

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 891

Short Title: Regulation of Lodging Establishments. (Public)

Sponsors: Senators Hartsell and Hoyle.

Referred to: Commerce.

March 26, 2009

1 A BILL TO BE ENTITLED
2 AN ACT AMENDING CHAPTER 130A OF THE GENERAL STATUTES TO DEFINE
3 LODGING ESTABLISHMENTS, TO REGULATE SINGLE-ROOM OCCUPANCY,
4 AND TO INCREASE THE MINIMUM SCORE FOR GRADING OF LODGING
5 ESTABLISHMENTS; AUTHORIZING CITIES AND COUNTIES TO REGULATE
6 SINGLE-ROOM OCCUPANCY FACILITIES; ESTABLISHING FEES FOR THE
7 INSPECTION OF LODGING ESTABLISHMENTS; PROVIDING GOOD-FAITH
8 IMMUNITY TO INNKEEPERS WHO ASSIST LAW ENFORCEMENT PERSONNEL IN
9 CRIMINAL INVESTIGATIONS; AND MAKING CONFORMING CHANGES.

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.** Chapter 1 of the General Statutes is amended by adding a new
12 Article to read:

13 "Article 43F.

14 "Innkeepers' Immunity.

15 "**§ 1-539.27. Innkeepers' immunity.**

16 (a) The following definitions apply in this section:

17 (1) Guest. – Any person who pays for the services of a lodging establishment as
18 defined by G.S. 130A-247(6) or a single-room occupancy establishment as
19 defined by G.S. 130A-247(9).

20 (2) Innkeeper. – An owner, operator, or employee of a lodging establishment as
21 defined by G.S. 130A-247(6) or a single-room occupancy establishment as
22 defined by G.S. 130A-247(9).

23 (3) Law enforcement officer. – Includes the following:

24 a. A full-time or part-time paid employee of a law enforcement agency
25 who possesses the power of arrest, who has taken the law
26 enforcement oath administered under the authority of the State as
27 prescribed by G.S. 11-11, and who is certified as a law enforcement
28 officer under the provisions of Chapter 17C of the General Statutes
29 or certified as a deputy sheriff under the provisions of Chapter 17E of
30 the General Statutes. The term also means the sheriff of the county.

31 b. A civil or law enforcement officer of the United States. The term also
32 means a military police officer.

33 (b) An innkeeper who in good faith discloses information about a current or former
34 guest to a law enforcement officer upon request of the law enforcement officer is immune from
35 civil liability and is not liable in civil damages to the current or former guest for that disclosure
36 or any consequences of the disclosure. This immunity shall not apply when a current or former
37 guest shows by a preponderance of the evidence any of the following:



1 (1) The information disclosed by the innkeeper was false, and the innkeeper
2 knew or reasonably should have known that the information was false.
3 (2) The innkeeper disclosed the information in bad faith.
4 (c) This section does not affect any privileges or immunities from civil liability
5 established by another section of the General Statutes or available at common law. This
6 subsection does not apply to any civil cause of action brought by a federal, State, or local
7 government against an innkeeper."

8 **SECTION 2.** G.S. 130A-247 reads as rewritten:

9 **"§ 130A-247. Definitions.**

10 The following definitions shall apply throughout this Part:

- 11 (1) ~~"Establishment" means (i) an establishment that prepares or serves drink, (ii)~~
12 ~~an establishment that prepares or serves food, (iii) an establishment that~~
13 ~~provides lodging, (iv) a bed and breakfast inn, or (v) an establishment that~~
14 ~~prepares and sells meat food products as defined in G.S. 106-549.15(14) or~~
15 ~~poultry products as defined in G.S. 106-549.51(26).~~
16 (1a) ~~"Permanent house guest" means a person who receives room or board for~~
17 ~~periods of a week or longer. The term includes visitors of the permanent~~
18 ~~house guest.~~
19 (2) ~~"Private club" means an organization that maintains selective members, is~~
20 ~~operated by the membership, does not provide food or lodging for pay to~~
21 ~~anyone who is not a member or a member's guest, and is either incorporated~~
22 ~~as a nonprofit corporation in accordance with Chapter 55A of the General~~
23 ~~Statutes or is exempt from federal income tax under the Internal Revenue~~
24 ~~Code as defined in G.S. 105-130.2(1).~~
25 (3) ~~"Regular boarder" means a person who receives food for periods of a week~~
26 ~~or longer.~~
27 (4) ~~"Establishment that prepares or serves drink" means a business or other~~
28 ~~entity that prepares or serves beverages made from raw apples or potentially~~
29 ~~hazardous beverages made from other raw fruits or vegetables or that~~
30 ~~otherwise puts together, portions, sets out, or hands out drinks for human~~
31 ~~consumption.~~
32 (5) ~~"Establishment that prepares or serves food" means a business or other entity~~
33 ~~that cooks, puts together, portions, sets out, or hands out food for human~~
34 ~~consumption.~~
35 (6) ~~"Bed and breakfast inn" means a business of not more than 12 guest rooms~~
36 ~~that offers bed and breakfast accommodations to at least nine but not more~~
37 ~~than 23 persons per night for a period of less than one week, and that:~~
38 a. ~~Does not serve food or drink to the general public for pay;~~
39 b. ~~Serves only the breakfast meal, and that meal is served only to~~
40 ~~overnight guests of the business;~~
41 c. ~~Includes the price of breakfast in the room rate; and~~
42 d. ~~Is the permanent residence of the owner or the manager of the~~
43 ~~business.~~
44 (7) ~~"Limited food services establishment" means an establishment as described~~
45 ~~in G.S. 130A-248(a4), with food handling operations that are restricted by~~
46 ~~rules adopted by the Commission pursuant to G.S. 130A-248(a4) and that~~
47 ~~prepares or serves food only in conjunction with amateur athletic events.~~
48 (1) Bed and breakfast inn. – A business of not more than 12 guest rooms that
49 offers bed and breakfast accommodations to at least nine but not more than
50 23 persons per night for a period of less than one week and that:
51 a. Does not serve food or drink to the general public for pay;

- 1 b. Serves only the breakfast meal, and that meal is served only to
2 overnight guests of the business;
3 c. Includes the price of breakfast in the room rate; and
4 d. Is the permanent residence of the owner or the manager of the
5 business.
6 (2) Establishment. – Includes each of the following:
7 a. An establishment that prepares or serves drink.
8 b. An establishment that prepares or serves food.
9 c. A bed and breakfast inn.
10 d. An establishment that prepares and sells meat food products as
11 defined in G.S. 106-549.15(14) or poultry products as defined in
12 G.S. 106-549.51(26).
13 (3) Establishment that prepares or serves drink. – A business or other entity that
14 prepares or serves beverages made from raw apples or potentially hazardous
15 beverages made from other raw fruits or vegetables or that otherwise puts
16 together, portions, sets out, or hands out drinks for human consumption.
17 (4) Establishment that prepares or serves food. – A business or other entity that
18 cooks, puts together, portions, sets out, or hands out food for human
19 consumption.
20 (5) Limited food services establishment. – An establishment as described in
21 G.S. 130A-248(a4), with food handling operations that are restricted by rules
22 adopted by the Commission pursuant to G.S. 130A-248(a4) and that
23 prepares or serves food only in conjunction with amateur athletic events.
24 (6) Lodging establishment. – A hotel, motel, bed and breakfast inn, or other
25 facility or business that provides overnight lodging and is required to obtain
26 a permit under rules established by the Commission.
27 (7) Private club. – An organization that maintains selective members, is
28 operated by the membership, does not provide food or lodging for pay to
29 anyone who is not a member or a member's guest, and is either incorporated
30 as a nonprofit corporation in accordance with Chapter 55A of the General
31 Statutes or is exempt from federal income tax under the Internal Revenue
32 Code as defined in G.S. 105-130.2(1).
33 (8) Regular boarder. – A person who receives food for periods of a week or
34 longer.
35 (9) Single-room occupancy (SRO) facility. – A building or buildings that
36 exclusively offers transient residential accommodations or residence for
37 periods of one week or longer and is not required to obtain a permit under
38 rules established by the Commission."

39 **SECTION 3.** G.S. 130A-248 reads as rewritten:

40 **"§ 130A-248. Regulation of food and lodging establishments.**

41 (a) For the protection of the public health, the Commission shall adopt rules governing
42 the sanitation of establishments that prepare or serve drink or food for pay and establishments
43 that prepare and sell meat food products or poultry products. However, any establishment that
44 prepares or serves food or drink to the public, regardless of pay, shall be subject to the
45 provisions of this Article if the establishment that prepares or serves food or drink holds an
46 ABC permit, as defined in G.S. 18B-101, meets any of the definitions in G.S. 18B-1000, and
47 does not meet the definition of a private club as provided in ~~G.S. 130A-247(2)~~G.S.
48 130A-247(7).

49 ~~(a1) For the protection of the public health, the Commission shall adopt rules governing~~
50 ~~the sanitation of hotels, motels, tourist homes, and other establishments that provide lodging for~~
51 ~~pay.~~

1 (a2) For the protection of the public health, the Commission shall adopt rules governing
2 the sanitation of private homes offering bed and breakfast accommodations to eight or fewer
3 persons per night, and rules governing the sanitation of bed and breakfast inns as defined in
4 G.S. 130A-247. In carrying out this function, the Commission shall adopt requirements that are
5 the least restrictive so as to protect the public health and not unreasonably interfere with the
6 operation of bed and breakfast inns.

7 (a3) The Commission shall adopt rules governing the sanitation of establishments. The
8 rules adopted by the Commission pursuant to ~~subsections (a), (a1), and (a2)~~ subsection (a) of
9 this section shall address, but not be limited to, the following:

10 (1) Sanitation requirements for cleanliness of floors, walls, ceilings, storage
11 spaces, utensils, ventilation equipment, and other areas and ~~items;~~items.

12 (2) Requirements for:

13 a. Lighting and water supply;

14 b. Wastewater collection, treatment, and disposal facilities; and

15 c. Lavatory and toilet facilities, food protection, and waste
16 ~~disposal;~~disposal.

17 (3) The cleaning and bactericidal treatment of eating and drinking utensils and
18 other food-contact surfaces. A requirement ~~imposed~~ under this subdivision
19 to sanitize multiuse eating and drinking utensils and other food-contact
20 surfaces does not apply to utensils and surfaces provided in ~~the any~~ any guest
21 room of the lodging ~~unit~~ establishment for guests to prepare food while
22 staying in the guest room.

23 (3a) The appropriate and reasonable use of gloves or utensils by employees who
24 handle unwrapped ~~food;~~food.

25 (4) The methods of food preparation, transportation, catering, storage, and
26 ~~serving;~~serving.

27 (5) The health of ~~employees;~~employees.

28 (6) Animal and vermin ~~control;~~ and control.

29 (7) The prohibition against the offering of unwrapped food samples to the
30 general public unless the offering and acceptance of the samples are
31 continuously supervised by an agent of the entity preparing or offering the
32 samples or by an agent of the entity on whose premises the samples are
33 made available. As used in this subdivision, "food samples" means
34 unwrapped food prepared and made available for sampling by and without
35 charge to the general public for the purpose of promoting the food made
36 available for sampling. This subdivision does not apply to unwrapped food
37 prepared and offered in buffet, cafeteria, or other style in exchange for
38 payment by the general public or by the person or entity arranging for the
39 preparation and offering of such unwrapped food. This subdivision shall not
40 apply to open air produce markets nor to farmer market facilities operated on
41 land owned or leased by the State of North Carolina or any local
42 government.

43 The rules shall contain a system for grading establishments, such as Grade A, Grade B, and
44 Grade C. The rules shall be written in a manner that promotes consistency in both the
45 interpretation and application of the grading system.

46 (a4) For the protection of the public health, the Commission shall adopt rules governing
47 the sanitation of limited food service establishments. In adopting the rules, the Commission
48 shall not limit the number of days that limited food service establishments may operate.
49 Limited food service establishment permits shall be issued only to political subdivisions of the
50 State, establishments operated by volunteers that prepare or serve food in conjunction with

1 amateur athletic events, or for establishments operated by organizations that are exempt from
2 federal income tax under section 501(c)(3) or section 501(c)(4) of the Internal Revenue Code.

3 (b) No establishment shall commence or continue operation without a permit or
4 transitional permit issued by the Department. The permit or transitional permit shall be issued
5 to the owner or operator of the establishment and shall not be transferable. If the establishment
6 is leased, the permit or transitional permit shall be issued to the lessee and shall not be
7 transferable. If the location of an establishment changes, a new permit shall be obtained for the
8 establishment. A permit shall be issued only when the establishment satisfies all of the
9 requirements of the rules. The Commission shall adopt rules establishing the requirements that
10 must be met before a transitional permit may be issued, and the period for which a transitional
11 permit may be issued. The Department may also impose conditions on the issuance of a permit
12 or transitional permit in accordance with rules adopted by the Commission. A permit or
13 transitional permit shall be immediately revoked in accordance with G.S. 130A-23(d) for
14 failure of the establishment to maintain a minimum grade of C. A permit or transitional permit
15 may otherwise be suspended or revoked in accordance with G.S. 130A-23.

16 (b1) A permit shall expire one year after an establishment closes unless the permit is the
17 subject of a contested case pursuant to Article 3 of Chapter 150B of the General Statutes.

18 (c) If ownership of an establishment is transferred or the establishment is leased, the
19 new owner or lessee shall apply for a new permit. The new owner or lessee may also apply for
20 a transitional permit. A transitional permit may be issued upon the transfer of ownership or
21 lease of an establishment to allow the correction of construction and equipment problems that
22 do not represent an immediate threat to the public health. Upon issuance of a new permit or a
23 transitional permit for an establishment, any previously issued permit for an establishment in
24 that location becomes void.

25 (c1) The Commission shall adopt rules governing the sanitation of pushcarts and mobile
26 food units. A permitted restaurant or commissary shall serve as a base of operations for a
27 pushcart or mobile food unit.

28 (d) The Department shall charge each establishment subject to this section, except
29 nutrition programs for the elderly administered by the Division of Aging of the Department of
30 Health and Human Services, establishments that prepare and sell meat food products or poultry
31 products, and public school cafeterias, an annual fee of fifty dollars (\$50.00). The Commission
32 shall adopt rules to implement this subsection. Fees collected under this subsection shall be
33 used for State and local food, lodging, and institution sanitation programs and activities. No
34 more than thirty-three and one-third percent (33 1/3%) of the fees collected under this
35 subsection may be used to support State health programs and activities.

36 (d1) The Department shall charge a twenty-five dollar (\$25.00) late payment fee to any
37 establishment subject to this section, except nutrition programs for the elderly administered by
38 the Division of Aging of the Department of Health and Human Services, establishments that
39 prepare and sell meat food products or poultry products, and public school cafeterias, that fails
40 to pay the fee required by subsection (d) of this section within 45 days after billing by the
41 Department. The Department may, in accordance with G.S. 130A-23, suspend the permit of an
42 establishment that fails to pay the required fee within 60 days after billing by the Department.
43 The Department shall charge a reinstatement fee of one hundred fifty dollars (\$150.00) to any
44 establishment that requests reinstatement of its permit after the permit has been suspended. The
45 Commission shall adopt rules to implement this subsection.

46 The clear proceeds of civil penalties collected pursuant to this subsection shall be remitted
47 to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

48 (e) In addition to the fees under subsection (d) of this section, the Department may
49 charge a fee of two hundred dollars (\$200.00) for plan review of plans for prototype franchised
50 or chain facilities for food establishments subject to this section. All of the fees collected under

1 this subsection may be used to support the State food, lodging, and institution sanitation
2 programs and activities under this Part.

3 (f) Any local health department may charge a fee not to exceed two hundred dollars
4 (\$200.00) for plan review by that local health department of plans for food establishments
5 subject to this section that are not subject to subsection (e) of this section. All of the fees
6 collected under this subsection may be used for local food, lodging, and institution sanitation
7 programs and activities. No food establishment that pays a fee under subsection (e) of this
8 section is liable for a fee under this subsection."

9 **SECTION 4.** Article 8 of Chapter 130A of the General Statutes is amended by
10 adding a new section to read:

11 "**§ 130A-248.1. Regulation of lodging establishments.**

12 (a) For the protection of the public health, the Commission shall adopt rules governing
13 the sanitation of lodging establishments.

14 (b) For the protection of the public health, the Commission shall adopt rules governing
15 the sanitation of private homes offering bed and breakfast accommodations to eight or fewer
16 persons per night and rules governing the sanitation of bed and breakfast inns as defined in
17 G.S. 130A-247.

18 (c) For the protection of the public health, the Commission shall adopt rules governing
19 the sanitation and equipment requirements for lodging establishments that prepare and serve a
20 continental breakfast to overnight guests and the price is included in the room rate.

21 (d) The rules adopted by the Commission pursuant to subsection (a) of this section shall
22 address, but not be limited to, the following:

23 (1) Sanitation requirements for cleanliness of floors, walls, ceilings, storage
24 spaces, utensils, ice machines, and ventilation equipment in guestrooms,
25 public spaces, public restrooms, meeting rooms, and stairways.

26 (2) Requirements for:

27 a. Lighting and water supply;

28 b. Wastewater collection, treatment, and disposal facilities; and

29 c. Lavatory and toilet facilities, food protection, and waste disposal.

30 (3) The cleaning and bactericidal treatment of eating and drinking utensils and
31 other food-contact surfaces. The requirement to sanitize multiuse eating and
32 drinking utensils and other food-contact surfaces does not apply to utensils
33 and surfaces provided in the guest room of the lodging unit for guests to
34 prepare food while staying in the guest room.

35 (4) The appropriate and reasonable use of gloves or utensils by employees who
36 handle unwrapped food.

37 (5) The methods of any food preparation, transportation, catering, storage, and
38 servicing.

39 (6) The health of employees.

40 (7) Animal and vermin control.

41 The rules shall contain a system for numerically grading establishments. A numeric score of
42 90 to 100 shall be a Grade A, and a numeric score of 85 to 89 shall be a Grade B. The rules
43 shall be written and enforced in a manner that promotes consistency in both the interpretation
44 and application of the grading system statewide.

45 (e) No establishment shall commence or continue operation without a permit or
46 transitional permit issued by the Department.

47 (f) The permit or transitional permit shall be issued to the owner or operator of the
48 establishment for a specific location and shall not be transferable. If the establishment is leased,
49 the permit or transitional permit shall be issued to the lessee for a specific location and shall not
50 be transferable. A permit shall be issued only when the establishment satisfies all of the
51 requirements of the rules.

1 (g) The Commission shall adopt rules establishing the requirements that must be met
2 before a transitional permit may be issued and the period for which a transitional permit may be
3 issued. The Department may also impose conditions on the issuance of a permit or transitional
4 permit in accordance with rules adopted by the Commission.

5 (h) A permit or transitional permit shall be immediately revoked in accordance with
6 G.S. 130A-23(d) for failure of the establishment to maintain a minimum grade of B. A permit
7 or transitional permit may otherwise be suspended or revoked in accordance with
8 G.S. 130A-23.

9 (i) A permit shall expire 60 days after an establishment closes unless the permit is the
10 subject of a contested case pursuant to Article 3 of Chapter 150B of the General Statutes.

11 (j) If ownership of a lodging establishment is transferred or the lodging establishment
12 is leased, the new owner or lessee shall apply for a new permit. The new owner or lessee may
13 also apply for a transitional permit. A transitional permit may be issued upon the transfer of
14 ownership or lease of an establishment to allow the correction of construction and equipment
15 problems that do not represent an immediate threat to the public health. Upon issuance of a new
16 permit or a transitional permit for a lodging establishment, any previously issued permit for that
17 establishment in that location becomes void.

18 (k) The Department shall charge each lodging establishment an annual fee of one
19 hundred fifty dollars (\$150.00). The Commission shall adopt rules to implement this
20 subsection. Fees collected under this subsection shall be used for State and local food, lodging,
21 and institution sanitation programs and activities. No more than thirty-three and one-third
22 percent (33 1/3%) of the fees collected under this subsection may be used to support State
23 health programs and activities.

24 (l) The Department shall charge a twenty-five dollar (\$25.00) late payment fee to any
25 establishment subject to this section that fails to pay the fee required by this section within 45
26 days after billing by the Department. The Department may, in accordance with G.S. 130A-23,
27 suspend the permit of an establishment that fails to pay the required fee within 60 days after
28 billing by the Department. The Department shall charge a reinstatement fee of one hundred
29 fifty dollars (\$150.00) to any establishment that requests reinstatement of its permit after the
30 permit has been suspended. The Commission shall adopt rules to implement this subsection.
31 The clear proceeds of civil penalties collected pursuant to this subsection shall be remitted to
32 the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

33 **SECTION 5.** G.S. 130A-249 reads as rewritten:

34 **"§ 130A-249. Inspections; report and grade card.**

35 (a) The Secretary may enter any establishment that is subject to the provisions of
36 G.S. 130A-248 for the purpose of making inspections. The Secretary shall inspect each food
37 service establishment at a frequency established by the Commission. In establishing a schedule
38 for inspections, the Commission shall consider the risks to the population served by the
39 establishment and the type of food or drink served by the establishment. Lodging
40 establishments shall be inspected at least once each year. If during an inspection of a lodging
41 establishment the inspector notes what he or she believes to be a violation of the State or a local
42 building code, the inspector shall notify the appropriate building code enforcement authority. If
43 the building code enforcement authority confirms upon inspection that a building code
44 violation exists, then the Secretary may suspend a permit issued under this section until the
45 building code violation has been corrected.

46 (b) The person responsible for the management or control of an establishment shall
47 permit the Secretary to inspect every guest room or other part of the establishment and shall
48 render all aid and assistance necessary for the inspection.

49 (c) The Secretary shall leave a copy of the inspection form and a card or cards showing
50 the grade of the establishment with the responsible person. The Secretary shall post the grade
51 card in a conspicuous place as determined by the Secretary where it may be readily observed by

1 the public upon entering the establishment ~~or upon~~ establishment. For food establishments that
2 provide for picking up food prepared inside but received and paid for outside the establishment
3 through delivery windows or other delivery devices. If a single establishment has one or more
4 outside delivery service stations and an internal delivery system, that establishment shall have a
5 grade card posted where it may be readily visible upon entering the establishment and one
6 posted where it may be readily visible in each delivery window or delivery device upon picking
7 up the food outside the establishment. The grade card or cards shall not be removed by anyone,
8 except by or upon the instruction of the Secretary."

9 **SECTION 6.** G.S. 130A-250 reads as rewritten:

10 **"§ 130A-250. Exemptions.**

11 The following shall be exempt from this Part:

- 12 (1) ~~Establishments that provide lodging described in G.S. 130A-248(a1)~~ A
13 business or private home that provides overnight lodging with four or fewer
14 lodging units.
- 15 (2) Condominiums.
- 16 (3) Establishments that prepare or serve food ~~or provide lodging~~ to regular
17 boarders ~~or permanent houseguests~~ only. However, the rules governing food
18 sanitation adopted under G.S. 130A-248 apply to establishments that are not
19 regulated under G.S. 130A-235 and that prepare or serve food for pay to 13
20 or more regular boarders or permanent houseguests who are disabled or who
21 are 55 years of age or older. Establishments to which the rules governing
22 food sanitation are made applicable by this subdivision that are in operation
23 as of 1 July 2000 may continue to use equipment and construction in use on
24 that date if no imminent hazard exists. Replacement equipment for these
25 establishments shall comply with the rules governing food sanitation
26 adopted under G.S. 130A-248.
- 27 (4) Private homes that occasionally offer lodging accommodations, which may
28 include the providing of food, for two weeks or less to persons attending
29 special events, provided these homes are not bed and breakfast homes or bed
30 and breakfast inns.
- 31 (5) Private clubs.
- 32 (6) Curb markets operated by the State Agricultural Extension Service.
- 33 (7) Establishments (i) that are incorporated as nonprofit corporations in
34 accordance with Chapter 55A of the General Statutes or (ii) that are exempt
35 from federal income tax under the Internal Revenue Code, as defined in
36 G.S. 105-228.90, or (iii) that are political committees as defined in
37 G.S. 163-278.6(14) and that prepare or serve food or drink for pay no more
38 frequently than once a month for a period not to exceed two consecutive
39 days, including establishments permitted pursuant to this Part when
40 preparing or serving food or drink at a location other than the permitted
41 locations. A nutrition program for the elderly that is administered by the
42 Division of Aging of the Department of Health and Human Services and that
43 prepares and serves food or drink on the premises where the program is
44 located in connection with a fundraising event is exempt from this Part if
45 food and drink are prepared and served no more frequently than one day
46 each month.
- 47 (8) Establishments that put together, portion, set out, or hand out only beverages
48 that do not include those made from raw apples or potentially hazardous
49 beverages made from raw fruits or vegetables, using single service
50 containers that are not reused on the premises.

- 1 (9) Establishments where meat food products or poultry products are prepared
2 and sold and which are under inspection by the North Carolina Department
3 of Agriculture and Consumer Services or the United States Department of
4 Agriculture.
- 5 (10) Markets that sell uncooked cured country ham or uncooked cured salted
6 pork and that engage in minimal preparation such as slicing, weighing, or
7 wrapping the ham or pork, when this minimal preparation is the only activity
8 that would otherwise subject these markets to regulation under this Part.
- 9 (11) Establishments that only set out or hand out beverages that are regulated by
10 the North Carolina Department of Agriculture and Consumer Services in
11 accordance with Article 12 of Chapter 106 of the General Statutes.
- 12 (12) Establishments that only set out or hand out food that is regulated by the
13 North Carolina Department of Agriculture and Consumer Services in
14 accordance with Article 12 of Chapter 106 of the General Statutes.
- 15 (13) Single-room occupancy facilities."

16 **SECTION 7.(a)** G.S. 130A-39(b) reads as rewritten:

17 "(b) A local board of health may adopt a more stringent rule in an area regulated by the
18 Commission for Public Health or the Environmental Management Commission where, in the
19 opinion of the local board of health, a more stringent rule is required to protect the public
20 health; otherwise, the rules of the Commission for Public Health or the rules of the
21 Environmental Management Commission shall prevail over local board of health rules.
22 However, a local board of health may not adopt a rule concerning the grading, operating, and
23 permitting of food and lodging facilities as listed in Part 6 of Article 8 of this Chapter and as
24 defined in ~~G.S. 130A-247(1), and a G.S. 130A-247(2)~~. A local board of health may regulate a
25 single-room occupancy facility under an ordinance adopted pursuant to G.S. 153A-134.1 or
26 G.S. 160A-194.1. A local board of health may adopt rules concerning wastewater collection,
27 treatment and disposal systems which are not designed to discharge effluent to the land surface
28 or surface waters only in accordance with G.S. 130A-335(c)."

29 **SECTION 7.(b)** G.S. 130A-138 reads as rewritten:

30 **"§ 130A-138. Operators of restaurants and other food or drink establishments to report.**

31 An operator of a restaurant or other establishment where food or drink is prepared or served
32 for pay, as defined in ~~G.S. 130A-247(4) and (5)~~, G.S. 130A-247(3) and (4), shall report
33 information required by the Commission to the local health director of the county or district in
34 which the restaurant or food establishment is located when the operator has reason to suspect
35 an outbreak of food-borne illness in its customers or employees or when it has reason to suspect
36 that a food handler at the establishment has a food-borne disease or food-borne condition
37 required by the Commission to be reported."

38 **SECTION 8.(a)** Article 6 of Chapter 153A of the General Statutes is amended by
39 adding a new section to read:

40 **"§ 153A-134.1. Regulation, licensing, and inspection of single-room occupancy facilities.**

41 A county may by ordinance, subject to the general law of the State, regulate, license, and
42 inspect facilities offering single-room occupancy as defined by G.S. 130-247(9)."

43 **SECTION 8.(b)** G.S. 153A-149(c) is amended by adding a new subdivision to
44 read:

45 "(19a) Lodging. – To undertake the regulation, licensing, and inspection of
46 single-room occupancy facilities as defined by G.S. 130A-247(9)."

47 **SECTION 9.(a)** Article 8 of Chapter 160A of the General Statutes is amended by
48 adding a new section to read:

49 **"§ 160A-194.1. Regulation, licensing, and inspection of single-room occupancy facilities.**

50 A city may by ordinance, subject to the general law of the State, regulate, license, and
51 inspect single-room occupancy facilities as defined by G.S. 130-247(9)."

1 **SECTION 9.(b)** G.S. 160A-209(c) is amended by adding a new subdivision to
2 read:
3 "(20a) Lodging. – To undertake the regulation, licensing, and inspection of
4 single-room occupancy facilities as defined by G.S. 130A-247(9)."
5 **SECTION 10.** Nothing in this act shall be construed to preempt or otherwise
6 impair a municipality's existing authority to apply nonresidential building standards to lodging
7 establishments.
8 **SECTION 11.** This act becomes effective July 1, 2009.