

# Legal Alert: Implications of North Carolina Election Results

11.12.2012

## **President**

President Barack Obama was reelected nationally although former Governor Mitt Romney carried North Carolina by 50% to 48%.

## **Congressional Delegation**

Eight incumbents were reelected.

## **Republicans**

- Renee Elmers (2nd CD)
- Walter Jones (3rd CD)
- Virginia Foxx (5th CD)
- Howard Coble (6th CD)
- Patrick McHenry (10th CD)

## **Democrats**

- GK Butterfield (1st CD)
- David Price (4th CD)
- Mel Watt (13th CD)

New members are marketing consultant and former Congressional staffer Richard Hudson (R-8th CD), who defeated incumbent Democrat Larry Kissell; former State Senator Robert Pittenger (R-9th CD); businessman Mark Meadows (R-11th CD); and former US Attorney George Holding (R-13th CD).

Incumbent Mike McIntyre (D) holds a 507 vote margin over State Senator David Rouzer (R) in the 7th district race. A number of ballots are yet to be counted.

Prior to the election, Democrats held a 7 to 6 margin in the State's US House delegation. After the election, the Republicans will hold a majority of at least 9 to 4.

**Governor:** Former Charlotte Mayor Pat McCrory (R) defeated Lt. Governor Walter Dalton (D) with 55% of the vote. McCrory is moving aggressively on his transition with a press conference in Charlotte on Wednesday, November 7 and a trip to Raleigh on Thursday, November 8 to meet with Governor Beverly Perdue and to begin work on his transition to office. He will be sworn in on January 12.

**Lt. Governor:** In a close race, Raleigh businessman Dan Forest (R) leads former State legislator and State Personnel Director Linda Coleman (D) by about 11,000 votes. Forest has served as a senior partner in an architectural firm and is a graduate of UNC-Charlotte. He is the son of Congresswoman Sue Myrick of Charlotte. This race may be headed for a recount.

**Council of State:** Eight incumbents were elected to Council of State offices.

Democrats reelected were Attorney General Roy Cooper, Auditor Beth Wood, Insurance Commissioner Wayne Goodwin, Secretary of State Elaine Marshall, Superintendent of Public Instruction June Atkinson and Treasurer Janet Cowell.

Republicans reelected were Agriculture Commissioner Steve Troxler and Commissioner of Labor Cherie Berry.

**General Assembly:** The Republicans increased their majorities in both houses of the Legislature. It appears that their margin will grow by 1 in the Senate to 32 to 18 (this margin assumes that Democratic Senator Stan White will hold on to a slim lead in his race) and will grow by 9 in the House to 77 to 43. The General Assembly meets for an organizational session on January 9 and reconvenes for a regular session on January 30. Prior to that time, various important study committees are working on bills that will be introduced next year.

Key Legislative leaders have already indicated that a number of issues will get attention in 2013. Some, such as regulatory reform and increasing energy exploration, build on efforts from the prior two years, while others, such as tax modernization, will get new emphasis.

Senator Bob Rucho (R-Mecklenburg), Co-Chair of the Finance Committee, has been discussing tax modernization for months and speaking favorably about reducing or eliminating both the corporate and personal income tax with some corresponding adjustments in the State sales tax (for example, broadening its coverage to more services) and eliminating various economic incentives. Many observers believe that a tax modernization bill will be introduced when the General Assembly reconvenes in January. Governor-elect McCrory has also indicated that rewriting the State tax code is on his agenda.

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Other issues that will likely get attention in 2013 are the unemployment insurance fund, Medicaid reform, education, transportation and privatization of additional State services.

**Supreme Court and Court of Appeals:** Supreme Court Justice Paul Newby (R) was reelected in a close race over Court of Appeals Judge Jim Ervin (D). Two Democratic incumbents were reelected to the Court of Appeals - Wanda Bryant and Linda McGee - while incumbent Democrat Cressie Thigpen was defeated by Raleigh lawyer Chris Dillion (R).

**PEOPLE**

Ed Turlington