GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 120 Committee Substitute Favorable 3/17/93 Third Edition Engrossed 3/24/93

Short Title: Open	n Meetings/Records Law Changes. (Public
Sponsors:	
Referred to:	
	February 10, 1993
PUBLIC REC ACT. The General Asso Section "§ 143-318.10. A (a) Except and G.S. 143-318 and any person is	A BILL TO BE ENTITLED MEND THE OPEN MEETINGS LAW AND TO AMEND THE CORDS LAW AS IT RELATES TO THE HOSPITAL LICENSURE embly of North Carolina enacts: 1. G.S. 143-318.10 reads as rewritten: All official meetings of public bodies open to the public. as provided in G.S. 143-318.11, G.S. 143-318.14A, G.S. 143-318.15, 8.18, each official meeting of a public body shall be open to the public, entitled to attend such a meeting.
authority, board, or more counties University of No.	ed in this Article, 'public body' means any <u>elected or appointed</u> commission, committee, council, or other body of the State, or of one s, cities, school administrative units, <u>constituent institutions of The orth Carolina</u> , or other political subdivisions or public corporations in s composed of two or more members; and
(1) (2)	Exercises or is authorized to exercise a legislative, policy-making, quasi-judicial, administrative, or advisory function; and Is established by (i) the State Constitution, (ii) an act or resolution of the General Assembly, (iii) a resolution or order of a State agency, pursuant to a statutory procedure under which the agency establishes a

political subdivision or public corporation, (iv) an ordinance,

resolution, or other action of the governing board of one or more

counties, cities, school administrative units, or other political subdivisions or public corporations, or (v) an executive order of the Governor or comparable formal action of the head of a principal State office or department, as defined in G.S. 143A-11 and G.S. 143B-6, or of a division thereof

members and (ii) exercises or is authorized to exercise a legislative, policy-making, quasi-judicial, administrative, or advisory function. In addition, 'public body' means (1) the governing board of a 'public hospital' as defined in G.S. 159-39 and (2) each committee of a public body, except a committee of the governing board of a public hospital if the committee is not a policy making body. In addition, for the purposes of this Article "public body" means—any nonprofit corporation to which a hospital facility has been sold or conveyed pursuant to G.S. 131E-8, any subsidiary of that—such nonprofit corporation, and any nonprofit corporation owning the corporation to which the hospital facility has been sold or conveyed.

- (c) 'Public body' does not include and shall not be construed to include (1) meetings among a meeting solely among the professional staff of a public body, body or the medical staff of a public hospital. unless the staff members have been appointed to and are meeting as an authority, board, commission, committee, council, or other body established by one of the methods listed in subsection (b)(2) of this section, or (2) meetings among the medical staff of a public hospital.
- (d) 'Official meeting' means a meeting, assembly, or gathering together at any time or place or the simultaneous communication by conference telephone or other electronic means of a majority of the members of a public body for the purpose of conducting hearings, participating in deliberations, or voting upon or otherwise transacting the public business within the jurisdiction, real or apparent, of the public body. However, a social meeting or other informal assembly or gathering together of the members of a public body does not constitute an official meeting unless called or held to evade the spirit and purposes of this Article.
- (e) Every public body shall keep full and accurate minutes of all official meetings, excluding any executive sessions including any closed sessions held pursuant to G.S. 143-318.11. Such minutes may be in written form or, at the option of the public body, may be in the form of sound or video and sound recordings. Such minutes shall be public records within the meaning of G.S. 132-6. the Public Records Law, G.S. 132-1 et seq.; provided, however, that minutes of a closed session conducted in compliance with G.S. 143-318.11 may be withheld from public inspection so long as public inspection would frustrate the purpose of a closed session."

Sec. 2. G.S. 143-318.11 reads as rewritten:

"§ 143-318.11. Executive sessions. Closed sessions.

- (a) Permitted Purposes. It is the policy of this State that closed sessions shall be held only when required to permit a public body to act in the public interest as permitted in this section. A public body may hold an executive session—a closed session and exclude the public: public only:
 - (1) To consider the selection of a site or the acquisition by any means or lease as lessee of interests in real property. At the conclusion of all

negotiations with regard to the acquisition or lease of real property, if 1 2 final authorization to acquire or lease is to be given, it shall be given at 3 an open meeting. 4 (2) To consider and authorize the acquisition by gift or bequest of personal 5 property offered to the public body or the government of which it is a 6 part. 7 To consider and authorize the acquisition by any means of paintings, (3) 8 sculptures, objects of virtu, artifacts, manuscripts, books and papers, 9 and similar articles and objects that are or will be part of the 10 collections of a museum, library, or archive. (4) To consider the validity, settlement, or other disposition of a claim 11 12 against or on behalf of the public body or an officer or employee of the 13 public body or in which the public body finds that it has a substantial 14 interest; or the commencement, prosecution, defense, settlement, or 15 litigation of a potential or pending judicial action or administrative 16 proceeding in which the public body or an officer or employee of the 17 public body is a party or in which the public body finds that it has a 18 substantial interest. During such an executive session, the public body 19 may give instructions to an attorney or other agent concerning the 20 handling or settlement of a claim, judicial action, or administrative 21 proceeding. If a public body has considered a settlement in executive 22 session, the terms of that settlement shall be reported to the public body and entered into its minutes within a reasonable time after the 23 settlement is concluded. 24 To consult with an attorney employed or retained to represent the 25 (5) 26 public body, to the extent that confidentiality is required in order to 27 preserve the attorney-client privilege between the attorney and the 28 public body. 29 (6) To discuss matters relating to the location or expansion of industries or 30 other businesses in the area served by the public body. 31 To consider matters dealing with specific patients (including but not (7) limited to all aspects of admission, treatment, and discharge; all 32 33 medical records, reports, and summaries; and all charges, accounts, 34 and credit information pertaining to such a patient). 35 (8) To consider the qualifications, competence, performance, character, 36 fitness, conditions of appointment, or conditions of initial employment 37 of a public officer or employee or prospective public officer or 38 employee; or to hear or investigate a complaint, charge or grievance by 39 or against a public officer or employee. A public body may consider 40 the appointment or removal of a member of another body in executive session but may not consider or fill a vacancy among its own 41 42 membership except in an open meeting. 43 Final action making an appointment or discharge or removal by a

public body having final authority for the appointment or discharge or

1		removal shall be taken in an open meeting. If a public body considers
2		an appointment to another body, except a committee composed of
3		members of the public body, in executive session, it shall, before
4		making that appointment, present at an open meeting a written list of
5		the persons then being considered for the appointment, and that list
6		shall on the same day be made available for public inspection in the
7		office of the clerk or secretary to the public body. The public body
8		may not make the appointment before the seventh day after the day on
9		which the list was presented.
10	(9)	To consider the employment, performance, or discharge of an
11	. ,	independent contractor. Any action employing or authorizing the
12		employment or discharging or directing the discharge of an
13		independent contractor shall be taken at an open meeting.
14	(10)	To hear, consider, and decide (i) disciplinary cases involving students
15	\	or pupils and (ii) questions of reassignment of pupils under G.S. 115-
16		178.
17	(11)	To identify candidates for, assess the candidates' worthiness for, and
18	()	choose the recipients of honors, awards, honorary degrees, or citations
19		bestowed by the public body.
20	(12)	To consider information, when State or federal law (i) directs that the
21	()	information be kept confidential or (ii) makes the confidentiality of the
22		information a condition of State or federal aid.
23	(13)	To consider and adopt contingency plans for dealing with, and
24	()	consider and take action relating to, strikes, slowdowns, and other
25		collective employment interruptions.
26	(14)	To consider and take action necessary to deal with a riot or civil
27	()	disorder or with conditions that indicate that a riot or civil disorder is
28		imminent.
29	(15)	To plan, conduct, or hear reports concerning investigations of alleged
30	()	criminal misconduct.
31	(16)	To consider and decide matters concerning specific inmates of the
32	()	correction system or security problems of the correction system.
33	(17)	To hear, consider, and decide matters involving admission, discipline,
34	()	or termination of members of the medical staff of a public hospital.
35		Final action on an admission or termination shall be reported at an
36		open meeting.
37	(18)	To consider and give instructions relating to the setting or negotiation
38	(-)	of airport landing fees or the negotiation of contracts, including leases,
39		concerning the use of airport facilities. Final action approving landing
40		fees or such a contract shall be taken in an open meeting.
41	(19)	To plan investigations and receive investigative reports requested by a
42	(17)	board of elections concerning election frauds, irregularities, election
43		contests, or violations of the election laws. Following a public hearing
14		during which it is alleged or apparent that any election official may
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 - have committed an act of misconduct, a board of elections may meet in executive session to deliberate, adjudicate, and reach its decision on whether further action shall be ordered or whether no further action shall be ordered against any election official. Each member's vote on the decision shall be a matter of public record.
 - To consider and authorize acquisitions, mergers, joint ventures, or other competitive business activities by or on behalf of: (i) a hospital facility and a nonprofit corporation to which it has been sold or conveyed pursuant to G.S. 131E-8; (ii) any nonprofit corporation owning the corporation to which the hospital facility has been sold or conveyed; or (iii) any subsidiary of either nonprofit corporation.
 - When a closed session is required to prevent the disclosure of information that is privileged or confidential pursuant to a statute of this State or of the United States, or would be privileged or confidential if such information were the subject of a written or electronic data record:
 - When a closed session is required to prevent the premature disclosure of an honorary degree, scholarship, prize, or similar award;
 - When a closed session is required in order to preserve the attorney client privilege between the attorney and the public body, or to permit an attorney employed or retained by the public body to provide legal advice with respect to (i) the public body's rights and obligations pursuant to an existing or proposed contract to which the public body is or will be a party; or (ii) a pending, threatened, or contemplated judicial proceeding in which the public body has a direct interest. As used herein, a 'judicial proceeding' shall mean a claim, lawsuit, appeal, arbitration, or administrative proceeding before a State or federal court or other judicial or quasi-judicial tribunal. The public body shall be deemed to have a 'direct interest' in a judicial proceeding (i) if the public body is or is likely to be a party; (ii) if the public body is the governing or representative body of an entity that is or is likely to be a party; or (iii) if an employee or individual member of the public body is or is likely to be a party, and the judicial proceeding arises out of, or may arise out of, the employee's or member's performance of his or her official duties. During such a closed session, the public body may give instructions to an attorney or other agent concerning the handling or settlement of a pending, threatened or contemplated judicial proceeding. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant.
 - When a closed session is required to consider the qualifications, (4) competence, performance, character, fitness, conditions appointment, or conditions of initial employment of an individual

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- public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee. General personnel policy issues may not be considered in a closed session. A public body may not consider the qualifications, competence, performance, character, fitness, appointment, or removal of a member of the public body or another body and may not consider or fill a vacancy among its own membership except in an open meeting. Final action making an appointment or discharge or removal by a public body having final authority for the appointment or discharge or removal shall be taken in an open meeting;
- (5) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body;
- When a closed session is required to establish, or to instruct the public body's staff or negotiating agents concerning, the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract for the acquisition or sale of real property by purchase, option, lease, or exchange, or (ii) the amount of compensation and other material terms of an employment contract. A public body shall not consider or act upon a proposed contract except in an open meeting; or
- (7) When a closed session is required to plan, conduct, or hear reports concerning investigations of alleged criminal misconduct.
- (b) Repealed by Session Laws 1991, c. 694, s. 4.
- (c) Calling an Executive Session. a Closed Session. A public body may hold an executive session—a closed session only upon a motion duly made and adopted at an open meeting. The motion shall state the general purpose of the executive session and must be approved by the vote of a majority of those present and voting. Every motion to close a meeting shall cite one or more of the permissible purposes listed in subsection (a) of this section. A motion based on subdivision (a)(1) of this section shall also state the name or citation of the statute that renders the information to be discussed privileged or confidential. A motion based on subdivision (a)(3) of this section shall identify the parties in each pending judicial proceeding concerning which the public body expects to receive advice during the closed session.
- (d) Minutes of Executive Session. Notwithstanding the provisions of G.S. 132-6, minutes and other records made of an executive session may be withheld from public inspection so long as public inspection would frustrate the purpose of the executive session."
 - Sec. 3. G.S. 143-318.16B reads as rewritten:

"§ 143-318.16B. Attorney's fees awarded to prevailing party. Assessments and awards of attorneys' fees.

In any When an action is brought pursuant to G.S. 143-318.16 or G.S. 143-318.16A, the court shall may make written findings specifying the prevailing party or parties, and shall may award the prevailing party or parties a reasonable attorney's fee, to be taxed

 against the losing party or parties as part of the costs. The court may order that all or any portion of any fee as assessed be paid personally by any individual member or members of the public body found by the court to have knowingly or intentionally committed the violation; provided, that no order against any individual member shall issue in any case where the public body or that individual member seeks the advice of an attorney employed or retained by the public body, and such advice is followed."

Sec. 4. Article 33C of Chapter 143 of the General Statutes is amended by adding two new sections to read:

"§ 143-318.16C. Accelerated hearing; priority.

Actions brought pursuant to G.S. 143-318.16 or G.S. 143-318.16A shall be set down for immediate hearing, and subsequent proceedings in such actions shall be accorded priority by the trial and appellate courts.

"§ 143-318.16D. Local acts.

Any reference in any city charter or local act to an 'executive session' is amended to read 'closed session'."

Sec. 5. G.S. 143B-282.1(a)(3) reads as rewritten:

"(3) Deliberations of the Commission shall be conducted in its public meeting unless the Commission determines that consultation with its counsel should be held in an executive session a closed session pursuant to G.S. 143-318.11."

Sec. 6. G.S. 90-16 reads as rewritten:

"§ 90-16. Board to keep record; publication of names of licentiates; transcript as evidence; receipt of evidence concerning treatment of patient who has not consented to public disclosure.

The Board of Examiners shall keep a regular record of its proceedings in a book kept for that purpose, together with the names of the members of the Board present, the names of the applicants for license, and other information as to its actions. The Board of Examiners shall cause to be entered in a separate book the name of each applicant to whom a license is issued to practice medicine or surgery, along with any information pertinent to such issuance. The Board of Examiners shall publish the names of those licensed in three daily newspapers published in the State of North Carolina, within 30 days after granting the same. A transcript of any such entry in the record books, or certificate that there is not entered therein the name and proficiency or date of granting such license of a person charged with the violation of the provisions of this Article, certified under the hand of the secretary and the seals of the Board of Medical Examiners of the State of North Carolina, shall be admitted as evidence in any court of this State when it is otherwise competent.

The Board may in an executive session a closed session receive evidence involving or concerning the treatment of a patient who has not expressly or impliedly consented to the public disclosure of such treatment as may be necessary for the protection of the rights of such patient or of the accused physician and the full presentation of relevant evidence. All records, papers and other documents containing information collected and compiled by the Board, or its members or employees as a result of investigations, inquiries or interviews conducted in connection with a licensing or disciplinary matter

shall not be considered public records within the meaning of Chapter 132 of the General 1 2 Statutes; provided, however, that any notice or statement of charges against any 3 licensee, or any notice to any licensee of a hearing in any proceeding shall be a public record within the meaning of Chapter 132 of the General Statutes, notwithstanding that 4 5 it may contain information collected and compiled as a result of any such investigation, 6 inquiry or interview; and provided, further, that if any such record, paper or other document containing information theretofore collected and compiled by the Board, as 8 hereinbefore provided, is received and admitted in evidence in any hearing before the 9 Board, it shall thereupon be a public record within the meaning of Chapter 132 of the 10 General Statutes.

In any proceeding before the Board, in any record of any hearing before the Board, and in the notice of the charges against any licensee (notwithstanding any provision herein to the contrary) the Board may withhold from public disclosure the identity of a patient who has not expressly or impliedly consented to the public disclosure of treatment by the accused physician."

Sec. 7. G.S. 90-270.15(c) reads as rewritten:

Except as provided otherwise in this Article, the procedure for revocation, suspension, denial, limitations of the license, or other disciplinary, remedial, or rehabilitative actions, shall be in accordance with the provisions of Chapter 150B of the General Statutes. The Board is required to provide the opportunity for a hearing under Chapter 150B to any applicant whose license is denied or to whom licensure is offered subject to any restrictions, probation, disciplinary action, remediation, or other conditions or limitations, or to any licensee before revoking, suspending, or restricting a license or imposing any other disciplinary action or remediation. If the applicant or licensee waives the opportunity for a hearing, the Board's denial, revocation, suspension, or other proposed action becomes final without a hearing having been conducted. Notwithstanding the foregoing, no applicant or licensee is entitled to a hearing for failure to pass an examination. In any proceeding before the Board, in any record of any hearing before the Board, in any complaint or notice of charges against any licensee or applicant for licensure, and in any decision rendered by the Board, the Board may withhold from public disclosure the identity of any clients or patients who have not consented to the public disclosure of treatment by the licensee or applicant. The Board may close a hearing to the public and receive in executive session closed session evidence involving or concerning the treatment or delivery of psychological services to a client or a patient who has not consented to the public disclosure of such treatment or services as may be necessary for the protection and rights of such patient or client of the accused applicant or licensee and the full presentation of relevant evidence. All records, papers and other documents containing information collected and compiled by or on behalf of the Board, as a result of investigations, inquiries or interviews conducted in connection with licensing or disciplinary matters will not be considered public records within the meaning of Chapter 132 of the General Statutes; provided, however, that any notice or statement of charges against any licensee or applicant, or any notice to any licensee or applicant of a hearing in any proceeding, or any decision rendered in connection with a hearing in any proceeding, shall be a public record within

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the meaning of Chapter 132 of the General Statutes, notwithstanding that it may contain information collected and compiled as a result of such investigation, inquiry, or hearing except that identifying information concerning the treatment or delivery of services to a patient or client who has not consented to the public disclosure of such treatment or services may be deleted; and provided, further, that if any such record, paper or other document containing information theretofore collected and compiled by or on behalf of the Board, as hereinbefore provided, is received and admitted in evidence in any hearing before the Board, it shall thereupon be a public record within the meaning of Chapter 132 of the General Statutes, subject to any deletions of identifying information concerning the treatment or delivery of psychological services to a patient or client who has not consented to the public disclosure of such treatment or services."

Sec. 8. G.S. 90-390(c) reads as rewritten:

''(c)Except as otherwise provided in this Article, the procedure for revocation, suspension, refusal, or other limitations of the certificate shall be in accordance with the provisions of Chapter 150B of the General Statutes. In any proceeding or record of any hearing before the Board, and in any complaint or notice of charges against any certified fee-based pastoral counselor or certified fee-based pastoral counseling associate and in any decision rendered by the Board, the Board shall endeavor to withhold from public disclosure the identity of any counselees or clients who have not consented to the public disclosure of treatment by the certified fee-based pastoral counselor or certified feebased pastoral counseling associate. The Board may close a hearing to the public and receive in executive session a closed session evidence concerning the treatment or delivery of pastoral counseling services to a counselee or a client who has not consented to public disclosure of treatment or services, as may be necessary for the protection of the counselee's or client's rights and the full presentation of relevant evidence. All records, papers, and documents containing information collected and compiled by or on behalf of the Board as a result of investigations, inquiries, or interviews conducted in connection with certification or disciplinary matters are not public records within the meaning of Chapter 132 of the General Statutes. However, any notice or statement of charges against any certified fee-based pastoral counselor or certified fee-based pastoral counseling associate, any notice to any certified fee-based pastoral counselor or certified fee-based pastoral counseling associate of a hearing in any proceeding, or any decision rendered in connection with a hearing in any proceeding is a public record within the meaning of Chapter 132 of the General Statutes, except that identifying information concerning the treatment or delivery of services to a counselee or client who has not consented to the public disclosure of such treatment or services may be deleted. Any record, paper, or other document containing information collected and compiled by or on behalf of the Board, as provided in this section, that is received and admitted in evidence in any hearing before the Board shall be a public record within the meaning of Chapter 132 of the General Statutes, subject to any deletions of identifying information concerning the treatment or delivery of pastoral counseling services to a counselee or client who has not consented to public disclosure of the treatment or services."

Sec. 9. G.S. 120-131(b)(4) reads as rewritten:

1 "(4) Bill, resolution, memorandum, written analysis, letter, or other document resulting from a drafting or information request and it has been distributed at a legislative commission or standing committee or subcommittee meeting not held in executive session, closed session, or on the floor of a house."

Sec. 10. Article 5 of Chapter 131E of the General Statutes is amended by adding a new Part to read:

"PART F. CONFIDENTIAL INFORMATION.

"§ 131E-97. Confidentiality of patient information.

- (a) Medical records compiled and maintained by health care facilities in connection with the admission, treatment, and discharge of individual patients are not public records as defined by Chapter 132 of the General Statutes.
- (b) Charges, accounts, credit histories, and other personal financial records compiled and maintained by health care facilities in connection with the admission, treatment, and discharge of individual patients are not public records as defined by Chapter 132 of the General Statutes.

"§ 131E-98. Confidentiality of personnel information.

- (a) Except as provided in subsection (b) of this section, the personnel files of employees or former employees, and the files of applicants for employment, maintained by a public hospital, as defined by G.S. 159-39, are not public records as defined by Chapter 132 of the General Statutes.
- (b) The following information with respect to each employee of a public hospital, as defined by G.S. 159-39, is a matter of public record: name; age; date of original employment or appointment; beginning and ending dates, position titles, position descriptions, and total compensation of current and former positions; and date of most recent promotion, demotion, transfer, suspension, separation, or other change in position classification. In addition, the following information with respect to each licensed medical provider employed by or having privileges to practice in such a public hospital shall be a matter or public record: educational history and qualifications; date and jurisdiction of original and current licensure; and information relating to medical board certifications or other qualifications of medical specialists.

"§ 131E-99. Confidentiality of credentialing information.

Information acquired by a public hospital, as defined by G.S. 159-39, or by persons acting for or on behalf of such a public hospital, in connection with the credentialing and peer review of persons having or applying for privileges to practice in the hospital is confidential and is not a public record under Chapter 132 of the General Statutes; provided that information otherwise available to the public shall not become confidential merely because it was acquired by the public hospital or by persons acting for or on behalf of the public hospital.

"§ 131E-99.1. Confidentiality of competitive health care information.

Information relating to competitive health care activities of hospitals shall be confidential and not a public record under Chapter 132 of the General Statutes; provided that any contract entered into by or on behalf of a public hospital, as defined by G.S. 159-39, shall be a public record unless otherwise exempted by law."

1 Sec. 11. This act becomes effective October 1, 1993.