

LEGISLATIVE REPORT September 13, 2019

INTRODUCTION

At an 8:30 a.m. session on Wednesday morning, the House voted to override the Governor's veto of the state budget, as well as his veto of House Bill 555: Medicaid Transformation. The votes were 55-9 and 54-10 respectively, with nearly half of the membership absent. Most of the Democratic members were missing and argued loudly that they were told there would be no votes held that morning, which the Republican House leadership denies.

The budget stalemate has dragged on since June 28th, with the House's Republican majority attempting without success to convince a sufficient number of Democrats to vote with them in overriding the Governor's veto. Because the override vote is always "live" when the House is in session, Democratic members have been diligent about attending each session, going so far as to miss family vacations and legislative conferences, and - in at least one case - coming in during cancer treatment. The word on Jones Street is that Minority Leader Darren Jackson told his caucus members that there would be no votes at the 8:30 session, which was planned to convene and then recess until Wednesday afternoon. Republican leaders, seeing that there were few Democrats in the chamber, decided to call the override vote, despite loud protests from the few minority members present. Whether Minority Leader Jackson was told there would be no votes that morning or not will certainly be hotly debated in the days and weeks to come, but for now legislative action shifts to the Senate. With only one Democratic vote needed, the Senate Republicans are expected to be able to override the vetoes as well. When the Senate vote may be called has yet to be determined.

All of this happened less than 12 hours after State Senator Dan Bishop was declared the winner of the hotly-contested NC09 Congressional special election, along with State Rep. Greg Murphy, who won the NC03 Congressional election easily.

In a 357-page ruling last week, a panel of judges ordered a redraw of North Carolina's legislative maps after finding the current maps to be overly partisan and unconstitutional. The three-judge panel, consisting of two Democrats from Wake and Halifax County and one Republican from Iredell County, were unanimous in this ruling. The judges found that "The North Carolina Supreme Court has long and consistently held that



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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FOR MORE INFORMATION:

Colleen Kochanek
Ashley Matlock Perkinson
Rachel E. Beaulieu
P.O. Box 1038
Wake Forest, NC 27588
919.747.9988
colleen@kochaneklawgroup.com
ashley@perkinsonlawfirm.com
rachel@beaulieuedlaw.com
www.kochaneklawgroup.com

'our government is founded on the will of the people,' that 'their will is expressed by the ballot" and concluded that "it is the carefully crafted maps, and not the will of the voters, that dictate the election outcomes in a significant number of legislative districts and, ultimately, the majority control of the General Assembly."

In their ruling, the judges provided just two weeks for the General Assembly to draw new maps. The judges ruled that new lines can be drawn to protect incumbents from competing against one another but cannot use any other political data. If the legislature cannot produce the new maps within the due date, the judges have acknowledged that they have the jurisdiction to move the primary date for the General Assembly elections, or all of the State's 2020 primaries, should doing so be necessary.

The House and Senate have started the redrawing process, using base maps created by Dr. Chen, a University of Michigan professor whose testimony played a role in convincing the panel of Superior Court judges that the General Assembly maps were unconstitutional. Both chambers have used their own method to rank each of Dr. Chen's maps and have selected base maps from the top scoring maps. In the House, the base maps have double-bunked 13 incumbents, meaning 13 districts have more than one incumbent within a district as redrawn. The base maps have also left 13 districts without an incumbent altogether. The members now have the opportunity to put forward amendments to the maps, specifically to address concerns over double-bunking. Redistricting Chairs have stated that they wish to reach consensus on amendments to the maps, rather than only seeking a majority.

Once legislators have completed the maps, they must go back to the three-judge panel for review. Both parties will have the opportunity to appeal the court's final ruling on the newly drawn maps.

The Court ruled the following House and Senate districts must be redrawn as part of the new maps:

House Districts

- Alamance District 63 (Ross R) District 64 (Riddell R)
- Anson-Union District 55 (Brody R) District 68 (Horn R) District 69 (Arp R)
- o Brunswick-New Hanover District 17 (Iler R) District 18 (Butler D) District 19 (T. Davis R) District 20 (Grange R)
- O Buncombe District 114 (Fisher D) District 115 (Ager D) District 116 (B. Turner D)
- Cabarrus-Davie-Montgomery-Richmond-Rowan-Stanly (except District 66 (Brewer D) shall not be redrawn) District 82 (Johnson R) District 83 (Pittman R) District 67 (Sasser R) District 77 (Howard R) District 76 (Warren R)
- Cleveland-Gaston District 110 (Hastings R) District 111 (Moore R) District 108 (Torbett R) District 109 (Bumgardner R)
- Columbus-Pender-Robeson District 16 (C. Smith R) District 46 (B. Jones R) District 47 (Graham D)
- Cumberland District 42 (Lucas D) District 43 (Floyd D) District 44 (Richardson D) District 45 (Szoka R)
- Duplin-Onslow District 4 (Dixon R) District 14 (Cleveland R) District 15 (Shepard R)
- Franklin-Nash District 7 (Barnes R) District 25 (Gailliard D)
- Forsyth-Yadkin District 74 (Conrad R) District 75 (Lambeth R) District 71 (Terry D) District 72 (Montgomery D) District 73 (Zachary R)
- o Guilford (except that House Districts 57 (Clemmons − D), 61 (Harrison − D), and 62 (Faircloth − R) shall not be redrawn, and any portions of House District 59 (Hardister − R)

- added by the Covington Special Master shall not be altered) District 58 (Quick D) District 60 (Brockman D)
- Lenoir-Pitt District 12 (Humphrey R) District 8 (K. Smith D) District 9 (Murphy R)
- Mecklenburg District 88 (Belk D) District 98 (Clark D) District 99 (Majeed D)
 District 100 (Autry D) District 101 (Logan D) District 102 (Carney D) District 103 (Hunt D) District 104 (Lofton D) District 105 (Harris D) District 106 (Cunningham D) District 107 (K. Alexander D) District 92 (Beasley D)

Senate Districts

- Alamance-Guilford-Randolph (except Senate Districts 24 (Gunn R) and 28 (Robinson D) shall not be redrawn, and any portions of Senate District 27 (Garrett D) added by the Covington Special Master shall not be altered) District 26 (Tillman R)
- Bladen-Brunswick-New Hanover-Pender District 8 (Rabon R) District 9 (Peterson D)
- Buncombe-Henderson-Transylvania District 49 (Van Duyn D) District 48 (Edwards R)
- Davie-Forsyth District 31 (Krawiec R) District 32 (Lowe D)
- O Duplin-Harnett-Johnston-Lee-Nash-Sampson District 10 (B. Jackson R) District 12 (Burgin R) District 11 (Horner R)
- o Franklin-Wake − District 18 (J. Alexander − R) District 14 (Blue − D) District 15 (Chaudhuri − D) District 16 (Nickel − D) District 17 (Searcy − D)
- Mecklenburg District 37 (J. Jackson D) District 38 (Mohammed D) District 39 (Bishop R) District 40 (Waddell D) District 41 (Marcus D)

Governor Cooper has signed into law multiple mini budget bills that will give North Carolina employee raises. In separate bills that have been passed, raises will go to SBI, ALE, SHP, correctional officers, and state employees. The pay raise appropriations total over \$900 million. House Bill 126 appropriates more than \$10.5 million to increase pay for State Highway Patrol Officers by 5 percent over the next two years and also funds the annual year over year step increases for officers. House Bill 777 appropriates over \$5 million to provide SBI and ALE officers at least a 5 percent raise over the biennium, raising their starting pay to a minimum of \$45,000, with an average increase for officers tied to this new salary schedule of 14 percent. House Bill 609 appropriates more than \$92 million over the biennium for raises and bonuses to correctional officers and permanent employees of adult correctional facilities with the Department of Public Safety. House Bill 226 appropriates more than \$800 million to provide a five percent raise to state employees over the next two years. The bill also funds the retirement system and the state health plan. Gov. Cooper issued a statement saying while he appreciates our hardworking state employees, he believes teachers shouldn't receive a smaller pay raise than other state employees. The governor donated his own raise to Donors Choose, a site that raises money for teachers' projects and supplies.

This week the Senate passed House Bill 29 and House Bill 75 and sent them over to the House for concurrence. Both are nearly identical to the provisions in the vetoed state budget. In an effort to clear more than 15,000 untested evidence kits held by law enforcement agencies, House Bill 29 "Standing Up for Rape Victims (SURVIVOR) Act" would allocate \$6 million over two years to help the Department of Justice test the backlog of sexual assault kits and would require the kits be submitted to the State Crime Lab within 45 days. House Bill 75 would provide \$68.6 million over two years to fund grants for additional school resource officers, school safety training, safety equipment, student crisis services, school mental health support staff, and school psychologists.

This bill differs from what was provided for in the vetoed budget by also allowing the Department of Public Safety to use part of its budget for eight full-time State Bureau of Investigation agents to work on the Behavioral Threat Assessment program.

BILL UPDATES

<u>HOUSE BILL 29</u>, <u>Standing Up for Rape Victims Act of 2019</u>, was heard as a Proposed Committee Substitute (PCS) in the Senate Appropriations Committee. The PCS makes the following changes to the second edition:

- establishes a protocol for statewide sexual assault examination kit testing;
- allows active or retired law enforcement officers to serve on review teams in addition to
 prosecutors, sexual assault nurse examiners, victim advocacy groups, and representatives
 from a forensic laboratory on the review teams that must be established by any law
 enforcement agency that possesses a sexual assault examination kit completed on or before
 January 1, 2018;
- adds a new requirement for the State Crime Lab to report to the specified NCGA committee by March 1, 2020, on the use of funds appropriated by the act to test sexual assault evidence collection kits;
- appropriates \$3 million in nonrecurring funds to the Department of Justice for each fiscal year of the 2019-21 fiscal biennium for testing of untested sexual assault examination kits;
- clarifies that the funds are to supplement rather than supplant existing funds providing for DNA testing to the State Crime Lab; and
- provides that the act applies to CODIS hits received on or after the date the act becomes law.

The bill as amended was approved by the Senate Appropriations Committee and will next be considered by the Full Senate.

HOUSE BILL 211, Various DMV Changes, as amended in the Conference Committee would:

- require all registration plates to be replaced every seven years, and require the Division of Motor Vehicles (DMV) to replace special registration plates on July 1, 2021, and other registration plates beginning on July 1, 2020;
- exempt from the safety helmet requirement operators and passengers of an autocycle that is equipped with a roll bar or roll cage; and
- direct the Joint Legislative Transportation Oversight Committee to study the feasibility of making digital license plates publicly available as an alternative to traditional physical registration plates, and to report to the 2020 General Assembly.

The bill as amended by the Conference Committee will next be heard on the House and Senate floor where they will vote on the amended bill.

HOUSE BILL 555, Medicaid Transformation Implementation, is the legislation that would provide funding, in lieu of a budget, to fund Medicaid's transition to managed care. The bill was vetoed by Governor Cooper on August 30th and after that veto the transition for two of the regions was delayed so that the entire State will start the new Medicaid model in February, 2020. On Wednesday, the House voted to over-ride the veto of the bill by a vote of 54-15 in the same controversial manner as the over-ride vote for the Budget. The bill will next be considered by the Senate Rules Committee.

HOUSE BILL 655, NC Health Care for Working Families, is Rep. Donny Lambeth's legislation that would expand Medicaid with the addition of work requirements and premiums for recipients and was seen as the possible negotiating tool with the Governor on the budget stalemate. The bill

was heard in the House Health Committee back in July and has been sitting on the calendar since then without a vote. On Wednesday, the bill moved off the calendar and back to the House Health Committee. Speaker Moore has indicated that this move is a fulfillment of his earlier promise to consider Medicaid expansion after a successful over-ride vote on the budget, which also happened on Wednesday (as described above). More action on the bill is expected next week. **The bill will next be considered by the House Health Committee.**

SENATE BILL 432, Birth Center & Pharm Benefits Mgr. Licensure, was heard in the House Finance Committee, where a committee substitute was approved. The new version would make changes to the proposed pharmacy benefit manager licensure and oversight process. It would also make changes to current statute to explicitly forbid a pharmacy benefit manager from prohibiting or restricting a pharmacist from dispensing any particular prescription drug allowed to be dispensed under a license to practice pharmacy. The new version removes a clarification regarding pharmacists' right to refuse to fill or refill a prescription but adds language prohibiting a pharmacy benefit manager from coercing, steering, or enticing an insurance provider or an insured person to other entities that operate under the umbrella of the pharmacy benefits manager. The bill as amended was approved by the House Finance Committee and will next be considered by the House Rules Committee.

Colleen Kochanek
 NCCEP Legislative Counsel
 Kochanek Law Group
 919.274.0982
 <u>colleen@kochaneklawgroup.com</u>
 <u>www.kochaneklawgroup.com</u>

Ashley Matlock Perkinson Perkinson Law Firm 919.210.8209 ashley@perkinsonlawfirm.com

Rachel E. Beaulieu Rachel E. Beaulieu Law Office, PLLC 919.896.6296 Rachel@BeaulieuEdLaw.com

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