

North Carolina Legislative Update, October 11, 2019

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The impasse between Governor Roy Cooper and the General Assembly over the 2019 budget bill [H966](#) continued this week, as Legislators considered some additional “mini-budget” bills. The House overrode Governor Cooper’s veto of H966 on September 11 and the Senate has yet to schedule an override vote. Legislators have left Raleigh and are expected to return for voting sessions the week of October 21.

“Mini-budget” Bills

The new “mini-budget” bills passed this week would appropriate funds for transportation [H100](#), the GREAT broadband buildout program [H387](#), and implementing the “Raise the Age” law, which shifts 16- and 17-year-old offenders out of the adult court and prison system [H1001](#). All passed by overwhelming margins. In addition, the House passed a bill [S61](#) providing funding for community colleges. That bill now goes to the Senate for consideration.

Mini-budget bills enacted earlier in the session provide funding for rape kits [H29](#), school safety [H75](#), State Highway Patrol raises [H126](#), State employee raises [H226](#), prison funds (including employee salaries) [H609](#), State Bureau of Investigation and Alcohol Law Enforcement raises [H777](#), facilitating the drawdown of federal funds for health and human services and Community Development Block Grants [H961](#), prison safety [S118](#), and disaster relief [S429](#).

A number of important issues addressed in H966 have not yet been addressed in “mini-budget” bills. They include salaries for educators and Medicaid funding.

Tax Changes

The Senate this week passed a bill [H399](#) containing many of the tax changes in the budget bill. Among other things, H399 extends the tax credit for historic rehabilitation and favorable sales tax treatment for motorsports teams and commercial airlines. It also expands the tax credit for mill rehabilitation. H399 does not include the provision from H966 that lowers the franchise tax for businesses or an increase in the standard deduction for personal income taxes. The bill now goes to the House.

Legislative Redistricting

New Legislative district maps recently passed by the General Assembly are now being reviewed by the panel of three State court judges that ordered their redrawing. The new Senate maps are in [S692](#) and the House maps are in [H1020](#). It is uncertain when these judges will issue their ruling.

For more information, contact a member of the Brooks Pierce Government Affairs Team, linked below.