



INTRODUCTION

Believe it or not, we are still in the legislative session that started in January, 2021. While budget negotiations continue, redistricting public comment has been going on around the State and very little other legislative work is being done. Please see below for a breakdown of what's been happening on Jones Street.

BUDGET UPDATE

House Speaker Tim Moore and Senate leader Phil Berger ironed out the remaining differences between the chambers and have announced that their consensus budget is ready to be sent to Democratic Governor Roy Cooper. Leadership has been trying to keep the details of their agreement under lock and key, believing this will help promote more transparent and frank negotiations with the Governor. Speaker Moore did say that the package would have record spending for transportation, capital, and public education, as well as a tax cut package.

When asked his thoughts on how the budget negotiations may go with the Governor, Speaker Moore acknowledged that they “will probably run into some sticking points,” but expressed his hope that they won’t have an issue like last time “where one issue held up the process.” Gov. Cooper vetoed the 2019 budget largely over the topic of Medicaid expansion. Since taking office in 2017, Gov. Cooper has never signed a two-year budget into law. Speaker Moore acknowledged there were some policy-related provisions in the budget that he “would expect the Governor may not immediately embrace.” Public education is also expected to be a negotiating obstacle. Gov. Cooper has made it clear that he would like to see the final budget include enough funding to implement the Leandro Comprehensive Remedial Plan. This plan outlines actions the State should take to meet its constitutional obligation under the Leandro court rulings to ensure every student has access to a “sound basic education.” The Cooper administration has said this plan would require \$1.7 billion in new spending; the House and Senate have proposed spending much less on these “Leandro” items.

This joint budget proposal has come together seven weeks after the House approved its version of the budget. The Senate approved their proposal in June. Although it took over seven weeks for the Republican majority House and Senate to reach



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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an agreement on a budget, the Speaker is hopeful that negotiations with the Governor won't take nearly as long. If an agreement can't be reached between the three, the Republican-led chambers could pack up and leave negotiations with the Governor and vote to pass a budget on their own. This approach would run the risk of a veto, but Republican leadership feels more confident this go-round that they could garner enough Democratic support to override a veto. At least, that is the sentiment in the House. "In the event we reach a sticking point ... we feel very confident that we have the votes in the House to override a (budget) veto should one happen," Speaker Moore said. The Governor was optimistic last week that it wouldn't come to that, and that they would get to a budget that he could sign into law. "I look forward to the coming days, and that hopefully we can reach a budget agreement," Gov. Cooper told a gubernatorial commission on education funding.

REP. DANA BUMGARDNER

We are saddened to report that the General Assembly lost a member over the weekend. Rep. Dana Bumgardner has passed away following his battle with cancer. He was 67 years old. The Gaston County Republican was serving his fifth term in the North Carolina House for District 109. "Dana was a principled man who fought hard for his constituents in Gaston County. He was quick-witted, principled, and never afraid to speak up for what was right," Speaker Moore said in a statement following the passing of his friend and colleague. While Rep. Bumgardner was never afraid of a tough legislative battle, he always did so with grace and was friendly with his colleagues on both sides of an issue." Rep. Bumgardner will be greatly missed.

ENERGY BILL

Last Friday, legislators announced that an agreement has been made on the long-negotiated energy bill, House Bill 951. This bill will call for a substantial reduction in carbon emissions from electric plants moving forward, and will change the way the N.C. Utilities Commission approves electricity rate increases. The agreement was announced in a joint statement by Republican leadership and Democratic Governor Roy Cooper.

Senate President Pro-Tem Phil Berger said the legislation shows "North Carolina's leaders are committed to pro-growth energy policies." Speaker of the House Tim Moore said lawmakers "have a responsibility to be good stewards of our natural resources, while also maintaining low costs for citizens and businesses, and this bill achieves each of those goals." Gov. Roy Cooper, in a joint statement with Senate Minority Leader Dan Blue and House Minority Leader Robert Reives, suggested this bill has something for nearly everyone. "This bipartisan agreement sets a clean energy course for North Carolina's future that is better for the economy, better for the environment, and better for the pocketbooks of everyday North Carolinians," he said in their statement.

Some advocacy groups still argue that this measure will be too expensive for customers and businesses even after changes were made. Despite those concerns, this bill passed quickly this week, moving through various Senate committees and passing the Senate, 42-7, and the House on a concurrence vote, 90-20. The Governor has already signed this significant piece of legislation into law.

ELECTION INTEGRITY ACT

After having never been heard in a committee room since its filing in March, a Proposed Committee Substitute (PCS) to House Bill 259 was heard in the Committee on Election Law and Campaign Finance Reform this week. The bill maintains its original language, requiring that all voting systems used for elections in the state be made in the United States, but also adds a proposal to use juror information to keep more non-U.S. citizens off of the state's voter rolls. This language has been seen before in a 2019 bill that was ultimately vetoed by Gov. Cooper. At that time, Gov. Cooper said that the bill would increase the risk that legitimate citizens would be denied the right to vote due to bad jury-excusals information.

Under this bill, clerks would be required to maintain records of people asking to be excused from jury duty due to disqualification. If they are disqualified due to citizenship, clerks would be required to share those records with the State Board of Elections (State Board). The State Board would then be required to review the voter registration and citizenship status of the people identified. Unless the State Board could determine that the individual has become a United States citizen since the date of the person's jury disqualification, the State Board would be required to send the individuals' information to the appropriate county board of elections. The county board would then give 30 days' written notice to voter's registration address or mailing address; if the voter does not object, the county board would remove their name from its registration records.

The bill appeared to be voted out of House Elections on a party-line vote. Despite pushback from Democratic members, the bill's referral to the Rules Committee was stricken and it will go to the House floor on Tuesday.

SENATE BILL 360, PROHIBIT COLLUSIVE SETTLEMENTS BY THE AG

As expected, the Governor vetoed Senate Bill 360. This bill would forbid the Attorney General from settling lawsuits that involve the General Assembly without leadership's approval. "This bill is unconstitutional and unwise, and would prevent the Attorney General from doing his job to protect the people of North Carolina," Gov. Cooper said in a statement. It is unlikely this bill will be brought up for an override vote given the party-line votes it saw in both the House and Senate.

HOUSE COMMITTEE ON ALCOHOLIC BEVERAGE CONTROL

The House ABC Committee, joined by members of the Senate Commerce Committee, met last Wednesday to discuss liquor distribution and warehousing with the ABC Commission and its contractor, LB&B Associates. Lawmakers spent over two hours trying to determine what's going on with the N.C. ABC Commission and LB&B Associates, and who's to blame for the liquor shortages and supply chain issues ABC stores are experiencing throughout the state. After the meeting, House ABC Chairman Tim Moffitt said he now has more questions than answers. The committee referred the issue to the Joint Legislative Commission on Governmental Operations to continue to dig deeper into what is causing bare shelves throughout the state.

REP. CHARLES GRAHAM ANNOUNCES CONGRESSIONAL RUN

Democratic Representative Charles Graham has announced his run for North Carolina's 9th Congressional District this week. He is currently serving his sixth term in the North Carolina House representing Robeson County. Former Republican state Senator, Congressman Dan Bishop currently holds this seat.

BILL UPDATES

HOUSE BILL 259, Election Integrity Act. Several changes were made to this bill in the House Election Law and Campaign Finance Reform Committee, including provisions that would:

- require the State Board of Elections to mandate that all voting systems, including software, used for elections be manufactured in the US by a company organized and doing business in the United States;
- add United States citizenship to the qualifications of prospective jurors;
- require all applications for excuses from jury duty to allow specification for the reason(s) for excusal based on disqualification, including noncitizenship status;
- require the clerk of superior court to retain the name and address provided by each person who requests to be excused from jury duty on the basis of disqualification, along with the reason for that request, for the remainder of the biennium, and provide that the records are not public record and may be destroyed at the end of each biennium;

- require the clerk to quarterly electronically report to the State Board of Elections persons disqualified due to lack of US citizenship and the date of disqualification and require the State Board of Elections to use the information to remove names from lists of registered voters;
- direct the State Board of Elections to review the voter registration and citizenship status of each person identified in a clerk's quarterly report of jury duty disqualifications based on US citizenship and distribute to each county board of elections a report of the persons identified who are registered to vote in that county; and
- require the State Board to report its post-election audits to various NCGA committees and require post-election audits for general elections to include: (1) a summary of the types of post-election audits required by law and the requirements for conducting each of the audits; (2) a summary of the results of each of the described post-election audits; (3) a detailed description of each of the described post-election audits, including any issues that could have affected the outcome of the election and the manner in which those issues were resolved; (4) a description of any systemic issues that were identified during the post-election audits and any recommendations on the manner in which those issues should be addressed to ensure election security and integrity; (5) the ways in which the public was allowed to observe and comment on the conduct of the post-election audits, as authorized by law; and (6) any other matters deemed appropriate by the State Board.

The bill as amended was approved by the House Election Law and Campaign Finance Reform Committee and is scheduled to be heard by the full House on October 20th.

SENATE BILL 360, Prohibit Collusive Settlements by the AG. On September 27th, Governor Cooper vetoed this bill that would require joint approval of the Speaker of the House and the President Pro Tempore of the Senate before entry of a consent judgment, or proposed settlement agreements or other like agreements, when a dispute, claim, or controversy is challenging a statute or State constitutional provision and the Speaker and the President Pro Tempore have jointly intervened on behalf of the NCGA, or are otherwise jointly named in their official capacities as parties. In his veto, the Governor states, “This bill is unconstitutional and unwise, and would prevent the Attorney General from doing his job to protect the people of North Carolina.”

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