

North Carolina Legislative Update, March 3, 2017

03.03.2017

While various bills made their way through committees and chambers this week, the highlight was the release of Governor Cooper's proposed Budget Recommendations for fiscal years 2017-2018.

Secretary Hall Confirmed

After three declined invitations to testify before a Senate Committee and weeks of legal standoff, Military and Veteran Affairs Secretary Larry Hall was approved Thursday by both the Senate Commerce and Insurance Committee and the Senate Select Committee on Nominations. The recommendation will go before the full Senate for a vote on Monday night.

Partisan Elections (HB100)

A bill sponsored by Representative Justin Burr (R-Montgomery) that would require the political party of a judicial candidate be listed on the ballot passed through the Senate Elections and Rules Committees this week. The bill will now go to the Senate floor, and if approved, to the Governor.

Sunday Brunch (SB155)

A bipartisan bill filed this week seeks to change the blue law that bans the sale of alcohol before noon on Sundays. The proposed law wouldn't allow sale of beer and wine at grocery or convenience stores, but would give restaurants the ability to serve alcoholic beverages beginning at 10am on Sunday.

Regulatory Reform (SB131)

A bill entitled Regulatory Reform Act of 2016, which seeks to adopt all of the regulatory provisions agreed upon by the Senate last year, passed the Senate Natural and Environmental Resources Committee yesterday with an amendment that included changes related to private wells, storm water control, stream mitigation, and Sentinel Landscapes.

Governor's Budget

State Budget Director, Charles Perusse, introduced Governor Cooper's Budget Recommendations to the joint Appropriations Committee yesterday. The proposed \$24.4 billion in spending would amount to a \$1 billion increase over the current fiscal year, representing a 5.1 percent increase in FY 2017-18, followed by a 1.6 percent increase in FY 2018-19. Notably, the recommendations call for the installation of a Film and Entertainment Tax Credit along with a Child-Care and Dependent Tax Credit. [Click here for a full version of the Governor's Budget Recommendations.](#)

- **Education:** The Governor's goals to increase early childhood education rates from 22 percent to 55 percent, raise the high school graduation rate from 85 to 91 percent, and increase the

number of adults with higher education degrees from 38 to 55 percent aim to put North Carolina in the top 10 most educated states by the year 2025. Specifics on how to reach this goal include public school teachers receiving a 10 percent pay increase over the next two years (with an included \$150 stipend for classroom materials), establishing a scholarship program to forgive \$10,000 in loans for students who commit to teaching in public schools for four years, or three years at a low-income or low-performing school, and a commitment to fully fund the NC Promise Program.

- **Health and Human Services:** Cooper's proposed budget calls for the state to fully fund the Medicaid rebase with expansions, increase spending on mental health services by \$152.8 million, and to develop and implement North Carolina Families Accessing Services through Technology (NC FAST), a case management system that seeks to improve the way the NC Department of Health and Human Services (DHHS) and the 100 county departments of social services conduct business while enabling staff to spend less time performing administrative tasks and more time assisting families.
- **Economic Development:** The proposed budget calls for \$85 million for local government infrastructure and assistance, \$10 million for a development fund to assist large manufacturing site projects, \$30 million to attract new projects, \$10 million for downtown revitalizations, and \$20 million to expand broadband— specifically in far west and north east tier 1 and tier 2 counties. The recommendations also call for the higher of a 2 percent or \$800 raise to state employees who are not teachers, along with a \$500 bonus. The proposal calls for a 1.5 percent COLA for retirees.
- **Public Safety:** The proposal would appropriate \$13 million towards reducing recidivism rates, \$1.8 million to the State Crime Lab, and \$2 million in grants to assist local law enforcement in the fight against opioids. The proposal also includes the hiring of 56 new probation officers, a \$5 an hour pay increase for private counsel representing persons declared indigent, and funding to support Raise the Age legislation including \$13 million to support operating costs of a new youth detention center for 16 and 17 year olds in the case that the legislation is approved.
- **Environment:** In addition to investments in the Clean Water Management Trust Fund, the Parks and Recreation Trust Fund, and the Agriculture and Farmland Preservation Trust Fund, the proposal calls for \$2 million to build capacity in areas of erosion control, dam safety, and water quality including coal ash management.
- **Transportation:** The proposed budget would provide an additional \$76 million in FY 2017-18 and over \$114 million in FY 2018-19 to the Highway Fund for highway maintenance, system preservation, and contract resurfacing and over \$153 million in FY 2017-18 and over \$181 million in FY 2018-19 to enhance transportation infrastructure supporting economic growth and job creation. The plan also calls for \$3 million to DMV to help meet customer needs

through online services, additional staff, and a new license office as well as \$11 million to the ferry and rail facilities to upgrade equipment.

- **Disaster Relief:** The Governor has recommended an additional \$100 million be appropriated to assist with disaster relief relating to Hurricane Matthew and the wildfires in the west in addition to adding \$300 million to the state's Savings Reserve.

Bills Filed

House Bills

H198

Repeal Centerville Charter.

H199

Establish Standards for Surgical Technology.

H200

Nonpartisan Redistricting Commission.

H201

NC Constitutional Carry Act.

H202

School Calendar Flex./Rutherford County.

H203

School Calendar Flex./Watauga County.

H204

School-Justice Partnership/Training SROs.

H205

Workers' Compensation/Prison Inmates.

H206

NC Cancer Treatment Fairness.

H207

Motorcycle License/Exempt Antique Scooters.

H208

Occup. Therapy/Choice of Provider.

H209

School Calendar Flex./Certain School Systems.

H210

School Calendar Flexibility/Guilford County.

H211

Increase Sampson County Occupancy Tax Auth.

H212

Zeta Phi Beta Special Registration Plate.

H213

School Calendar Flexibility/Wake County.

H214

Autocycles/No Helmet Required.

H215

State of State.

H216

DOC and JJ Combined Records.

H217

Domestic Violence Fatality Review in Buncombe.

H218

Prohibit Hunting From ROW/Buncombe County.

H219

Transportation Megaproject Funding.

H220

State Infrastructure Bank Revisions.

H221

Repeal HB2.

H222

State Auditor/Sharing Records.-AB

H223

Disabled Veteran Plate for Motorcycles.

H224

Warrant Check of Inmates in Custody.

H225

Property Taken Not Preclude Attempted Robbery.

H226

Consultation Requirements for DHHS.

H227

Preserve Tenancy by the Entirety.

H228

Postpone Assumed Name Revisions.

H229

GSC Technical Corrections 2017.

H230

Revised Uniform Athlete Agents Act.

H231

School Calendar Flex./Martin County.

H232

Main Street Funding for Poorest Counties.

H233

Ban the Box.

H234

School Calendar Flex./Caldwell County.

H235

Teacher Mentor Qualifications.

H236

NCAOC Omnibus Bill.

H237

Amend Expunction.

H238

Economic Security Act of 2017.

H239

Reduce Court of Appeals to 12 Judges.

H240

GA Appoint for District Court Vacancies.

H241

Special Sup. Ct. Judgeship Appointed by GA.

H242

License Plate Reader Systems in State ROWs.

H243

Strengthen Opioid Misuse Prevention (STOP) Act.

H244

Public Participation/Composting Facilities.

H245

Amend W-S Charter/Certain Candidates.

H246

Forsyth Tech Multicampus Funds.

H247

Limit Soldiers' Community College Tuition.

H248

Establish Aging Subcommittee of JLOC HHS.

H249

Economic Terrorism.

H250

Body Art Regulation Changes.

H251

Allow Concealed Carry on UNC & CC Campuses.

H252

Building Code Regulatory Reform.

H253

School Calendar Flex./Certain School Systems.

Senate Bills

S133

Senate 2017 UNC BOG Vacancy Election.

S134

Senate 2017 UNC Board of Governors Election.

S135

Domestic Violence Fatality Review in Buncombe.

S136

Restore Partisan Elections/Sup. & Dist. Court.

S137

Surcharge Transparency.

S138

Accountability for Taxpayer Investment Board.

S139

47th Senatorial District Local Act-1.

S140

Revise State Nature and Historic Preserve.

S141

Designate Official State Gold Festival.

S142

Designate Official State Spider.

S143

CDBG: Modify Uses to Include Scattered Sites.

S144

Fayetteville/Small Business Enterprise Pgm.

S145

Government Immigration Compliance.

S146

Juvenile Reinvestment Act.

S147

Reenact School Sales Tax Holiday.

S148

Juror Excused by Clerk of Sup. Ct.

S149

Modify School Performance Grades.

S150

Auto Ins./Notice to Lienholder of Termination.

S151

Inaccessible Liquid Resources/D-SNAP.

S152

NC Cancer Treatment Fairness.

S153

Military State Income Tax Relief.

S154

Charitable Fundraising for Nonprofit Orgs.

S155

Economic & Job Growth for NC Distilleries.

S156

Plumbing & Heating Contractors Changes.

S157

Amend Laws Regarding Mental Commitment Bars.

S158

English Proficiency Req./Massage Therapy Lic.

S159

Access to Sports/Extracurr. for All Students.

S160

Handicap Parking Privilege Certification.

S161

Conforming Changes LME/MCO Grievances/Appeals.

S162

LEO Assistance and Protection Act of 2017.

S163

Solid Waste Amendments.

S164

27th Senatorial District Local Act-1.

S165

Workers' Comp./Clarify Medicare Methodology.

S166

Expand Local Option Sales Tax for Education.

S167

30th Senatorial District Local Act-1.

S168

Subsidy Recipients to Cooperate/Child Support.

S169

Teaching Excellence Bonus Expansion.

S170

Remove Limits on Light Rail Funding.

S171

Remove Limits on Light Rail Funding.

S172

Remove Limits on Light Rail Funding.

S173

Housing Juveniles Under 18 in County Facility.

S174

Economic Security Act of 2017.

S175

Strengthen Opioid Misuse Prevention (STOP) Act.

S176

Modernize Physical Therapy Practice.

S177

Modernize Physical Therapy Practice.

S178

Ltd. Driving/Remove Wait for First Offense.

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

PEOPLE

Marcus Trathen

Ed Turlington