (3) Gaming operations, including services and amenities related to or supporting  
41 such operations, may be conducted at a casino 24 hours per day, seven days  
42 per week.  
43 (4) A gaming operator may only accept cash and cash equivalents, as defined in  
44 G.S. 105-113.150, for a wager.

45 **"§ 18C-1115. Prohibition on mobile gaming.**

46 Class III gaming shall only occur on site and in person. No person issued a license pursuant  
47 to this Article is precluded from obtaining additional licenses under Articles 9 and 10 of this  
48 Chapter and simultaneously operating under those licenses on the property of the casino.

49 **"§ 18C-1116. Independent audit.**

50 At least once per year, each gaming operator shall engage, at its own expense, an independent  
51 certified public accountant to audit the books and records of all Class III gaming conducted

1 pursuant to this Article and shall provide a copy of such audit and copies of all current internal  
2 accounting and audit procedures to the Commission and the North Carolina Attorney General  
3 within 30 days of the gaming operator's receipt of the final audit report. The audit shall also  
4 include a section regarding practices, procedures, internal controls, and all other steps to ensure  
5 the integrity of gaming, as well as any noncompliance with the gaming operator's internal  
6 controls, federal regulations, or rules adopted by the Commission pursuant to this Article. The  
7 gaming operator shall permit the State to consult with the auditors before or after any audits or  
8 periodic checks on procedures which may be conducted by the auditors and shall allow the State  
9 to submit written or oral comments or suggestions for improvements regarding the accounting  
10 and audit procedures.

11 **"§ 18C-1117. Advertising and marketing.**

12 Gaming operators shall ensure that all gaming-related advertisements and marketing  
13 materials meet the following requirements:

- 14 (1) It does not target persons under the age of 21.
- 15 (2) It discloses the identity of the gaming operator.
- 16 (3) It provides information about, or links to, resources related to responsible  
17 gaming and gambling addiction and prevention.
- 18 (4) It is not misleading to a reasonable person.
- 19 (5) It does not present gaming as a means of relieving any person's financial or  
20 personal difficulties.
- 21 (6) It satisfies the rules adopted by the Commission.

22 **"§ 18C-1118. Civil penalties; suspension and revocation of licenses.**

23 (a) If the Commission determines that the holder of a license under this Article has  
24 violated any provision of this Article or rules adopted by the Commission, the Commission may  
25 take any action authorized under this subsection. Except for occupational licensees, any action  
26 by the Commission may only occur after at least 15 days' notice to the licensee and a hearing.  
27 The actions are as follows:

- 28 (1) Suspend or revoke the license of any person committing a criminal offense  
29 related to gaming or committing any other offense or violation of this Article  
30 or applicable law which would otherwise disqualify such person from holding  
31 the license. If the Commission suspends or revokes a Class III gaming license  
32 of a gaming operator, the Commission shall immediately notify the Secretary  
33 of Commerce.
- 34 (2) For violations by a gaming operator, Class III gaming supplier licensee, or  
35 non-gaming supplier licensee, impose a monetary penalty of not more than  
36 five thousand dollars (\$5,000) for each violation. Monetary penalties collected  
37 by the Commission under this section shall be remitted to the Civil Penalty  
38 and Forfeiture Fund in accordance with G.S. 115C-457.2.
- 39 (3) Issue cease and desist orders which specify the conduct which is to be  
40 discontinued or altered by the licensee.
- 41 (4) Issue letters of reprimand, which shall be made part of the file of each licensee.

42 (b) Nonpublic record documents and materials that applicants and licensees submit to the  
43 Commission may become public record if such materials are specifically identified by the  
44 Commission as providing a basis for a civil penalty, license suspension, or license revocation  
45 imposed by the Commission against the licensee.

46 (c) The Commission may suspend, revoke, or refuse to renew a license, or impose a  
47 monetary penalty upon a licensee, if the licensee does any of the following:

- 48 (1) Knowingly or negligently violates or fails to comply with any provision of  
49 this Article.
- 50 (2) Fails to meet and maintain the criteria for licensure.

- 1           (3)   Fails to disclose information during the application process which could  
2           disqualify the applicant from licensure.
- 3           (4)   Is convicted of a felony or gambling-related offense after a license has been  
4           issued.
- 5           (5)   Fails to maintain proper accounting books and records in accordance with  
6           generally accepted accounting principles and rules adopted by the  
7           Commission.
- 8           (6)   Fails to pay any tax, fees, or other charges required under law.
- 9           (7)   Commits any act of fraud, deceit, misrepresentation, or engages in conduct  
10          prejudicial to public confidence in the integrity of gaming operations.

11 **"§ 18C-1119. Criminal penalties.**

12       (a)   A person who does any of the following is guilty of a Class I felony:

- 13           (1)   Manufactures, sells, or distributes any gambling game, card, chip, dice, or  
14           device that is intended to be used to violate any provision of this Article or  
15           rules adopted by the Commission.
- 16           (2)   Manufactures, sells, or distributes any gambling game without a Class III  
17           gaming supplier license issued by the Commission.
- 18           (3)   Deals, operates, carries on, conducts, maintains, exposes, or offers for play  
19           any gambling game without a Class III gaming license issued by the  
20           Commission.
- 21           (4)   Is cheating while playing or operating a gambling game or engaged in Class  
22           III gaming at a casino.
- 23           (5)   Claims, collects, or takes, or attempts to claim, collect, or take money or  
24           anything of value in or from a game, with intent to defraud, without having  
25           made a wager contingent on winning the game, or claims, collects, or takes an  
26           amount of money or thing of value greater than the amount won.
- 27           (6)   Uses counterfeit chips or tokens in a game.
- 28           (7)   Possesses any key or device designed for the purpose of opening, entering, or  
29           affecting the operation of a game, drop box, or electronic or mechanical device  
30           connected with the game or for removing coins, tokens, chips, or other  
31           contents of a game. This subdivision does not apply to a licensee or employee  
32           of a licensee acting in furtherance of the employee's employment.
- 33           (8)   Willfully fails to report, pay, or truthfully account for a fee, tax, or assessment  
34           imposed by the State arising from gaming or attempting in any way to evade  
35           or defeat a license fee, tax, or payment imposed by the State arising from  
36           gaming. A person convicted under this subdivision is also subject to a civil  
37           penalty of three times the amount of the licensee fee or tax not paid.

38       (b)   In addition to other penalties or forfeitures provided for under this Article, the  
39       Commission may impose an administrative sanction, including a civil penalty for each violation,  
40       on any person who violates any provision of subsection (a) of this section. The Commission may  
41       also seek equitable and injunctive relief in any court of competent jurisdiction in the State to  
42       cease or prevent further violations.

43       (c)   A person under the age of 21 who knowingly places a wager at a casino or any gaming  
44       operator who knowingly accepts a wager from a person under the age of 21 is guilty of a Class 2  
45       misdemeanor.

46       (d)   Possession of more than one of the items described in subdivisions (a)(6) and (a)(7)  
47       of this section creates a rebuttable presumption that the person in possession of said items  
48       intended to use the items for cheating.

49 **"§ 18C-1120. Property subject to seizure.**

50       Any gambling game, equipment, gaming device, money, apparatus, material of gaming,  
51       proceeds, substituted proceeds, or real or personal property used, obtained, or received in

1 violation of this Article or rules adopted by the Commission shall be subject to seizure,  
2 confiscation, destruction, or forfeiture.

3 **"§ 18C-1121. Unclaimed prizes.**

4 Prizes from Class III gaming that remain unclaimed shall be considered abandoned property  
5 after one year from the date the prize became payable and dealt with pursuant to applicable State  
6 law. A person under 21 is not entitled to cash or a prize from engaging in Class III gaming  
7 activities. If a person under 21 years of age engages in gaming activities, the cash or prize shall  
8 be deemed forfeited and be remitted to the Civil Penalty and Forfeiture Fund in accordance with  
9 G.S. 115C-457.2.

10 **"§ 18C-1122. Persons prohibited from Class III gaming.**

11 (a) All of the following persons are prohibited from engaging in Class III gaming:

12 (1) Any person under the age of 21.

13 (2) Any person who has requested and not revoked a voluntary exclusion  
14 designation pursuant to G.S. 18C-922.

15 (3) Any person who has been adjudicated by law as prohibited from engaging in  
16 Class III gaming.

17 (4) Any member or employee of the Commission when placing a wager on Class  
18 III gaming in this State.

19 (5) Any employee or key person of a gaming operator when placing a wager with  
20 that gaming operator or any employee or key person of a Class III gaming  
21 supplier licensee when placing a wager with a gaming operator that contracts  
22 with the Class III gaming supplier licensee.

23 (6) Any occupational licensee when placing a wager with the gaming operator of  
24 which they are employed.

25 (7) Any person ejected or banned by a gaming operator from the gaming  
26 operator's casino or other property owned or controlled by the gaming  
27 operator.

28 (b) The prohibitions listed in subdivisions (4), (5), and (6) of subsection (a) of this section  
29 do not apply to a person engaging in Class III gaming in the performance of that person's duties  
30 in testing gaming equipment or pursuant to rules adopted by the Commission.

31 **"§ 18C-1123. Application of Article.**

32 The provisions of this Article do not apply to an Indian tribe conducting operations in  
33 accordance with an approved Class III Tribal-State Gaming Compact applicable to that tribe as  
34 provided in G.S. 147-12(14) and G.S. 71A-8.

35 **"§ 18C-1124. Commission competition prohibited.**

36 The operation of gambling games shall be considered a service establishment for the  
37 rendering of services for the purposes of G.S. 68-58, and the Commission shall not operate any  
38 gambling game in competition with the citizens of this State."

39 **SECTION 2.(c)** Chapter 105 of the General Statutes is amended by adding a new  
40 Article to read:

41 "Article 2F.

42 "Gaming Taxes.

43 **"§ 105-113.150. Definitions.**

44 The following definitions apply in this Article:

45 (1) Cash equivalent. – An asset that is readily convertible to cash, including the  
46 following:

47 a. Chips or tokens.

48 b. Travelers checks.

49 c. Foreign currency and coin.

50 d. Certified checks, cashier's checks, and money orders.

51 e. Personal checks or drafts.

- 1            f. A negotiable instrument applied against credit extended by a gaming  
2            operator or a financial institution.  
3            g. A prepaid access instrument.  
4            (2) Class III gaming. – Defined in G.S. 18C-1101.  
5            (3) Gaming operator. – Defined in G.S. 18C-1101.  
6            (4) Gross gaming revenue. – Gross receipts minus the following:  
7            a. Cash or cash equivalents paid to players as winnings.  
8            b. The costs paid by a gaming operator for any personal property  
9            distributed to a player as a result of a wager. This does not include  
10           travel expenses, food, refreshments, lodging, or services.  
11           (5) Gross receipts. – The total amount of cash or cash equivalents paid by a player  
12           to a gaming operator as a wager on Class III gaming. This term does not  
13           include the cash value of bonuses or promotional credits exchanged for chips,  
14           tokens, tickets, electronic cards, or similar items that may be used to wager on  
15           Class III gaming.  
16           (6) Wager. – Defined in G.S. 18C-1101.

17 **"§ 105-113.151. Excise tax on gross gaming revenue.**

18           (a) Rate. – An excise tax of twenty-two and one-half percent (22.5%) is levied on gross  
19           gaming revenue in this State. A gaming operator who accepts wagers subject to the tax imposed  
20           by this section is liable for the tax imposed by this section.

21           (b) Report. – Taxes levied by this Article are payable when a report is required to be filed.  
22           A report is due on a monthly basis. A monthly report covers the total amount of gross gaming  
23           receipts received by a gaming operator during the previous calendar month and is due within 20  
24           days after the end of the month covered by the report. A report is filed on a form prescribed by  
25           the Secretary.

26           (c) Records. – A person who is required to file a report under this Article must keep a  
27           record of all documents used to determine information the person provides in a report. These  
28           records shall be open at all times for inspection by the Secretary or an authorized representative  
29           of the Secretary and shall be kept for the applicable period of statute of limitations as set forth  
30           under Article 9 of this Chapter.

31 **"§ 105-113.152. Bond or irrevocable letter of credit.**

32           The Secretary may require a gaming operator to furnish a bond in an amount that adequately  
33           protects the State from a gaming operator's failure to pay taxes due under this Article. A bond  
34           must be conditioned on compliance with this Article, payable to the State, and in the form  
35           required by the Secretary. The amount of the bond is equal to the gaming operator's expected  
36           monthly tax liability under this Article, as determined by the Secretary. The Secretary shall  
37           periodically review the sufficiency of bonds required of gaming operators and increase the  
38           amount of a required bond when the amount of the bond furnished no longer covers the  
39           anticipated tax liability of the gaming operator and decrease the amount when the Secretary  
40           determines that a smaller bond amount will adequately protect the State from loss.

41           For purposes of this section, a gaming operator may substitute an irrevocable letter of credit  
42           for the secured bond required by this section. The letter of credit must be issued by a commercial  
43           bank acceptable to the Secretary and available to the State as a beneficiary. The letter of credit  
44           must be in a form acceptable to the Secretary, conditioned upon compliance with this Article,  
45           and in the amounts stipulated in this section.

46 **"§ 105-113.153. Use of tax proceeds.**

47           Except for amounts transferred to reimburse the North Carolina State Lottery Commission  
48           and amounts allocated to a county as provided in this section, the Secretary shall credit the net  
49           proceeds of the tax collected under this Article to the General Fund. The Lottery Commission  
50           shall, no later than 20 days after the end of the month, notify the Department of its unreimbursed  
51           expenses from administering the provisions of Article 11 of Chapter 18C of the General Statutes



1 from the previous month. The Department shall reimburse the Lottery Commission from the tax  
2 revenues collected under this Article no later than the end of the month in which the Department  
3 was notified. Except as provided in subdivision (1) of this section, the Secretary shall divide the  
4 amount allocated to a county under this section among the county and its municipalities in  
5 accordance with the method determined by the county pursuant to G.S. 105-472. The Secretary  
6 shall make the following county allocations:

7 (1) For a county in which a gaming operator is located and receives wagers, five  
8 percent (5%) of the net proceeds of the tax collected in that county under this  
9 Article. If the gaming operator is located within the corporate limits or the  
10 extraterritorial jurisdiction of a municipality with a population of 35,000 or  
11 more as of the most recent federal decennial census, the Secretary shall divide  
12 the amount allocated under this subdivision among the county and  
13 municipality in accordance with the method determined by the county  
14 pursuant to G.S. 105-472. Otherwise, the Secretary shall remit the entire  
15 amount allocated under this subdivision to the county.

16 (2) For counties that do not receive an allocation under subdivision (1) of this  
17 section:

18 a. Five percent (5%) of the net proceeds of the tax collected under this  
19 Article split on a per capita basis between the counties that are  
20 development tier one areas, as defined in G.S. 143B-437.08.

21 b. Five percent (5%) of the net proceeds of the tax collected under this  
22 Article split on a per capita basis between the counties that are  
23 development tier two areas, as defined in G.S. 143B-437.08."

24 **SECTION 2.(d)** Article 37 of Chapter 14 of the General Statutes is amended by  
25 adding the following new sections to read:

26 **"§ 14-292.3. Class III gaming at approved economic development project sites.**

27 Except as otherwise provided in this section, and notwithstanding any laws which make Class  
28 III gaming unlawful in this State, the Class III gaming activities described in Article 11 of Chapter  
29 18C of the General Statutes may legally be conducted on the site that is the subject of a Rural  
30 Tourism Incentive Program agreement pursuant to G.S. 143B-437.02C, if the Class III games  
31 are conducted in accordance with a valid Class III gaming license issued by the North Carolina  
32 State Education Lottery Commission pursuant to G.S. 18C-1103.

33 **"§ 14-292.4. Class III gaming by Lumbee Tribe; exclusive right in certain counties.**

34 (a) The General Assembly of North Carolina makes the following findings of fact:

35 (1) The federal law, entitled An Act Related to the Lumbee Indians of North  
36 Carolina, 70 Stat. 254 (1956), terminated the United States government's  
37 relationship with the Lumbee Tribe and has resulted in long-lasting economic  
38 burdens and difficulties for the Lumbee Tribe.

39 (2) The State of North Carolina has recognized the Lumbee Tribe in Chapter 71A  
40 of the General Statutes as a government carrying out substantial governmental  
41 responsibilities.

42 (3) The Lumbee Tribe has suffered unique burdens and barriers as a result of An  
43 Act Related to the Lumbee Indians of North Carolina.

44 (4) It is the intent of the General Assembly to ensure equitable treatment of all  
45 Indian tribes recognized by this State and to provide appropriate redress for  
46 dissimilar treatment resulting from the federal legislation cited in subdivision  
47 (1) of this subsection, which the Rural Tourism Incentive Program agreement  
48 authorized in subsection (b) of this section is intended to achieve.

49 (b) Notwithstanding any other provision of law, if requested by the Lumbee Tribe and if  
50 the applicable local government authorized to designate property as an eligible site does so by  
51 resolution, the Secretary of Commerce shall enter into a Rural Tourism Incentive Program

1 agreement pursuant to G.S. 143B-437.02C with an entity owned in whole or in part by the  
 2 Lumbee Tribe or its affiliate for the development of one Rural Tourism District, including the  
 3 conduct of commercial gaming. The eligible location, employment and investment requirements,  
 4 and application and proposal submission fees required under G.S. 143B-437.02C shall not apply  
 5 to the agreement authorized under this subsection. Consistent with G.S. 143B-437.02C, the entity  
 6 established by the Lumbee Tribe that enters into the Rural Tourism Incentive Program agreement  
 7 with the Secretary shall enjoy a rebuttable presumption that it is qualified to receive a Class III  
 8 gaming license issued by the North Carolina State Lottery Commission pursuant to  
 9 G.S. 18C-1103. The provisions of G.S. 105-113.150 through G.S. 105-113.153 shall apply to the  
 10 entity conducting commercial Class III gaming on behalf of the Lumbee Tribe under an  
 11 agreement authorized under this subsection. The Class III games conducted pursuant to this  
 12 subdivision must be in one or more of the following counties:

- 13 (1) Bladen.
- 14 (2) Brunswick.
- 15 (3) Columbus.
- 16 (4) Cumberland.
- 17 (5) Hoke.
- 18 (6) New Hanover.
- 19 (7) Richmond.
- 20 (8) Robeson.
- 21 (9) Scotland.

22 (c) Except as otherwise provided in this section, and notwithstanding any laws that make  
 23 Class III gaming, as defined by the federal Indian Gaming Regulatory Act, 25 U.S.C. § 2701, et  
 24 seq., unlawful in this State, the Class III gaming activities described in G.S. 14-292.2 may legally  
 25 be conducted by the Lumbee Tribe if all of the following apply:

- 26 (1) The United States government grants federal recognition to the Lumbee Tribe.
- 27 (2) The Class III games are conducted in accordance with a valid Class III  
 28 Tribal-State Gaming Compact or an amendment to a Compact, applicable to  
 29 the tribe, that has been negotiated and entered into by the Governor under the  
 30 authority provided in G.S. 147-12(a)(14) and G.S. 71A-8.
- 31 (3) The Tribal-State Gaming Compact has been approved by the U.S. Department  
 32 of the Interior.
- 33 (4) The Tribal-State Gaming Compact requires that all monies paid by the tribe  
 34 under the Compact be paid to the Indian Gaming Education Revenue Fund  
 35 established by law.

36 (d) The Lumbee Tribe shall have the exclusive right to lawfully conduct Class III gaming  
 37 activities described in G.S. 14-292.2 in the counties listed in subsection (b) of this section."

38 **SECTION 2.(e)** G.S. 14-292 reads as rewritten:

39 **"§ 14-292. ~~Gambling.~~ Gambling with faro banks and tables.**

40 ~~Except as provided in Chapter 18C of the General Statutes or in Part 2 or Part 4 of this Article,~~  
 41 ~~Statutes, if any person or organization that operates any game of chance or any person who plays~~  
 42 ~~at or bets on any game of chance at which any money, property or other thing of value is bet,~~  
 43 ~~shall open, establish, use, or keep a faro bank, or a faro table, with the intent that games of chance~~  
 44 ~~may be played thereat, or shall play or bet thereat any money, property, or other thing of value,~~  
 45 ~~whether the same be in stake or not, the person shall be guilty of a Class 2 misdemeanor. This~~  
 46 ~~section shall not apply to a person who plays at or bets on any lottery game being lawfully~~  
 47 ~~conducted in any state."~~

48 **SECTION 2.(f)** G.S. 14-295 reads as rewritten:

49 **"§ 14-295. Keeping gaming tables, illegal punchboards or slot machines, or betting thereat.**

50 ~~If~~ Except as provided in Chapter 18C of the General Statutes, if any person shall establish,  
 51 use or keep any gaming table (other than a faro bank), by whatever name such table may be

1 called, an illegal punchboard or an illegal slot machine, at which games of chance shall be played,  
2 he shall be guilty of a Class 2 misdemeanor; and every person who shall play thereat or thereat  
3 bet any money, property or other thing of value, whether the same be in stake or not, shall be  
4 guilty of a Class 2 misdemeanor."

5 **SECTION 2.(g)** G.S. 14-296 reads as rewritten:

6 "**§ 14-296. Illegal slot machines and punchboards defined.**

7 An illegal slot machine or punchboard within the contemplation of G.S. 14-295 through  
8 14-298 is defined as a device where the user may become entitled to receive any money, credit,  
9 allowance, or anything of value, as defined in G.S. 14-306. This section does not apply to Class  
10 III gaming conducted pursuant to Article 11 of Chapter 18C of the General Statutes."

11 **SECTION 2.(h)** G.S. 14-297 reads as rewritten:

12 "**§ 14-297. Allowing gaming tables, illegal punchboards or slot machines on premises.**

13 ~~If~~ Except as provided in Chapter 18C of the General Statutes, if any person shall knowingly  
14 suffer to be opened, kept or used in his house or on any part of the premises occupied therewith,  
15 any of the gaming tables prohibited by G.S. 14-289 through 14-300 or any illegal punchboard or  
16 illegal slot machine, he shall forfeit and pay to anyone who will sue therefor two hundred dollars  
17 (\$200.00), and shall also be guilty of a Class 2 misdemeanor."

18 **SECTION 2.(i)** G.S. 14-301 reads as rewritten:

19 "**§ 14-301. Operation or possession of slot machine; separate offenses.**

20 It shall be unlawful for any person, firm or corporation to operate, keep in his possession or  
21 in the possession of any other person, firm or corporation, for the purpose of being operated, any  
22 slot machine or device where the user may become entitled to receive any money, credit,  
23 allowance, or anything of value, as defined in G.S. 14-306. Each time said machine is operated  
24 as aforesaid shall constitute a separate offense. This section does not apply to Class III gaming  
25 conducted pursuant to Article 11 of Chapter 18C of the General Statutes."

26 **SECTION 2.(j)** G.S. 14-302 reads as rewritten:

27 "**§ 14-302. Punchboards, vending machines, and other gambling devices; separate offenses.**

28 It shall be unlawful for any person, firm, or corporation to operate or keep in his possession,  
29 or the possession of any other person, firm, or corporation, for the purpose of being operated, any  
30 punchboard, slot machine or device where the user may become entitled to receive any money,  
31 credit, allowance, or anything of value, as defined in G.S. 14-306. Each time said punchboard,  
32 slot machine or device where the user may become entitled to receive any money, credit,  
33 allowance, or anything of value, as defined in G.S. 14-306 is operated, played, or patronized by  
34 the paying of money or other thing of value therefor, shall constitute a separate violation of this  
35 section as to operation thereunder. This section shall not apply to Class III gaming conducted  
36 pursuant to Article 11 of Chapter 18C of the General Statutes."

37 **SECTION 2.(k)** G.S. 14-304 reads as rewritten:

38 "**§ 14-304. Manufacture, sale, etc., of slot machines and devices.**

39 It shall be unlawful to manufacture, own, store, keep, possess, sell, rent, lease, let on shares,  
40 lend or give away, transport, or expose for sale or lease, or to offer to sell, rent, lease, let on  
41 shares, lend or give away, or to permit the operation of, or for any person to permit to be placed,  
42 maintained, used or kept in any room, space or building owned, leased or occupied by him or  
43 under his management or control, any slot machine or device where the user may become entitled  
44 to receive any money, credit, allowance, or anything of value, as defined in G.S. 14-306. This  
45 section shall not apply to gaming conducted pursuant to Chapter 18C of the General Statutes."

46 **SECTION 2.(l)** G.S. 14-305 reads as rewritten:

47 "**§ 14-305. Agreements with reference to slot machines or devices made unlawful.**

48 It shall be unlawful to make or permit to be made with any person any agreement with  
49 reference to any slot machines or device where the user may become entitled to receive any  
50 money, credit, allowance, or an thing of value, as defined in G.S. 14-306 pursuant to which the  
51 user thereof may become entitled to receive any money, credit, allowance, or anything of value

1 or additional chance or right to use such machines or devices, or to receive any check, slug, token  
2 or memorandum entitling the holder to receive any money, credit, allowance or thing of value.  
3 This section shall not apply to Class III gaming conducted pursuant to Article 11 of Chapter 18C  
4 of the General Statutes."

5 **SECTION 2.(m)** G.S. 14-306.1A(a) reads as rewritten:

6 "(a) Ban on Machines. – It shall be unlawful for any person to operate, allow to be  
7 operated, place into operation, or keep in that person's possession for the purpose of operation  
8 any video gaming machine as defined in subsection (b) of this section, except for the exemption  
9 for (i) a federally recognized Indian tribe under subsection (e) of this section for whom it shall  
10 be lawful to operate and possess machines as listed in subsection (b) of this section if conducted  
11 in accordance with an approved Class III Tribal-State Compact applicable to that tribe, as  
12 provided in G.S. 147-12(14) and ~~G.S. 71A-8~~G.S. 71A-8 or (ii) an entity licensed pursuant to  
13 G.S. 18C-1103."

14 **SECTION 2.(n)** G.S. 14-306.3(e) reads as rewritten:

15 "(e) Nothing in this section shall apply to the form of Class III gaming legally conducted  
16 (i) on Indian lands which are held in trust by the United States government for and on behalf of  
17 federally recognized Indian tribes if conducted in accordance with an approved Class III  
18 Tribal-State Gaming Compact applicable to that tribe as provided in G.S. 147-12(14) and  
19 ~~G.S. 71A-8~~G.S. 71A-8 or (ii) by an entity licensed pursuant to G.S. 18C-1103."

20 **SECTION 2.(o)** G.S. 14-306.4(d) reads as rewritten:

21 "(d) Nothing in this section shall be construed to make illegal any activity which is  
22 lawfully conducted (i) on Indian lands pursuant to, and in accordance with, an approved  
23 Tribal-State Gaming Compact applicable to that Tribe as provided in G.S. 147-12(14) and  
24 ~~G.S. 71A-8~~G.S. 71A-8 or (ii) by an entity licensed pursuant to G.S. 18C-1103."

25 **SECTION 2.(p)** G.S. 14-307 reads as rewritten:

26 "**§ 14-307. Issuance of license prohibited.**

27 ~~There~~Except as provided in G.S. 105-114.151, there shall be no State, county, or municipal  
28 tax levied for the privilege of operating the machines or devices the operation of which is  
29 prohibited by G.S. 14-304 through 14-309."

30 **SECTION 2.(q)** G.S. 18C-922, as enacted by S.L. 2023-42, reads as rewritten:

31 "**§ 18C-922. Voluntary exclusion program.**

32 (a) The Commission shall establish a voluntary exclusion program for any individual to  
33 voluntarily exclude themselves from placing sports wagers under this ~~Article and Article~~  
34 pari-mutuel wagers under Article 10, and wagers under Article 11 of this Chapter. Licensees  
35 under this Article and ~~Article~~ Articles 10 and 11 of this Chapter shall use reasonable means to  
36 comply with the exclusion of individuals participating in the voluntary exclusion program by the  
37 Commission.

38 (b) The Commission shall adopt rules to establish the voluntary exclusion program,  
39 which shall provide for all of the following:

- 40 (1) Verification of the individual's request to be placed in the voluntary exclusion  
41 program, and for how long, up to and including that individual's lifetime.
- 42 (2) How information regarding which individuals are in the voluntary exclusion  
43 program is to be disseminated to licensees under this Article and ~~Article~~  
44 Articles 10 and 11 of this Chapter.
- 45 (3) How an individual in the voluntary exclusion program may petition the  
46 Commission for removal from the voluntary exclusion program.
- 47 (4) The means by which licensees under this Article and ~~Article~~ Articles 10 and  
48 11 of this Chapter and their agents shall make all reasonable efforts to cease  
49 direct marketing efforts to individuals participating in the voluntary exclusion  
50 program.

1 (5) The means by which the Commission shall make available to all licensees  
2 under this Article and ~~Article~~ Articles 10 and 11 of this Chapter and their  
3 agents the names of the individuals participating in the voluntary exclusion  
4 program, which shall be at least quarterly.

5 (c) Participation in the voluntary exclusion program shall not preclude licensees under  
6 this Article and ~~Article~~ Articles 10 and 11 of this Chapter and their agents from seeking the  
7 payment of a debt accrued by the individual while not participating in the voluntary exclusion  
8 program.

9 (d) The voluntary exclusion program shall be exempt from Chapter 132 of the General  
10 Statutes and shall be treated as confidential by each licensee under this Article and ~~Article~~  
11 Articles 10 and 11 of this Chapter. Licensees under this Article and ~~Article~~ Articles 10 and 11 of  
12 this Chapter conducting ~~sports-wagering or pari-mutuel-wagering~~ in another state may share the  
13 information provided under this section with its agents and affiliates in other states for excluding  
14 individuals participating in the voluntary exclusion program."

15 **SECTION 2.(r)** G.S. 105-259(b)(33), as amended by Section 4(d) of S.L. 2023-42,  
16 reads as rewritten:

17 "(33) To provide to the North Carolina State Lottery Commission the information  
18 (i) required under G.S. 18C-141 ~~or~~ and G.S. 18C-1108 and (ii) agreed upon  
19 under G.S. 18C-114(c)."

20 **SECTION 2.(s)** G.S. 14-309.3, as enacted by Section 4(e) of S.L. 2023-42, reads as  
21 rewritten:

22 **"§ 14-309.3. Exempt wagering.**

23 This Article shall not apply to:

- 24 (1) Sports wagering lawfully conducted in compliance with Article 9 of Chapter  
25 18C of the General Statutes.  
26 (2) Pari-mutuel wagering lawfully conducted in compliance with Article 10 of  
27 Chapter 18C of the General Statutes.  
28 (3) Wagering lawfully conducted in compliance with Article 11 of Chapter 18C  
29 of the General Statutes."

30 **SECTION 2.(t)** G.S. 16-1, as amended by Section 4(f) of S.L. 2023-42, reads as  
31 rewritten:

32 **"§ 16-1. Gaming and betting contracts void.**

33 (a) All wagers, bets or stakes made to depend upon any race, or upon any gaming by lot  
34 or chance, or upon any lot, chance, casualty or unknown or contingent event whatever, shall be  
35 unlawful; and all contracts, judgments, conveyances and assurances for and on account of any  
36 money or property, or thing in action, so wagered, bet or staked, or to repay, or to secure any  
37 money, or property, or thing in action, lent or advanced for the purpose of such wagering, betting,  
38 or staking as aforesaid, shall be void.

39 (b) This section shall not apply to:

- 40 (1) Any sports wager, as defined in G.S. 18C-901, placed in accordance with  
41 Article 9 of Chapter 18C of the General Statutes.  
42 (2) Any pari-mutuel wager, as defined in G.S. 18C-1001, placed in accordance  
43 with Article 10 of Chapter 18C of the General Statutes.  
44 (3) Any wager placed with a gaming operator, as defined in G.S. 18C-1101, in  
45 accordance with Article 11 of Chapter 18C of the General Statutes."

46 **SECTION 2.(u)** G.S. 18C-161(3), as amended by Section 4(j) of S.L. 2023-42, reads  
47 as rewritten:

48 "(3) All other funds credited or appropriated to the Commission from any source,  
49 except as provided in G.S. 143B-437.02C, Articles 2E and 2F of Chapter 105  
50 of the General Statutes, and Articles ~~9 and 10~~ 9, 10, and 11 of this Chapter."

1           **SECTION 2.(v)** The North Carolina State Lottery Commission may adopt rules to  
2 facilitate the licensure authorized in this section prior to January 8, 2024; however, no rule may  
3 become effective until on or after that date. The Commission may accept and issue applications  
4 for licensure in accordance with Article 11 of Chapter 18C of the General Statutes, as enacted by  
5 this section, prior to January 8, 2024, in order that licensees may begin operations on January 8,  
6 2024; however, no license issued by the Commission shall become effective prior to January 8,  
7 2024.

8           **SECTION 2.(w)** Subsections (a) and (v) of this section are effective when this act  
9 becomes law. Subsection (c) of this section becomes effective January 8, 2024, and applies to  
10 wagers made with gaming operators on or after that date. The remainder of this section becomes  
11 effective January 1, 2024.

### 12 **PART III. MEDICAID MODIFICATIONS**

13           **SECTION 3.1.(a)** Receipts received during the 2023-2024 fiscal year by the  
14 Department of Health and Human Services as a result of the changes enacted in S.L. 2023-7 are  
15 appropriated to the Department of Health of Human Services, Division of Health Benefits, to be  
16 used for the purposes described in that act. The appropriation of receipts under this section shall  
17 be superseded by any appropriation of those same receipts in the Current Operation  
18 Appropriations Act for the 2023-2024 fiscal year.

19           **SECTION 3.1.(b)** This section is effective July 1, 2023.

20           **SECTION 3.2.(a)** Section 1.1(c) of S.L. 2023-7 reads as rewritten:

21           **"SECTION 1.1.(c)** Subsection (b) of this section is effective on the later of the following  
22 dates:  
23

- 24           (1) The date approved by the Centers for Medicare and Medicaid Services (CMS)  
25 for Medicaid coverage to begin in North Carolina for individuals described in  
26 section 1902(a)(10)(A)(i)(VIII) of the Social Security Act.
- 27           (2) The date ~~the Current Operations Appropriations Act for the 2023-2024 fiscal~~  
28 ~~year House Bill 149, 2023 Regular Session,~~ becomes law."

29           **SECTION 3.2.(b)** Section 1.2(b) of S.L. 2023-7 reads as rewritten:

30           **"SECTION 1.2.(b)** This section is effective on the later of the following dates:

- 31           (1) The date approved by the Centers for Medicare and Medicaid Services (CMS)  
32 for Medicaid coverage to begin in North Carolina for individuals described in  
33 section 1902(a)(10)(A)(i)(VIII) of the Social Security Act.
- 34           (2) The date ~~the Current Operations Appropriations Act for the 2023-2024 fiscal~~  
35 ~~year House Bill 149, 2023 Regular Session,~~ becomes law."

36           **SECTION 3.2.(c)** Section 1.3(c) of S.L. 2023-7 reads as rewritten:

37           **"SECTION 1.3.(c)** This section is effective on the date ~~the Current Operations~~  
38 ~~Appropriations Act for the 2023-2024 fiscal year House Bill 149, 2023 Regular Session,~~ becomes  
39 law."

40           **SECTION 3.2.(d)** Section 1.5(d) of S.L. 2023-7 reads as rewritten:

41           **"SECTION 1.5.(d)** This section is effective on the date that ~~the Current Operations~~  
42 ~~Appropriations Act for the 2023-2024 fiscal year House Bill 149, 2023 Regular Session,~~ becomes  
43 law. If, by September 30, 2023, ~~no Current Operations Appropriations Act for the 2023-2024~~  
44 ~~fiscal year House Bill 149, 2023 Regular Session,~~ has not become law, then this section shall  
45 expire on that date."

46           **SECTION 3.2.(e)** Section 1.7(q) of S.L. 2023-7 reads as rewritten:

47           **"SECTION 1.7.(q)** Subsection (k) of this section becomes effective on the first day of the  
48 next assessment quarter after the date ~~the Current Operations Appropriations Act for the~~  
49 ~~2023-2024 fiscal year House Bill 149, 2023 Regular Session,~~ becomes law and applies to  
50 assessments imposed on or after that date. Subsections (l) through (p) of this section become  
51 effective on the date ~~the Current Operations Appropriations Act for the 2023-2024 fiscal year~~

1 House Bill 149, 2023 Regular Session, becomes law. The remainder of this section is effective  
2 on the first day of the next assessment quarter after this section becomes law and applies to  
3 assessments imposed on or after that date."

4 **SECTION 3.2.(f)** Section 1.8(h) of S.L. 2023-7 reads as rewritten:

5 "SECTION 1.8.(h) Subsection (a) and subsections (b) through (g) of this section are  
6 effective on the date ~~the Current Operations Appropriations Act for the 2023-2024 fiscal year~~  
7 House Bill 149, 2023 Regular Session, becomes law."

8 **SECTION 3.2.(g)** Section 1A.1 of S.L. 2023-7 reads as rewritten:

9 "SECTION 1A.1. If, by June 30, 2024, ~~no Current Operations Appropriations Act for the~~  
10 2023-2024 fiscal year House Bill 149, 2023 Regular Session, has not become law, then Part I of  
11 this act shall expire on that date, except for the following sections:

- 12 (1) Section 1.4.
- 13 (2) Subsections (a), (f), and (g) of Section 1.6.
- 14 (3) Subsections (a) through (j) and (q) of Section 1.7."

15 **SECTION 3.2.(h)** Section 2.5 of S.L. 2023-7 reads as rewritten:

16 "SECTION 2.5. Sections 2.1 through 2.4 of this act are effective the date ~~the Current~~  
17 Operations Appropriations Act for the 2023-2024 fiscal year House Bill 149, 2023 Regular  
18 Session, becomes law. If, by June 30, 2024, ~~no Current Operations Appropriations Act for the~~  
19 2023-2024 fiscal year House Bill 149, 2023 Regular Session, has not become law, then those  
20 sections shall expire on that date."

21 **SECTION 3.2.(i)** This section is effective March 27, 2023.

22 **SECTION 3.3.** Funds available in the ARPA Temporary Savings Fund established  
23 under Section 1.3 of S.L. 2023-7, as amended under Section 3.2(c) of this Part, and appropriated  
24 in House Bill 259, 2023 Regular Session, shall be used as provided in House Bill 259, 2023  
25 Regular Session, in the following amounts for the purposes set out in this subsection. To the  
26 extent the expenditures provided herein conflict with the expenditures as provided in House Bill  
27 259, 2023 Regular Session, House Bill 259, 2023 Regular Session, controls. The expenditures  
28 are as follows:

- 29 (1) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
30 2023-2024 fiscal year and the sum of twenty million dollars (\$20,000,000) in  
31 nonrecurring funds for the 2024-2025 fiscal year for the North Carolina  
32 Community College System (NCCCS) to assist community colleges in  
33 starting programs in nursing and health-related career fields that require  
34 significant start-up funds.
- 35 (2) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
36 2023-2024 fiscal year and the sum of fifteen million dollars (\$15,000,000) in  
37 nonrecurring funds for the 2024-2025 fiscal year for NCCCS to allocate to  
38 colleges to develop and expand courses that lead to a degree or credential in  
39 healthcare-related fields.
- 40 (3) The sum of three million dollars (\$3,000,000) in nonrecurring funds for the  
41 2023-2024 fiscal year for NCCCS for Johnston Community College to expand  
42 the capacity of its nursing program.
- 43 (4) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
44 2023-2024 fiscal year and the sum of one million dollars (\$1,000,000) in  
45 nonrecurring funds for the 2024-2025 fiscal year for NCCCS for Surry  
46 Community College to enter a memorandum of understanding with Northern  
47 Regional Hospital to employ up to 8 licensed nursing educators to provide  
48 clinical instruction.
- 49 (5) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
50 2023-2024 fiscal year for NCCCS for a marketing initiative to increase

- 1 awareness about community college course offerings and State financial aid  
2 opportunities.
- 3 (6) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
4 2023-2024 fiscal year for the Department of Public Instruction (DPI) to  
5 supplement the School Health Personnel Allotment.
- 6 (7) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
7 2023-2024 fiscal year and the sum of one million dollars (\$1,000,000) in  
8 nonrecurring funds for the 2024-2025 fiscal year for DPI to create a  
9 competitive grant program for public school units to promote health careers  
10 to high school students and their families.
- 11 (8) The sum of three million dollars (\$3,000,000) in nonrecurring funds for the  
12 2023-2024 fiscal year for DPI to contract with Plasma Games, Inc., to make  
13 available to public school units science, technology, engineering, and math  
14 (STEM)-focused educational software in STEM and career and technical  
15 education (CTE) classes.
- 16 (9) The sum of fifteen million dollars (\$15,000,000) in nonrecurring funds for the  
17 2023-2024 fiscal year and the sum of twenty-five million dollars  
18 (\$25,000,000) in nonrecurring funds for the 2024-2025 fiscal year for the  
19 University of North Carolina (UNC) Board of Governors (BOG) to distribute  
20 to constituent institutions to support the development and expansion of  
21 courses that lead to degrees in healthcare-related fields.
- 22 (10) The sum of twelve million five hundred thousand dollars (\$12,500,000) in  
23 nonrecurring funds for the 2023-2024 fiscal year and the sum of twelve  
24 million five hundred thousand dollars (\$12,500,000) in nonrecurring funds for  
25 the 2024-2025 fiscal year for the UNC BOG to allocate to the Rural Health  
26 Care Stabilization Program, which provides loans to eligible hospitals located  
27 in rural areas of the State that are in financial crisis.
- 28 (11) The sum of eleven million two hundred fifty thousand dollars (\$11,250,000)  
29 in nonrecurring funds for the 2023-2024 fiscal year and the sum of four  
30 million two hundred fifty thousand dollars (\$4,250,000) in nonrecurring funds  
31 for the 2024-2025 fiscal year for the UNC BOG to establish the UNC System  
32 Medical Education and Training Fund.
- 33 (12) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
34 2023-2024 fiscal year for the UNC BOG to allocate to UNC Health to form a  
35 clinically integrated network (CIN) with East Carolina University (ECU)  
36 Health. Funding provided for this purpose is intended to connect UNC Health  
37 and ECU Health providers and facilities under the same CIN in support of the  
38 NC Care initiative.
- 39 (13) The sum of three million dollars (\$3,000,000) in nonrecurring funds for the  
40 2023-2024 fiscal year and the sum of three million dollars (\$3,000,000) in  
41 nonrecurring funds for the 2024-2025 fiscal year for the UNC BOG to allocate  
42 to UNC Health for UNC Health Southeastern to support residency programs  
43 affiliated with the Campbell University School of Medicine.
- 44 (14) The sum of eight million dollars (\$8,000,000) in nonrecurring funds for the  
45 2023-2024 fiscal year and the sum of eight million dollars (\$8,000,000) in  
46 nonrecurring funds for the 2024-2025 fiscal year for the North Carolina State  
47 Education Assistance Authority for a new forgivable education loan program  
48 for medical students who go on to practice primary care medicine or  
49 psychiatry in eligible counties.
- 50 (15) The sum of one million five hundred thousand dollars (\$1,500,000) in  
51 nonrecurring funds for the 2023-2024 fiscal year for the UNC BOG (Budget



- 1 Code 16015) to provide funds to High Point University to support new  
2 healthcare-oriented programs to meet regional workforce demands.
- 3 (16) The sum of two million dollars (\$2,000,000) in nonrecurring funds for the  
4 2023-2024 fiscal year for the Department of Health Sciences in the UNC  
5 School of Medicine to support an expansion of health care provider education  
6 and training.
- 7 (17) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
8 2023-2024 fiscal year for the Area Health Education Centers to develop five  
9 outpatient team-based clinical teaching sites in rural areas of the State.
- 10 (18) The sum of six million one hundred twenty-six thousand one hundred two  
11 dollars (\$6,126,102) in nonrecurring funds for the 2023-2024 fiscal year and  
12 the sum of six hundred ninety-three thousand dollars (\$693,000) in  
13 nonrecurring funds for the 2024-2025 fiscal year for ECU to support various  
14 health care degree programs.
- 15 (19) The sum of two hundred twenty-five thousand dollars (\$225,000) in  
16 nonrecurring funds for the 2023-2024 fiscal year for the Beaver College of  
17 Health Sciences at Appalachian State University (ASU) to purchase  
18 equipment.
- 19 (20) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
20 2023-2024 fiscal year and the sum of ten million dollars (\$10,000,000) in  
21 nonrecurring funds for the 2024-2025 fiscal year for the University of North  
22 Carolina at Pembroke (UNCP) to provide support for new healthcare-oriented  
23 programs at UNCP to meet regional workforce demands.
- 24 (21) The sum of twenty-five million dollars (\$25,000,000) in nonrecurring funds  
25 for the 2023-2024 fiscal year and the sum of twenty-five million dollars  
26 (\$25,000,000) in nonrecurring funds for the 2024-2025 fiscal year for the  
27 Department of Health and Human Services (DHHS), Office of Rural Health  
28 (ORH), to expand the North Carolina Loan Repayment Program and create  
29 additional loan repayment initiatives for primary care physicians and other  
30 health providers who agree to practice in rural and underserved communities.
- 31 (22) The sum of five million dollars (\$5,000,000) in nonrecurring funds for the  
32 2023-2024 fiscal year and the sum of fifteen million dollars (\$15,000,000) in  
33 nonrecurring funds for the 2024-2025 fiscal year for DHHS ORH to provide  
34 grants to rural healthcare providers for start-up equipment for telehealth.
- 35 (23) The sum of two million five hundred thousand dollars (\$2,500,000) in  
36 nonrecurring funds for the 2023-2024 fiscal year for DHHS ORH for Rural  
37 Healthcare Initiative, Inc., a nonprofit in Wake County, to create effective  
38 models of sustainable healthcare for North Carolina rural communities.
- 39 (24) The sum of six hundred thousand dollars (\$600,000) in nonrecurring funds for  
40 each year of the 2023-2025 fiscal biennium for DHHS ORH to provide funds  
41 to MedAssist of Mecklenburg (NC MedAssist), a nonprofit organization, for  
42 additional prescription assistance services for indigent and uninsured persons.
- 43 (25) The sum of twenty million dollars (\$20,000,000) in nonrecurring funds for the  
44 2023-2024 fiscal year and the sum of sixty million dollars (\$60,000,000) in  
45 nonrecurring funds for the 2024-2025 fiscal year for DHHS, Division of  
46 Central Management and Support (DCMS), to provide supports to families  
47 caring for children with behavioral health or other special needs and  
48 strengthen available specialized behavioral health treatment options.
- 49 (26) The sum of twenty million dollars (\$20,000,000) in nonrecurring funds for the  
50 2024-2025 fiscal year for DHHS DCMS to implement electronic health  
51 records at State-operated healthcare facilities.

- 1 (27) The sum of five million dollars (\$5,000,000) in nonrecurring funds for the  
2 2023-2024 fiscal year and the sum of five million dollars (\$5,000,000) in  
3 nonrecurring funds for the 2024-2025 fiscal year for DHHS, Division of Child  
4 and Family Well-Being, to provide funds to Reinvestment Partners, a  
5 nonprofit organization in Durham County, for its Produce Prescription  
6 Program.
- 7 (28) The sum of two million dollars (\$2,000,000) in nonrecurring funds for the  
8 2023-2024 fiscal year for DHHS, Division of Child Development and Early  
9 Education, for Cabarrus County Partnership for Children, a nonprofit.
- 10 (29) The sum of twenty-nine million eight hundred thousand dollars (\$29,800,000)  
11 in nonrecurring funds for the 2023-2024 fiscal year for DHHS, Division of  
12 Health Benefits (DHB), to supplement General Fund appropriations and, at a  
13 minimum, maintain the COVID-19 Medicaid reimbursement rates for skilled  
14 nursing facilities.
- 15 (30) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
16 2023-2024 fiscal year for DHHS DHB to supplement General Fund  
17 appropriations and retain the COVID-19 Medicaid reimbursement rate for  
18 personal care services.
- 19 (31) The sum of five million dollars (\$5,000,000) in nonrecurring funds for each  
20 year of the 2023-2025 fiscal biennium for DHHS DHB to fund the State share  
21 of costs to implement a revised Medicaid reimbursement structure for  
22 federally qualified health centers and rural health clinics.
- 23 (32) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
24 2023-2024 fiscal year for DHHS DHB to support the State share of costs for  
25 an increase in the Medicaid reimbursement rates for durable medical  
26 equipment.
- 27 (33) The sum of fifteen million six hundred forty-three thousand one hundred  
28 fourteen dollars (\$15,643,114) in nonrecurring funds for the 2023-2024 fiscal  
29 year for DHHS DHB to supplement General Fund appropriations for the  
30 Medicaid rebase.
- 31 (34) The sum of two million seven hundred twenty thousand dollars (\$2,720,000)  
32 in nonrecurring funds for the 2023-2024 fiscal year for DHHS, Division of  
33 Mental Health, Developmental Disabilities, and Substance Use Services  
34 (DMH/DD/SUS), for Wilkes Recovery Revolution, Inc., a nonprofit in Wilkes  
35 County, for start-up costs for a new substance use disorder treatment facility.
- 36 (35) The sum of five hundred thousand dollars (\$500,000) in nonrecurring funds  
37 for the 2024-2025 fiscal year for DHHS DMH/DD/SUS for the Community  
38 Foundation of NC East, Inc., a nonprofit in Pitt County, for its Hyperbaric  
39 Oxygen Therapy Program.
- 40 (36) The sum of two million dollars (\$2,000,000) in nonrecurring funds for the  
41 2023-2024 fiscal year and the sum of two million dollars (\$2,000,000) in  
42 nonrecurring funds for the 2024-2025 fiscal year for DHHS DMH/DD/SUS  
43 to provide funds to UMAR Services, Inc., a nonprofit located in Mecklenburg  
44 County, to provide services for adults with intellectual and developmental  
45 disabilities.
- 46 (37) The sum of one hundred seventy-five thousand dollars (\$175,000) in  
47 nonrecurring funds for each year of the 2023-2025 fiscal biennium for DHHS  
48 DMH/DD/SUS for Community Impact NC, Inc., a nonprofit in Wilson  
49 County, for the prevention of drug and alcohol abuse.
- 50 (38) The sum of twenty million dollars (\$20,000,000) in nonrecurring funds for the  
51 2023-2024 fiscal year and the sum of twenty million dollars (\$20,000,000) in

- 1 nonrecurring funds for the 2024-2025 fiscal year for DHHS DMH/DD/SUS  
2 to provide retention and other bonuses to stabilize staffing for the Division of  
3 State Operated Healthcare Facilities.
- 4 (39) The sum of seven million nine hundred thousand three hundred ninety-two  
5 dollars (\$7,901,392) in nonrecurring funds for the 2023-2024 fiscal year and  
6 the sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
7 2024-2025 fiscal year for DHHS DMH/DD/SUS to establish a workforce  
8 training center that would provide no-cost training to public sector behavioral  
9 health providers, and to administer grants to community colleges to enhance  
10 behavioral health workforce training programs.
- 11 (40) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
12 2023-2024 fiscal year and the sum of ten million dollars (\$10,000,000) in  
13 nonrecurring funds for the 2024-2025 fiscal year for DHHS DMH/DD/SUS  
14 to expand the centralized bed registry, Behavioral Health Statewide Central  
15 Availability Navigator (BH SCAN).
- 16 (41) The sum of thirty million dollars (\$30,000,000) in nonrecurring funds for the  
17 2023-2024 fiscal year and the sum of fifty million dollars (\$50,000,000) in  
18 nonrecurring funds for the 2024-2025 fiscal year for DHHS DMH/DD/SUS  
19 for new mobile crisis teams and crisis and respite facilities.
- 20 (42) The sum of three million dollars (\$3,000,000) in nonrecurring funds for the  
21 2023-2024 fiscal year for DHHS DMH/DD/SUS to purchase 12 automated  
22 medication dispensing carts for use at State-operated healthcare facilities.
- 23 (43) The sum of twenty-nine million dollars (\$29,000,000) in nonrecurring funds  
24 for the 2023-2024 fiscal year and the sum of seventy million dollars  
25 (\$70,000,000) in nonrecurring funds for the 2024-2025 fiscal year for DHHS  
26 DMH/DD/SUS to provide funds for re-entry and diversion programs and  
27 detention center or community-based capacity restoration programs across the  
28 State.
- 29 (44) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
30 2023-2024 fiscal year and the sum of ten million dollars (\$10,000,000) in  
31 nonrecurring funds for the 2024-2025 fiscal year for DHHS DMH/DD/SUS  
32 to provide funds for a pilot program for transporting voluntary and involuntary  
33 psychiatric admissions.
- 34 (45) The sum of two million five hundred thousand dollars (\$2,500,000) in  
35 nonrecurring funds for each year of the 2023-2025 fiscal biennium for DHHS  
36 DMH/DD/SUS to pay start-up costs for primary care practices to adopt the  
37 Collaborative Care model.
- 38 (46) The sum of two million dollars (\$2,000,000) in nonrecurring funds for the  
39 2023-2024 fiscal year for DHHS DMH/DD/SUS for a 2-year pilot program in  
40 Cabarrus and Stanly counties to create an integrated and accessible  
41 coordinated care network between employees and community-based mental  
42 health, substance use, and social care systems.
- 43 (47) The sum of one million five hundred thousand dollars (\$1,500,000) in  
44 nonrecurring funds for each year of the 2023-2025 fiscal biennium for DHHS,  
45 Division of Public Health (DPH), for the Human Coalition, a nonprofit, for  
46 the Statewide Continuum of Care Program.
- 47 (48) The sum of four million three hundred thousand dollars (\$4,300,000) in  
48 nonrecurring funds for each year of the 2023-2025 fiscal biennium for DHHS  
49 DPH to provide a \$50,000 grant, in both years of the biennium, to each local  
50 health department for authorized activities.

- 1 (49) The sum of three million dollars (\$3,000,000) in nonrecurring funds for each  
2 year of the 2023-2025 fiscal biennium for DHHS DPH to digitize birth records  
3 so that they can be stored in an electronic format.
- 4 (50) The sum of seven hundred fifty thousand dollars (\$750,000) in nonrecurring  
5 funds for the 2023-2024 fiscal year for DHHS, Division of Social Services, to  
6 provide funds to Boys and Girls Club of Wake County for workforce  
7 development grants for Boys and Girls Clubs across the State.
- 8 (51) The sum of two hundred fifty thousand dollars (\$250,000) in nonrecurring  
9 funds for the 2023-2024 fiscal year for the Department of Natural and Cultural  
10 Resources to support Kidzu Children's Museum.
- 11 (52) The sum of six hundred twenty-five thousand dollars (\$625,000) in  
12 nonrecurring funds for the 2023-2024 fiscal year for the Office of State  
13 Budget and Management (OSBM) to provide funds to Beaufort County for  
14 the Blounts Creek Volunteer Fire Department to purchase and upgrade  
15 vehicles and related equipment.
- 16 (53) The sum of two million two hundred fifty thousand dollars (\$2,250,000) in  
17 nonrecurring funds for each year of the 2023-2025 fiscal biennium for OSBM  
18 to provide funds to Belmont Abbey College, Incorporated for the construction  
19 of a community performing arts center.
- 20 (54) The sum of one hundred thousand dollars (\$100,000) in nonrecurring funds  
21 for the 2023-2024 fiscal year for OSBM to provide funds to Camp Centurion,  
22 Inc. to support operations.
- 23 (55) The sum of one million five hundred thousand dollars (\$1,500,000) in  
24 nonrecurring funds for the 2023-2024 fiscal year for OSBM to provide funds  
25 to Campbell University School of Osteopathic Medicine for a mobile clinic  
26 medical shelter.
- 27 (56) The sum of two hundred thousand dollars (\$250,000) in nonrecurring funds  
28 for the 2023-2024 fiscal year for OSBM to provide funds to Catawba County  
29 Council on Aging, Incorporated for capital costs and equipment associated  
30 with building a senior center.
- 31 (57) The sum of three hundred thousand dollars (\$300,000) in nonrecurring funds  
32 for the 2023-2024 fiscal year for OSBM to provide funds to the City of  
33 Rockingham for capital costs and equipment associated with the Rockingham  
34 Dragway bathroom improvements project.
- 35 (58) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
36 2023-2024 fiscal year for OSBM to provide funds to the Community Health  
37 Coalition.
- 38 (59) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
39 2023-2024 fiscal year and the sum of ten million dollars (\$10,000,000) in  
40 nonrecurring funds for the 2024-2025 fiscal year for OSBM to provide funds  
41 to EmitBio Inc. for continued development of a light-based treatment option  
42 for COVID-19 patients with severe respiratory involvement.
- 43 (60) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
44 2023-2024 fiscal year and the sum of one million dollars (\$1,000,000) in  
45 nonrecurring funds for the 2024-2025 fiscal year for OSBM to provide funds  
46 to Henderson County for capital costs and equipment associated with the  
47 construction of a multipurpose agricultural services building.
- 48 (61) The sum of five hundred thousand dollars (\$500,000) in nonrecurring funds  
49 for each year of the 2023-2025 fiscal biennium for OSBM to provide funds to  
50 Lincoln Community Health Center, Incorporated.

- 1 (62) The sum of two million five hundred thousand dollars (\$2,500,000) in  
2 nonrecurring funds for each year of the 2023-2025 fiscal biennium for OSBM  
3 to provide funds to the Museum of the Cape Fear Historical Complex  
4 Foundation, Inc. for capital improvements or equipment for the NC Civil War  
5 Emancipation and Reconstruction History Center.
- 6 (63) The sum of one million five hundred thousand dollars (\$1,500,000) in  
7 nonrecurring funds for each year of the 2023-2025 fiscal biennium for OSBM  
8 to provide funds to the New Covenant Community Development Center for  
9 programming and capital improvements.
- 10 (64) The sum of one million dollars (\$1,000,000) in nonrecurring funds for each  
11 year of the 2023-2025 fiscal biennium for OSBM to provide funds to the North  
12 Carolina Association of County Commissioners to facilitate local and regional  
13 strategic planning and technical assistance in relation to opioid settlement  
14 funds received by counties and municipalities.
- 15 (65) The sum of six hundred thousand dollars (\$600,000) in nonrecurring funds for  
16 the 2023-2024 fiscal year and the sum of six hundred fifty thousand dollars  
17 (\$650,000) in nonrecurring funds for the 2024-2025 fiscal year for OSBM to  
18 provide funds to Onslow Memorial Hospital, Inc. to establish a mental health  
19 and substance abuse case management program.
- 20 (66) The sum of two hundred fifty thousand dollars (\$250,000) in nonrecurring  
21 funds for the 2023-2024 fiscal year for OSBM to provide funds to Partnership  
22 for the Sounds, Inc. for capital costs and equipment associated with the  
23 Estuarium Oyster Project.
- 24 (67) The sum of one million six hundred thousand dollars (\$1,600,000) in  
25 nonrecurring funds for each year of the 2023-2025 fiscal biennium for OSBM  
26 to provide funds to Swain County for the renovation and expansion of the  
27 Marianna Black Library.
- 28 (68) The sum of five hundred seventy-five thousand dollars (\$575,000) in  
29 nonrecurring funds for the 2023-2024 fiscal year and the sum of four hundred  
30 twenty-five thousand dollars (\$425,000) in nonrecurring funds for the  
31 2024-2025 fiscal year for OSBM to provide funds to the Town of Gibsonville  
32 for capital improvements or equipment for the police department.
- 33 (69) The sum of five million six hundred seventy-five thousand dollars  
34 (\$5,675,000) in nonrecurring funds for each year of the 2023-2025 fiscal  
35 biennium for OSBM to provide funds to Tri-County Community College for  
36 multiple purposes, including the heavy equipment operator program.
- 37 (70) The sum of two million four hundred thousand dollars (\$2,400,000) in  
38 nonrecurring funds for each year of the 2023-2025 fiscal biennium for OSBM  
39 to provide funds to the Village of Clemmons for improvements to the  
40 Clemmons Village Center.
- 41 (71) The sum of five million dollars (\$5,000,000) in nonrecurring funds for each  
42 year of the 2023-2025 fiscal biennium for OSBM to provide additional funds  
43 to Wake Forest Institute for Regenerative Medicine.
- 44 (72) The sum of five million nine hundred eighty-three thousand dollars  
45 (\$5,983,000) in nonrecurring funds for the 2023-2024 fiscal year for the State  
46 Capital and Infrastructure Fund (SCIF) to complete the new maintenance and  
47 warehouse facility and the relocation of all operations to the new Broughton  
48 Hospital.
- 49 (73) The sum of five million four hundred five thousand dollars (\$5,405,000) in  
50 nonrecurring funds for the 2023-2024 fiscal year for the SCIF to complete the

- 1 new maintenance and warehouse facility and the relocation of all operations  
2 to the new Cherry Hospital.
- 3 (74) The sum of one million three hundred fifty-two thousand dollars (\$1,352,000)  
4 in nonrecurring funds for the 2023-2024 fiscal year for the SCIF for  
5 permanent facilities at the Walter B. Jones Center to provide medical services  
6 and support.
- 7 (75) The sum of one million dollars (\$1,000,000) in nonrecurring funds for the  
8 2023-2024 fiscal year for the SCIF to provide funds to ECU for planning  
9 purposes related to the dental school.
- 10 (76) The sum of twenty-five million dollars (\$25,000,000) in nonrecurring funds  
11 for the 2023-2024 fiscal year and the sum of eighty million dollars  
12 (\$80,000,000) in nonrecurring funds for the 2024-2025 fiscal year for the  
13 SCIF to provide funds to the UNC BOG for the construction of 3 rural care  
14 centers as part of the NC Care initiative.
- 15 (77) The sum of three million six hundred forty-four thousand three hundred  
16 ninety-two dollars (\$3,644,392) in nonrecurring funds for the 2023-2024  
17 fiscal year and the sum of seventy-two million three hundred eighty-two  
18 thousand dollars (\$72,382,000) in nonrecurring funds for the 2024-2025 fiscal  
19 year for the SCIF for funding to the UNC BOG for UNC Health to construct,  
20 on behalf of the State of North Carolina, a new Children's Hospital in the  
21 Triangle area. The hospital will include a children's behavioral health hospital.
- 22 (78) The sum of nine million dollars (\$9,000,000) in nonrecurring funds for the  
23 2023-2024 fiscal year and the sum of thirty million dollars (\$30,000,000) in  
24 nonrecurring funds for the 2024-2025 fiscal year for the SCIF to provide funds  
25 to Caldwell Community College to assist with construction costs related to a  
26 new health science building.
- 27 (79) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
28 2023-2024 fiscal year and the sum of twenty million dollars (\$20,000,000) in  
29 nonrecurring funds for the 2024-2025 fiscal year for the SCIF to provide funds  
30 to Cape Fear Community College for health program capital improvements.
- 31 (80) The sum of three million dollars (\$3,000,000) in nonrecurring funds for each  
32 year of the 2023-2025 fiscal biennium for the SCIF to provide funds to  
33 Carteret Community College for capital improvements or equipment.
- 34 (81) The sum of six million one hundred thousand dollars (\$6,100,000) in  
35 nonrecurring funds for the 2023-2024 fiscal year and the sum of six million  
36 five hundred thousand dollars (\$6,500,000) in nonrecurring funds for the  
37 2024-2025 fiscal year for the SCIF to provide funds to Cleveland Community  
38 College for capital improvements or equipment.
- 39 (82) The sum of fifteen million dollars (\$15,000,000) in nonrecurring funds for the  
40 2023-2024 fiscal year and the sum of forty-five million dollars (\$45,000,000)  
41 in nonrecurring funds for the 2024-2025 fiscal year for the SCIF to provide  
42 funds to Gaston College for capital improvements or equipment at a health  
43 science education and simulation center.
- 44 (83) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
45 2023-2024 fiscal year and the sum of twenty million dollars (\$20,000,000) in  
46 nonrecurring funds for the 2024-2025 fiscal year for the SCIF to provide funds  
47 to Isothermal Community College for a new health sciences building.
- 48 (84) The sum of ten million dollars (\$10,000,000) in nonrecurring funds for the  
49 2023-2024 fiscal year and the sum of fifteen million two hundred fifty  
50 thousand dollars (\$15,250,000) in nonrecurring funds for the 2024-2025 fiscal

- 1 year for the SCIF to provide funds to McDowell Technical Community  
2 College for a new health sciences and public safety complex.
- 3 (85) The sum of one million five hundred thousand dollars (\$1,500,000) in  
4 nonrecurring funds for the 2023-2024 fiscal year for the SCIF to provide funds  
5 to Montgomery Community College for capital improvements related to its  
6 new dental hygienist program.
- 7 (86) The sum of five million dollars (\$5,000,000) in nonrecurring funds for the  
8 2023-2024 fiscal year and the sum of fifteen million dollars (\$15,000,000) in  
9 nonrecurring funds for the 2024-2025 fiscal year for the SCIF to provide funds  
10 to Pamlico Community College for the construction of an Allied Health  
11 center.
- 12 (87) The sum of one million five hundred thousand dollars (\$1,500,000) in  
13 nonrecurring funds for each year of the 2023-2025 fiscal biennium for the  
14 SCIF to provides funds to Randolph Community College for capital  
15 improvements or equipment.
- 16 (88) The sum of seven million five hundred thousand dollars (\$7,500,000) in  
17 nonrecurring funds for each year of the 2023-2025 fiscal biennium for the  
18 SCIF to provide funds to Roanoke-Chowan Community College for the  
19 construction of a new health sciences building.
- 20 (89) The sum of ten million five hundred thousand dollars (\$10,500,000) in  
21 nonrecurring funds for each year of the 2023-2025 fiscal biennium for the  
22 SCIF to provide funds to Robeson Community College for capital  
23 improvements to the health career center.
- 24 (90) The sum of four million five hundred thousand dollars (\$4,500,000) in  
25 nonrecurring funds for each year of the 2023-2025 fiscal biennium for the  
26 SCIF to provide funds to Rowan-Cabarrus Community College for capital  
27 improvements or equipment.
- 28 (91) The sum of seven million five hundred thousand dollars (\$7,500,000) in  
29 nonrecurring funds for each year of the 2023-2025 fiscal biennium for the  
30 SCIF to provide funds to Sampson Community College for allied health care  
31 capital improvements.
- 32 (92) The sum of three million dollars (\$3,000,000) in nonrecurring funds for the  
33 2023-2024 fiscal year for the SCIF to provide funds to South Piedmont  
34 Community College for inflationary capital needs for the aseptic training  
35 facility.
- 36 (93) The sum of four million two hundred thousand dollars (\$4,200,000) in  
37 nonrecurring funds for the 2023-2024 fiscal year for the SCIF to provide funds  
38 to Wilson Community College for capital improvements or equipment.
- 39 (94) The sum of eight million dollars (\$8,000,000) in nonrecurring funds for the  
40 2023-2024 fiscal year for the SCIF for Good Hope Hospital in Harnett County  
41 for capital improvements.
- 42 (95) The sum of one million four hundred thousand dollars (\$1,400,000) in  
43 nonrecurring funds for the 2023-2024 fiscal year for the SCIF for Johnston  
44 Health Enterprises, Inc., a non-profit health care organization, to finish  
45 construction of mental health treatment beds.
- 46 (96) The sum of five million dollars (\$5,000,000) in nonrecurring funds for the  
47 2023-2024 fiscal year for the SCIF to provide funds to Granville Vance Public  
48 Health to partner with Maria Parham Hospital for capital improvements or  
49 equipment for improving mental health and substance abuse outcomes.
- 50 (97) The sum of five million dollars (\$5,000,000) in nonrecurring funds for the  
51 2023-2024 fiscal year and the sum of fifteen million dollars (\$15,000,000) in

- 1 nonrecurring funds for the 2024-2025 fiscal year for the SCIF for the Northern  
2 Regional Foundation for capital improvements or equipment at Northern  
3 Regional Hospital.
- 4 (98) The sum of one million five hundred thousand dollars (\$1,500,000) in  
5 nonrecurring funds for each year of the 2023-2025 fiscal biennium for the  
6 SCIF to provide funds to UNC Health Blue Ridge for capital improvements  
7 or equipment.
- 8 (99) The sum of six million dollars (\$6,000,000) in nonrecurring funds the  
9 2023-2024 fiscal year for the SCIF to provide funds to WakeMed for capital  
10 improvements or equipment related to behavioral health.
- 11 (100) The sum of six million dollars (\$6,000,000) in nonrecurring funds for each  
12 year of the 2023-2025 fiscal biennium for the SCIF for the Appalachian  
13 Regional Healthcare System for capital improvements at the Watauga Medical  
14 Center.
- 15 (101) The sum of six million dollars (\$6,000,000) in nonrecurring funds for each  
16 year of the 2023-2025 fiscal biennium for the SCIF for Coastal Horizons  
17 Center, Inc. for capital improvements.
- 18 (102) The sum of one million five hundred thousand dollars (\$1,500,000) in  
19 nonrecurring funds for the 2023-2024 fiscal year the SCIF for Duplin County  
20 to complete a new Duplin County Department of Aging Senior Resource  
21 Center and Veteran's Services building.
- 22 (103) The sum of five million dollars (\$5,000,000) in nonrecurring funds for the  
23 2023-2024 fiscal year and the sum of twelve million five hundred thousand  
24 dollars (\$12,500,000) in nonrecurring funds for the 2024-2025 fiscal year for  
25 the SCIF for the Katie Blessing Foundation, a nonprofit in Mecklenburg  
26 County, to build a new StarMed adolescent behavioral health facility.
- 27 (104) The sum of one million dollars (\$1,000,000) in nonrecurring funds for each  
28 year of the 2023-2025 fiscal biennium for the SCIF to provide funds to  
29 Mooresville Area Christian Mission, Inc. for capital improvements or  
30 equipment.
- 31 (105) The sum of three million seven hundred thousand dollars (\$3,700,000) in  
32 nonrecurring funds for the 2023-2024 fiscal year for the SCIF to provide funds  
33 to New Hanover County for capital improvements or equipment at a Crisis  
34 Stabilization/Medical Detox Facility.
- 35 (106) The sum of seven million eight hundred fifty thousand dollars (\$7,850,000) in  
36 nonrecurring funds for each year of the 2023-2025 fiscal biennium for the  
37 SCIF for the Mountain Community Health Partnership, Inc. for the  
38 construction of the Spruce Pine Integrated Healthcare Clinic and Headquarters  
39 project.
- 40 (107) The sum of six million dollars (\$6,000,000) in nonrecurring funds for the  
41 2023-2024 fiscal year for the SCIF for Tree House Recovery, Inc. for the  
42 construction of a substance abuse services facility.
- 43 (108) The sum of two million dollars (\$2,000,000) in nonrecurring funds for the  
44 2023-2024 fiscal year for the SCIF for Triangle Residential Options for  
45 Substance Abusers, Inc. (TROSAs) to assist with increased facility expansion  
46 costs in the Triad area.

47 **SECTION 3.4.** Funds equaling the total of the gross premiums tax offset amount  
48 calculated under G.S. 108A-147.12(b), as enacted Section 1.6(b) of S.L. 2023-7, shall be used  
49 for the purpose for which they are appropriated in House Bill 259, 2023 Regular Session,  
50 consistent with Section 1.6(d) of S.L. 2023-7.

51



1 **PART IV. GENERAL PROVISIONS**

2 **SECTION 4.1.** Severability. – If any provision of this act or its application is held  
3 invalid, the invalidity does not affect other provisions or applications of this act that can be given  
4 effect without the invalid provisions or application, and to this end the provisions of this act are  
5 severable.

6 **SECTION 4.2.** Appropriation. – To the extent amounts collected in this act are  
7 deemed unappropriated, these amounts are hereby appropriated to the collecting entity or to the  
8 entity to which they are transferred, as appropriate, for each fiscal year of the 2023-2025 fiscal  
9 biennium to be used for the purpose or purposes for which the amounts collected.

10 **SECTION 4.3.** Effective Date. – Except as otherwise provided, this act is effective  
11 when it becomes law.