

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 244
Committee Substitute Favorable 4/25/19

Short Title: Contractor/Subcontractor Compliance.

(Public)

Sponsors:

Referred to:

March 4, 2019

A BILL TO BE ENTITLED

AN ACT REQUIRING ALL CONTRACTORS AND SUBCONTRACTORS DOING
BUSINESS WITH THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE
TO USE E-VERIFY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-48.5 reads as rewritten:

"§ 143-48.5. Contractors must use E-Verify.

(a) No contract subject to the provisions of this Article may be entered into unless the ~~contractor~~ contractor, and the contractor's subcontractors under the contract, comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

(b) A board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, shall be deemed in compliance with this section if the contract includes a term requiring the contractor, and the contractor's subcontractors, to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

(c) Notwithstanding G.S. 64-25(4), for the purposes of this section, the definition of employer shall be any person, business entity, or other organization that transacts business in this State and that employs one or more employees in this State. For the purposes of this section, the definition of employer does not include State agencies, counties, municipalities, or other governmental bodies."

SECTION 2. G.S. 143-129(j) is repealed.

SECTION 3. G.S. 143-133.3 reads as rewritten:

"§ 143-133.3. ~~E-verify~~ E-Verify compliance.

(a) No board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, may enter into a contract subject to the provisions of this Article unless the contractor, and the contractor's subcontractors under the contract, comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

(b) A board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, shall be deemed in compliance with this section if the contract includes a term requiring the contractor, and the contractor's subcontractors, to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

(c) This section shall not apply to any of the following:

(1) Expenses related to travel, including transportation and lodging, for employees, officers, agents, or members of State or local boards, commissions, committees, or councils.

(2) Contracts solely for the purchase of goods, apparatus, supplies, materials, or equipment.



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1 (3) Contracts let under G.S. 143-129(e)(1), (9), or (9a).

2 (4) Contracts let under G.S. 143-129(g).

3 (d) Notwithstanding G.S. 64-25(4), for the purposes of this section, the definition of
4 employer shall be any person, business entity, or other organization that transacts business in this
5 State and that employs one or more employees in this State. For the purposes of this section, the
6 definition of employer does not include State agencies, counties, municipalities, or other
7 governmental bodies."

8 **SECTION 4.(a)** G.S. 64-27 reads as rewritten:

9 **"§ 64-27. Commissioner of Labor to prepare complaint form.**

10 (a) Preparation of Form. – The Commissioner shall prescribe a complaint form for a
11 person to allege a violation of ~~G.S. 64-26~~ G.S. 64-26, G.S. 143-48.5, or G.S. 143-133.3. The
12 form shall clearly state that completed forms may be sent to the Commissioner.

13"

14 **SECTION 4.(b)** G.S. 64-28 reads as rewritten:

15 **"§ 64-28. Reporting of complaints.**

16 (a) Filing of Complaint. – Any person with a good faith belief that a violation of ~~G.S.~~
17 ~~64-26~~ G.S. 64-26, G.S. 143-48.5, or G.S. 143-133.3 has occurred may file a complaint with the
18 Commissioner setting forth the basis for that belief. The complaint may be on a form prescribed
19 by the Commissioner pursuant to G.S. 64-27 or may be made in any other form that gives the
20 Commissioner information that is sufficient to proceed with an investigation pursuant to
21 G.S. 64-29. Nothing in this section shall be construed to prohibit the filing of anonymous
22 complaints that are not submitted on a prescribed complaint form.

23"

24 **SECTION 4.(c)** G.S. 64-29 reads as rewritten:

25 **"§ 64-29. Investigation of complaints.**

26 (a) Investigation. – Upon receipt of a complaint filed in accordance with G.S. 64-28, the
27 Commissioner shall investigate whether a violation of ~~G.S. 64-26~~ G.S. 64-26, G.S. 143-48.5, or
28 G.S. 143-133.3 has in fact occurred.

29"

30 **SECTION 4.(d)** G.S. 64-30 reads as rewritten:

31 **"§ 64-30. Actions to be taken; hearing.**

32 ...

33 (2) If the alleged violation is of G.S. 143-48.5 or G.S. 143-133.3, the
34 Commissioner shall hold a hearing to determine if a violation of the applicable
35 statute has occurred and, if appropriate, shall take action under G.S. 64-33.1."

36 **SECTION 4.(e)** G.S. 64-33.1 reads as rewritten:

37 **"§ 64-33.1. Consequences of violation of G.S. 143-48.5 or G.S. 143-133.3.**

38 For violation of G.S. 143-48.5 or G.S. 143-133.3, the Commissioner shall notify the board or
39 governing body of the State, or of any institution of the State government, or of any political
40 subdivision of the State, found to have committed the violation that the board or governing body
41 of the State, or of any institution of the State government, or of any political subdivision of the
42 State, is in violation of the applicable statute. The Department of Labor shall maintain a list of
43 any boards or governing bodies of the State, or of any institutions of the State government, or of
44 any political subdivisions of the State, issued notices pursuant to this section and shall make that
45 list available on its Web site."

46 **SECTION 5.** This act becomes effective October 1, 2019, and applies to contracts
47 awarded, renewed, or amended on or after that date.