



INTRODUCTION

BORN-ALIVE ABORTION SURVIVORS ACT

As the House and Senate negotiate the budget, only a handful of bills have been able to move through the legislative process with most still in Rules. Notably, the House did take up their veto override vote on Senate Bill 359, the “Born-Alive Abortion Survivors Act.” The Republican-controlled chambers moved to override Gov. Cooper’s veto of the controversial bill last month. The Senate successfully voted to override the Governor’s decision, but the House vote failed to reach the 60 percent majority vote needed to complete the override. The chambers, which both held Republican supermajorities last session, had overridden many of Gov. Cooper’s vetoes for the past two years with ease. With Democrats gaining seats and breaking the supermajorities last election, it is clear that Gov. Cooper’s vetoes will be much more difficult to be overridden now.

THE CRAFT BEER DISTRIBUTION AND MODERNIZATION ACT

After many years of debate over North Carolina’s self-distribution cap and franchise laws, brewers and wholesalers have also reached a compromise that will provide the craft brewers with greater opportunity to independently distribute and expand their businesses. The Craft Beer Distribution and Modernization Act also has ended Craft Freedom’s 2-year lawsuit challenging North Carolina’s self-distribution and franchise laws, which many brewers have found to be less than business-friendly as it often forces brewers to forfeit self-distribution rights and sign with a wholesaler into a nearly unbreakable contract. This legislation will raise the annual production cap from 25,000 barrels to 50,000 barrels annually without having to sign with a wholesaler, so long as their total sales volume does not exceed 100,000 barrels annually. This will also create a new, mid-level permit category of brewers who produce less than 100,000 barrels annually. The Craft Beer Distribution and Modernization Act received overwhelming bipartisan support and was signed into law last week by Governor Cooper.



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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REDISTRICTING LAWSUIT

The redistricting lawsuit was shaken up this past week with new shocking evidence suggesting that North Carolina Republicans misled a federal court to prolong the usage of gerrymandered maps for legislative state districts. The Republicans told the court that they would not have enough time to draw new districts and hold public hearings in time for a special election to be held in late 2017 or early 2018. This led the federal court to decide to not call a special election, leaving the current veto-proof Republican supermajority in both chambers for an additional year. A look through the hard drives of a deceased Republican strategist, Thomas Hofeller, proved this to be untrue. The hard drives showed that at the time of the federal court hearing almost all of the proposed new boundaries had already been drawn for over 90% of the Senate and House districts.

Rep. David R. Lewis, told reporters in the wake of this news on Thursday that legislators accurately described how they drew the 2017 maps. "I really can't speak to what's in those reports," he said. "I can tell you that all of the maps that I produced and I presented to the people and to the committee were drawn on a state computer on state time in the two-week allotted time period that we were given." In earlier proceedings, lawyers for Republican leaders had argued that the cited maps could have been work Hofeller did as a paid adviser in the lawsuit or could simply have been drawn out of Hofeller's personal interest on his own time. Voting-rights advocates, the national parties, and other interested parties are sure to take particular interest in Hofeller's hard drives and whether or not these storage devices should see the light of day, as lawyers for Republican leaders have already demanded that Hofeller's hard drives be returned to his estate and copies be destroyed.

BILL UPDATES

HOUSE BILL 288, First Aid Safety Training in Schools, would:

- require instruction in first aid and emergency care education be provided for K-12 students, including teaching CPR, the Heimlich maneuver, use of an automated external defibrillator when available, and beginning in 6th grade, bleeding control;
- require instruction in CPR and the Heimlich maneuver be hands-on so that students pass a test approved by the American Heart Association or the American Red Cross;
- add successful completion of CPR instruction to high school graduation requirements;
- direct DPI, in conjunction with local boards, to provide professional development training for educators and support personnel to implement the education program;
- require that each local board must make annual instruction in first aid and lifesaving techniques available to employees, including CPR, the Heimlich maneuver, and the use of an automated external defibrillator when available;
- require the placement of at least one trauma kit in each classroom;
- require biannual training on the appropriate use of a trauma kit for all school personnel who are reasonably expected to use the kit;
- grant limited civil immunity to public school units and their members, employees, designees, agents, and volunteers for any acts or omissions related to the use of trauma kits; and
- appropriate \$10 million in nonrecurring funds to place trauma kits in classrooms.

Introduced by Representatives Henson, Torbett, Lewis and Murphy and referred to the House Committee on Education – K-12.

HOUSE BILL 391, Passenger Protection Act. The provisions of this bill were removed in the House Transportation Committee and replaced with new provisions that would:

- amend Transportation Network Company (TNC) safety requirements by requiring:

- a TNC to specifically include in their records each driver's name and current address of drivers for one year from the date the driver terminated their relationship with the company a TNC;
- a TNC driver to display the vehicle's license plate number in a location that is visible from the front of the vehicle;
- a TNC driver to display consistent and distinctive signage or emblems while a TNC driver is active on the TNC digital platform or when providing a TNC service;
- raise the TNC driver statutory minimum age requirement from 19 years old to 21 years old;
- create a criminal offense for impersonating a TNC driver. Impersonating a TNC driver during the commission of a separate felony offense would be a Class H felony, and any other violation would be a Class 2 misdemeanor;
- establish an 11-member Commission to Study Transportation Network Company Passenger Safety; and
- provide \$100,000 to the UNC Board of Governors to develop and implement an awareness campaign to educate students at constituent institutions on what information a TNC must provide to help customers identify TNC drivers.

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

LEGISLATION ENACTED

HOUSE BILL 70, Delay NC HealthConnex for Certain Providers, was approved by the House and the Senate and signed into law by the Governor on June 6th. The final legislation will:

- modify the deadlines given to certain providers to begin participation in North Carolina's Health Information Exchange (HIE) Network;
- extend the mandatory deadline to begin submitting demographic data from June 1, 2019, to June 1, 2020;
- ensure that payment for Medicaid services is not denied for providers who did not connect by the previous deadline of June 1, 2019 but do so by the new deadline of June 1, 2020;
- extend the deadline for licensed physicians whose primary area of practice is psychiatry to begin submitting demographic and clinical data to June 1, 2021;
- require State healthcare facilities operated under the jurisdiction of the Secretary of the Department of Health and Human Services (DHHS), including State psychiatric hospitals, developmental centers and residential treatment centers for children, to begin submitting claims data by June 1, 2021;
- add the State Health Plan to the Department of Information Technology and the Department of Health and Human Services as agencies that must be consulted in setting a process for granting extensions for connecting to the HIE Network and granting such extensions;
- prohibit granting an extension for connecting to the network that would result in connecting to the network and commencing data submission later than June 1, 2020, except for ambulatory surgical centers, dentists, psychiatrists, pharmacies and state health care facilities, which may not receive extensions past June 1, 2022.
- require DHHS to establish a process to grant exemptions to Medicaid providers and other State-funded health care services for whom acquiring and implementing an electronic health record system and connection to the HIE network would be an undue hardship;
- prohibit granting any exemption that would result in a class of provider connecting to the HIE Network and submitting data later than December 31, 2022;

- add that **ten specified categories of providers, including I/DD providers, who provide services to Medicaid and other State-funded health care program beneficiaries who receive Medicaid or other State funds are not required to connect to the HIE Network or submit data, but may do so voluntarily;**
- make all data submitted to or through the HIE Network containing protected health information or personally identifying information that is in the possession of a State agency confidential and not a public record; and
- remove proposed increases in the membership of the North Carolina Health Information Exchange Advisory Board.

Effective: June 6, 2019.

HOUSE BILL 388, Immunizing Pharmacists, was approved by both the House and the Senate and signed into law by the Governor on June 3rd. The final legislation will:

- add vaccines and immunizations that an immunizing pharmacist can administer to those 18 years and older, including Serogroup B meningococcal vaccines, Human papillomavirus vaccine, and Hepatitis A vaccine;
- reduce the age of those to whom immunizing pharmacists can administer the influenza vaccine from 14 years old to 10 years old;
- allow immunizing pharmacists to administer an influenza vaccine to those at least 6 years old if prescribed by a provider following a physical exam; and
- require a group of specified stakeholders to develop a standard screening questionnaire and safety procedures for written protocols for Human papillomavirus vaccine and Hepatitis A vaccine immunizations given by immunizing pharmacists.

Effective: The immunizing pharmacist provisions are effective October 1, 2019. The remaining provisions are effective June 3, 2019.

HOUSE BILL 646, ID Approval/Flex Muni One-Stop. This legislation will:

- clarify the approval process for student and employee identification cards for voting purposes to require the submission documentation satisfactory to the State Board that specified criteria been met and will not knowingly be violated with regard to student/employee identification cards issued during the approval period, including that (1) the photograph obtained (i) is a frontal image that includes the student's/employee's face and (ii) represents a clear, accurate likeness of the student/employee to whom the identification card is issued. If the photograph is one not produced by the university or college or its agents or the state or local government entity or charter school, it must certify in detail the process used to ensure the photograph is that of the student/employee to whom the identification card is issued and shall certify that the process is designed to confirm the identity of the student to whom the identification card is issued; and (2) access to the equipment for producing the identification cards is restricted through security measures;
- provide an additional window for approval of student and employee identification cards for the 2020 elections;
- require the State Board to publish sample student identification cards for each participating university and college;
- provide that an approved student identification card or employee identification card without a printed expiration date is eligible for use in any election held before January 1, 2021; and
- provide flexibility in the number of hours of early one-stop voting in odd-numbered year elections to allow county boards of elections by unanimous vote of all its members to propose a Plan for Implementation providing for sites in that county for absentee ballots to be applied for and cast in elections conducted in odd-numbered years. The proposed Plan

for implementation must specify the hours of operation for the county board of elections for an election conducted in that county for that odd-numbered year.

Effective: June 3, 2019.

SENATE BUDGET

Perhaps the most important part of the Senate's Health and Human Services budget was what was left out. As expected, Medicaid expansion was not included in the budget, just as in the House budget, setting up a possible showdown with Governor Cooper.

Another issue that made lots of news and took many by surprise was the Senate's inclusion of \$250 million to move the headquarters of the Department of Health and Human Services from the Dorothea Dix campus in Raleigh to Granville County. Apparently neither the Governor's office, who oversees DHHS as the head of the Executive Branch, nor the Department itself knew that this provision would be in the Senate budget proposal.

Tensions between UNC and Vidant Health spilled over into the Senate budget as well. The disagreement stems from Vidant's move to strip the UNC Board of Governors of the right to appoint trustees for Vidant Medical Center, which serves as the teaching hospital for ECU's Brody School of Medicine. The Senate stepped in and inserted language in the budget that would treat Vidant Medical Center like any other private hospital under the state's Medicaid plan, cutting \$35 million in Medicaid reimbursement from the facility.

Other health provisions in the Senate budget include:

- Elimination of certificate of need for ambulatory surgery facilities, operating rooms, kidney treatment centers, intermediate care facilities, psychiatric hospitals and other mental health facilities.
- \$1.8 M in each year of the biennium in nonrecurring funds for temporary, short-term financial assistance to group homes for those eligible for Medicaid-covered personal care services prior to Jan. 1, 2013 but determined to be ineligible for PCS on or after Jan. 1, 2013 and who have continuously resided in a group home since Dec. 31, 2012.
- Increasing the Special Assistance Personal Needs Allowance for people in adult care homes from \$46 to \$58 a month.
- \$51.4M in cuts to MCOs' single stream funding, a method of paying for services for individuals who have a diagnosis of mental illness, a developmental disability, a substance abuse issue or a combination.
- \$70M in "flexible" administrative cuts to DHHS over two years.
- \$35.4M for 100 new school psychologists.
- \$10.9 million in 2019-2020 and \$21.7 million in 2020-2021 for 1,000 new innovations waiver slots for people with intellectual and developmental disabilities.
- \$4.9M in 2020-2021 for staffing and additional beds at the new Broughton Hospital.
- \$15M for substance abuse treatment programs.
- \$100,000 for naloxone, the opioid overdose reversal medication.
- \$4.5 million in non-recurring funds for the Rural Health Loan Assistance Repayment program to help recruit providers to rural areas.
- \$500,000 for a telehealth pilot project at Southeastern Regional Medical Center in Lumberton.
- Increased the amount allocated to local school districts for children with disabilities for the 2019-20 and 2020-21 fiscal years from \$4,442.34 per pupil to \$4,455.99.

HOUSE BILL 966, 2019 Appropriations Act. The House did not agree to the budget changes made by the Senate and a Conference Committee of House and Senate members was appointed to work out the differences between the two versions. The Conferees are:

House

Rep. Linda P. Johnson (Senior Chair)
Rep. Donny Lambeth (Senior Chair)
Rep. Jason Saine (Senior Chair)
Rep. Dean Arp (Chair)
Rep. William D. Brisson (Chair)
Rep. Josh Dobson (Chair)
Rep. John Faircloth (Chair)
Rep. Chuck McGrady (Chair)
Rep. Jimmy Dixon
Rep. Kyle Hall
Rep. Pat McElraft
Rep. Larry C. Strickland
Rep. Jon Hardister
Rep. Kelly E. Hastings
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley
Rep. John Sauls
Rep. George G. Cleveland
Rep. Dennis Riddell
Rep. Gregory F. Murphy, MD
Rep. Larry W. Potts
Rep. Donna McDowell White
Rep. Destin Hall
Rep. Brenden H. Jones
Rep. James L. Boles, Jr.
Rep. Ted Davis, Jr.
Rep. Allen McNeill
Rep. Rena W. Turner
Rep. Frank Iler
Rep. Michele D. Presnell
Rep. Phil Shepard
Rep. John A. Torbett
Rep. David R. Lewis
Rep. John R. Bell, IV
Rep. Julia C. Howard
Rep. Mitchell S. Setzer
Rep. John Szoka
Rep. Elmer Floyd
Rep. Charles Graham

Senate

Sen. Harry Brown (Chair)
Sen. Kathy Harrington (Chair)
Sen. Brent Jackson (Chair)
Sen. Chuck Edwards
Sen. Rick Gunn
Sen. Andy Wells
Sen. Jim Davis
Sen. Tom McInnis
Sen. Deanna Ballard
Sen. Jerry W. Tillman
Sen. John M. Alexander, Jr.
Sen. Rick Horner
Sen. Dan Bishop
Sen. Joyce Krawiec
Sen. Danny Earl Britt, Jr.
Sen. Warren Daniel
Sen. Norman W. Sanderson
Sen. Ralph Hise
Sen. Paul Newton
Sen. Bill Rabon

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