



INTRODUCTION

BUDGET

House and Senate leaders have reached an agreement on the overall spend for this biennium's budget. In 2023-2024, the state plans to spend approximately \$29.7 billion and will follow the next year spending roughly \$30.8 billion. "Reaching this agreement with the Senate on the overall spend is an encouraging start to crafting another responsible budget that addresses the needs of North Carolinians, including key investments in teacher and state employee raises, infrastructure, and workforce development," Speaker Moore said in a press release.

The budget process is ticking away and will be even further down the road once the Governor releases his budget proposal. This will be our first real glimpse at our State Departments' funding requests for this biennium.

MEDICAID EXPANSION

The House and Senate's Medicaid expansion agreement has been made public and swiftly moved through Senate Committees last week, with votes on the Senate floor this week. The Senate put the compromise language in the House's Medicaid expansion bill, House Bill 76, which was passed by the House last month. As expected, this new version comes with a catch: the expansion portion of the bill would not become law until a new state budget is enacted, and would be voided if there isn't a new state budget by June 30, 2024.

CRITICAL INFRASTRUCTURE

Following the December attack on two Duke Energy substations in Moore County, legislators have decided it was time to re-evaluate the penalties for such an attack. Senate Bill 58, Protect Critical Infrastructure, increases penalties for acts of damage to energy facilities and for trespassing at such facilities. The bill was approved by the Senate Judiciary Committee last week and will be heard next in Senate Rules.

ENERGY MARKET STUDY

A report on electricity market reform to South Carolina's General Assembly could have a ripple effect in North Carolina. The "preliminary and confidential draft" encourages the joining of a multi-state grid operator and emphasizes that both Carolinas should join. Specifically, the report suggests both



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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Carolinas join the PJM Interconnection, which includes 13 states currently. PJM also has territory in northeastern North Carolina. The report projects an annual savings up to \$362 million for South Carolina ratepayers. Given our state's size relative to South Carolina, we can only assume it'd be far more for North Carolina. This study was commissioned by the South Carolina General Assembly in 2020 to consider the benefits of more competition in energy markets, including joining a regional transmission organization (RTO).

This report will likely rekindle legislative interest in this topic. Rep. Larry Strickland has for years led an effort for North Carolina to follow suit and do its own market reform study. Duke Energy, the main electric public utility in both the Carolinas, has been ardently opposed to RTOs, or even the study of such a measure, even as they currently push for a 33% rate increase for its North Carolina customers.

UNC NURSING PLEDGE

Joanne and William Conway Jr. have made a \$5 million pledge to UNC-Chapel Hill to support nursing students and develop nurse educators. This gift more than doubles the annual scholarship funding available for the University's baccalaureate program.

STATE OF THE STATE

During his State of the State address on Monday, Gov. Cooper emphasized the need to continue to invest in our schools, mental health services, infrastructure, the economy, and our workforce. Gov. Cooper highlighted our state's economic feats, including being named the #1 state for business last year. He went on to talk about the number of quality jobs our state has brought in, specifically noting jobs in the clean energy sector. Of course, the Governor also took the time to praise our state leaders for reaching an agreement on Medicaid expansion, something he has prioritized since his first days as Governor. He gave a preview of some of his budget proposals, including more behavioral health services, teacher raises and increases in public safety measures. His budget will not include any tax increases.

"Time and again, overcoming adversity, our leaders had the foresight and the resolve to invest in new ideas that have revolutionized our state, impacting the generations that followed," said Governor Cooper. "And while we stand on their shoulders, we also stand at an altogether new crossroads. One that demands we have the same clarity of purpose, the same innovation, the same determination that brought us here. Our moment to build enduring prosperity is now. And I know that North Carolina is ready."

BILLS OF INTEREST

HOUSE BILL 274, Grandfather Provisional License Modification, would extend the expiration of the level 2 limited provisional license requirement modification that requires a person to hold a limited learner's driving permit for at least six months (instead of 12 months) before obtaining a limited provisional driving license. **Introduced by Representatives von Haefen and Hawkins and referred to the House Transportation Committee.**

HOUSE BILL 281, Allow ERPOs to Prevent Suicides and Save Lives, would:

- authorize the issuance of an extreme risk protection order to restrict temporarily a person's access to firearms if there is evidence that the person poses a danger of physical harm to self or others;

- require a court to order the seizure of any firearm, ammunition, or permits that the defendant failed to surrender after the issuance of an emergency or ex parte domestic violence protective order.

Introduced by Representatives Morey, John, Autry, and Harrison and referred to the House Rules Committee.

HOUSE BILL 289, Gun Violence Prevention Act, is identical to Senate Bill 210, summarized below in this Legislative Report. **Introduced by Representatives Harrison, Morey, Autry, and Price and referred to the House Rules Committee.**

HOUSE BILL 293, Freedom to Vote, would provide over \$18.9 million to the State Board of Elections for each year of the 2023-2025 fiscal biennium to secure election integrity, support county boards of elections, and improve voter services. Additionally, the bill would: (1) clarify laws and prohibit voter intimidation; (2) improve voting access and encourage voting by establishing online voter registration; (3) expand early one-stop voting hours on Saturdays and Sundays; (4) Revise the laws pertaining to list maintenance; and (5) study creating a nonpartisan process for redistricting certain elections. **Introduced by Representatives Buansi, Dahle, Ball, and Morey and referred to the House Rules Committee.**

HOUSE BILL 302, NC Adopt ERA, would ratify and affirm the Equal Rights Amendment to the United States Constitution. **Introduced by Representatives von Haefen, Cunningham, Price, and Prather and referred to the House Rules Committee.**

HOUSE BILL 303, Reduce Early One-Stop Voting Days, would amend the period for one-stop voting from no earlier than the second Saturday (was, third Thursday) before an election, until no later than 3:00 pm on the last Saturday before the election. **Introduced by Representatives Davis, Cleveland, Clampitt, and Humphrey and referred to the House Election Law and Campaign Finance Reform Committee.**

HOUSE BILL 304, Election Day Integrity Act, is identical to Senate Bill 88, summarized in the February 14, 2023, Legislative Report. **Introduced by Representatives Davis, Warren, Cleveland, and Humphrey and referred to the House Election Law and Campaign Finance Reform Committee.**

HOUSE BILL 309, Inspection of Low-Speed Vehicles, would require low-speed vehicles to undergo an annual safety inspection and direct the Division of Motor Vehicles to adopt rules for the inspection of low-speed vehicles and the licensure of low-speed vehicle inspectors, including rules governing the use of mobile inspection stations by licensed inspectors. **Introduced by Representative Iler and referred to the House Transportation Committee.**

HOUSE BILL 316, Respiratory Care Modernization Act, would update the General Statutes governing the practice of respiratory care to better reflect the changes in education, experience, and practice of the profession. The bill would create the practice of advanced practice respiratory therapy and define the advanced respiratory care practitioner as a person licensed in this State who has gained additional specialized knowledge, skills, and experience through a postgraduate advanced practice respiratory therapy program of study and is authorized to perform advanced respiratory therapy practices under the supervision of a physician licensed to practice medicine. **Introduced by Representatives Moss, Sasser, and Potts and referred to the House Health Committee.**

HOUSE BILL 321, Reduce Maternal Morbidity/Mortality/Medicaid, would help reduce maternal morbidity and mortality through the implementation of rate increases for obstetrics maternal bundle payments for pregnancy care and additional Medicaid add-on rates and covered services. The bill includes an appropriation of \$2.8 million in recurring funds each year of the 2023-2025 fiscal biennium to implement the Medicaid-related changes and provide a State match for \$5.5 million in recurring federal funds for each year of the 2023-2025 fiscal biennium. **Introduced by Representatives Willis, Clemmons, Wheatley, and Crawford and referred to the House Appropriations Committee.**

HOUSE BILL 322, Tri-Share Child Care Pilot Fund, would provide \$900,000 in each of the next three years to the Department of Health and Human Services, Division of Child Development and Early Education, in collaboration with the North Carolina Partnership for Children, Inc., to establish a three-year pilot project to implement the Tri-Share Child Care program. The program is a public/private partnership to share the cost of child care equally between employers, eligible employees, and the State to: (1) make high-quality child care affordable and accessible for working families; (2) help employers retain and attract employees; and (3) help stabilize child care businesses across the State. An employee would be eligible to participate in the program if the employee (i) is employed by a participating employer, (ii) has a household income between 185% and 300% of the federal poverty level, and (iii) is not otherwise eligible for subsidized child care. Within six months after completion of the pilot project, the Division would report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on: (1) the number of children served; (2) total project costs; (3) the amount of funds needed to expand the program statewide; (4) the list of participating employers; and (5) other relevant information. **Introduced by Representatives Willis, Clemmons, Hardister, and Lofton and referred to the House Appropriations Committee.**

HOUSE BILL 326, NC Time Zone/Observe DST All Year, would designate the standard time of the State to observe Daylight Saving Time throughout the year. **Introduced by Representatives Saine, Willis, Warren, and K. Hall and referred to the House Federal Relations and American Indian Affairs Committee.**

HOUSE BILL 335, No Privilege Tax for Certain Professions, is identical to Senate Bill 182, summarized in the March 9, 2023, Legislative Report. **Introduced by Representative Tyson and referred to the House Finance Committee.**

HOUSE BILL 336/SENATE BILL 263, Healthy Schools – A Nurse in Every School, would require at least one school nurse in every public school unit beginning in the 2023-2024 school year. **Introduced by Representatives Ball, Lambeth, White, and Stanton-Williams and referred to the House Appropriations Committee. The Senate bill is introduced by Senators Adcock, Hise, and Barnes and referred to the Senate Appropriations Committee.**

HOUSE BILL 338, Lifetime Concealed Handgun Permit, would amend the statutes regarding of concealed handgun permits to:

- modify the definition of *permit* to account for both types of concealed handgun permits - *fixed duration permits* and *lifetime permits*, as defined;
- specify that a lifetime permit is valid throughout the State until revoked or surrendered;
- require a permit holder to notify the sheriff in the county where they reside of any change of address (currently, holder must notify the sheriff who issued the permit of a change of address);
- require permit applications to indicate the type of permit sought; and

- limit renewal provisions to fixed duration permits, and allow renewal applicants to indicate whether the permit holder would like the renewal to be for a fixed duration permit or a lifetime permit.

Introduced by Representatives Adams and Kidwell and referred to the House Rules Committee.

HOUSE BILL 340, Medicaid Children & Families Specialty Plan, is identical to Senate Bill 156, summarized in the February 28, 2023, Legislative Report. **Introduced by Representatives Lambeth, Loftis, Potts, and Sasser and referred to the House Health Committee.**

SENATE BILL 206, Stop Counterfeit Pills, would amend the North Carolina controlled substances act to establish new violations involving counterfeit controlled substances and establishing and revising penalties for violations. **Introduced by Senator McInnis and referred to the Senate Health Committee.**

SENATE BILL 210, Gun Violence Prevention Act, would enact a variety of provisions related to assault weapons and long guns, waiting periods for purchasing firearms, safe storage and reporting of lost/stolen firearms, prohibiting certain sales and possessions, establishing a roster of handguns, allowing the destruction of seized firearms, and repealing the "stand your ground laws" and codifying common law regarding use of force against an intruder, among other provisions. **Introduced by Senators Marcus, Murdock, and Garrett and referred to the Senate Rules Committee.**

SENATE BILL 215, Allow ERPOs to Prevent Suicides & Save Lives, is identical to House Bill 281, summarized above in this Legislative Report. **Introduced by Senators Mayfield, Chaudhuri, and Marcus and referred to the Senate Rules Committee.**

SENATE BILL 225, Act to Permit Local Gov to Enact Rent Control, would remove the content of the current statute that prohibits a county or city from enacting, maintaining, or enforcing any ordinance or resolution which regulates the amount of rent to be charged for privately owned, single-family or multiple unit residential or commercial rental property. **Introduced by Senator Grafstein and referred to the Senate Rules Committee.**

SENATE BILL 226, Freedom to Vote, is identical to House Bill 293, summarized above in this Legislative Report. **Introduced by Senators Smith, Robinson, and Grafstein and referred to the Senate Rules Committee.**

SENATE BILL 231, NC Adopt ERA, is identical to House Bill 302, summarized above in this Legislative Report. **Introduced by Senators Murdock, Marcus, and Mayfield and referred to the Senate Rules Committee.**

SENATE BILL 234, Taxpayer Transparency Act, would require county/city assessor, within 30 days of the completion of the revaluation of real property, to see that notice of the following is given in writing to the owner:

1. the appraised value of the property based upon the most recent revaluation;
2. the appraised value of the property based upon the revaluation immediately preceding the most recent revaluation;
3. the percentage increase or decrease between those two values;
4. the total ad valorem tax due on the property in the year immediately preceding the most recent revaluation;

5. the total ad valorem tax that would be due on the property based on the appraised value of the property pursuant to the most recent revaluation and the property tax rate applicable in determining number 4 above;
6. the annual property tax revenue for the county/city or town for revalued real property for every year of the prior revaluation cycle; and
7. the projected annual property tax revenue for the county/city or town for the revalued real property based on the appraised value of the property pursuant to the most recent revaluation in the county/city or town and the property tax rate applicable in determining number 4 above.

Introduced by Senators Daniel, Perry, and Galey and referred to the Senate Finance Committee.

SENATE BILL 236, Modernize Audiology Practice Laws, would update the General Statutes governing the practice of audiology to extend the definition of the practice of audiology to include performing basic health screenings, preventing hearing loss by designing, implementing and coordinating industrial, school and community-based hearing conservation programs, fitting of middle ear implantable hearing aids; and providing audiologic treatment services for infants and children with hearing impairment. The bill also provides that over-the-counter hearing aids are not appropriate for individuals under the age of 18. **Introduced by Senators Corbin, Krawiec, and Adcock and referred to the Senate Rules Committee.**

SENATE BILL 239, Reduce Barriers to State Employment, is identical to House Bill 210, summarized in the March 9, 2023, Legislative Report. **Introduced by Senators Corbin, Lee, and Johnson and referred to the Senate State and Local Government Committee.**

SENATE BILL 247, Amend Use of Defensive Force, would provide that the presumption of a person having a reasonable fear of imminent death or serious bodily harm to himself or herself or another when using defensive force of a home, motor vehicle, or workplace does not apply if the person entering or attempting to enter the property is an emergency medical services personnel or firefighter in the lawful performance of his or her official duties. The bill provides that the person entering or attempting to enter must give appropriate notice of the person's identity, and purpose for entering or attempting to enter. **Introduced by Senators Mayfield and Woodard and referred to the Senate Rules Committee.**

SENATE BILL 254, Government Transparency Act of 2023, would amend provisions regarding State personnel recordkeeping by each department, agency, institution, commission and bureau of the State, to require records to show the date and general description of the reasons for each promotion, demotion, dismissal, transfer, suspension, or separation. The bill would provide that nothing in the statute authorizes the disclosure of any confidential information protected by HIPAA, the Americans with Disabilities Act, or other applicable law, and would require that for the general descriptions of the reason for each promotion, demotion, dismissal, transfer, suspension, or separation: (1) no general description can disclose information otherwise prohibited from disclosure by an applicable law; and (2) the general description must become part of the record upon the later of the expiration of the time period to file an appeal or a final decision entered in that administrative appeals process. The bill would make the same changes to that information that is considered public record for LME/MCOs, local governments, water and sewer authorities, public health authority employee information, and public hospital employee information that is public record. **Introduced by Senators Sanderson, Rabon, and Meyer and referred to the Senate Rules Committee.**

SENATE BILL 293, Tri-Share Child Care Pilot Fund, is identical to House Bill 322, summarized above in this Legislative Report. **Introduced by Senators Burgin, Chaudhuri, and Krawiec and referred to the Senate Appropriations Committee.**

SENATE BILL 294, Reduce Maternal Morbidity/Mortality/Medicaid, is identical to House Bill 321, summarized above in this Legislative Report. **Introduced by Senators Burgin, Chaudhuri, and Krawiec and referred to the Senate Appropriations Committee.**

BILL UPDATES

HOUSE BILL 76, Access to Healthcare Options, is the Medicaid Expansion bill that includes the terms agreed to by Speaker Moore and Sen. Berger. The latest version of the bill reflects the changes approved by both Senate and House leadership. Provisions included in the bill as filed in the House to provide aid to counties for Medicaid redetermination and assistance to individuals pursuing medical careers, were removed. However, these provisions may be included in the budget bill that will be developed later this session. Here are the major provisions of the bill:

- DHHS will be required to enter into negotiations with the Centers for Medicare and Medicaid Services as soon as it receives any indication that CMS will authorize work requirements as a condition of participation in the Medicaid program.
- The State's Certificate of Need laws will change by amending the threshold criteria for diagnostic centers;
- Psychiatric facilities and chemical dependency treatment facilities will be removed from the definition of health service facility and therefore not subject to the CON process.
- The bill will exempt from certificate of need review a new institutional health service if it receives prior written notice from the proposing entity to allow a licensed home care agency to provide early and periodic Screening, Diagnosis, and Treatment services to children up to 21 years of age in compliance with federal Medicaid requirements;
- Eliminate the CON exemption for chemical dependency or substance abuse service facilities for inmates and offenders;
- Expand Medicaid eligibility to individuals under 65 years old who are not pregnant, not already eligible or enrolled for Medicaid coverage, and whose income does not exceed 133% of the poverty line for the relevant family size;
- Provide that the Department of Health and Human Services must provide coverage through an Alternative Benefit Plan and under a program called NC Health Works. The coverage will be effective Jan 1, 2024; DHHS and all county social services departments shall begin accepting applications and enrolling eligible individuals no later than December 1 of this year.
- Provide that the General Assembly will plan to fully fund the nonfederal share of NC Health Works through increases in tax revenue from increased healthcare facility receipts, assessments of hospitals, and savings to the state attributable to NC Health Works
- provide that beginning October 1, 2023, public and private acute care hospitals shall be assessed each quarter an amount that is a percentage of each hospital's costs based on a formula determined by the legislation and calculated by DHHS;
- create the Healthcare Access and Stabilization Program to increase Medicaid reimbursement rates to acute care hospitals. The hospital assessments will fund the increased reimbursements.

The bill as amended in the Senate Health Committee was approved by various Senate Committees and will next be considered by the full Senate.

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