

## Brooks Pierce Capital Dispatch: Updates from the NC General Assembly and Governor's Office, October 15, 2021

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This week at the General Assembly, negotiations with the Governor over the budget bill continued and members held committee meetings on redistricting.

### **Budget Bill**

Legislative leaders and Gov. Cooper, along with their staffs, continued to discuss the proposed biennial budget bill (S 105) behind closed doors this week. Legislators recently shared their version of the bill with the Governor. Among the issues expected to be resolved through the review and feedback process are the amount of education spending, tax reductions and infrastructure spending. In addition, Gov. Cooper is advocating for an expansion of Medicaid coverage. The length of the budget negotiations is uncertain but both the Governor and Legislative leaders have been quoted in press reports indicating that a budget agreement could be reached by mid- to late-October. Although a new budget bill was not enacted before the end of the state's fiscal year on June 30, state government operations are continuing pursuant to state law with spending at the FY 21 recurring funding levels.

### **Energy Bill**

Gov. Cooper this week signed into law a bill (H 951) that will change energy rate setting and regulation in North Carolina. Among other things, the bill requires the Utilities Commission to take "all reasonable steps" to achieve a 70% reduction in emissions of carbon dioxide from electric utilities from 2005 levels by the year 2030 and carbon neutrality by the year 2050. The new law also authorizes the Commission to use "performance based regulation" that includes multi-year electric rate making and requires the Commission to adopt rules on various matters, including for electric public utilities using bond financing (securitization) of costs associated with early retirement of coal fired electric generating facilities.

### **Redistricting**

Now that public hearings on legislative and congressional redistricting have concluded, legislators continued meeting this week in committees to begin drawing the maps. This process occurs every 10 years after the Census.

### Some Notable Pending Bills

In addition to the significant funding and policy issues that will likely be addressed in the budget bill (S 105), a number of other notable bills are awaiting action. Among those are:

- H 954, which would authorize and regulate video lottery terminals—House Commerce Committee has passed; pending in House Finance Committee
- S 688, which would authorize sports wagering—Senate has passed; pending in House Commerce Committee
- S 711, which would authorize the use of marijuana for certain medical purposes—Three Senate committees have passed it; pending in Senate Rules Committee

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

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