



INTRODUCTION

Budget discussions in the state legislature between the House and Senate are at an impasse as Republican leaders argue over the allocation of a \$1 billion surplus for the new fiscal year starting in July. Speaker Moore announced plans to release the House's budget proposal this week. "This is the Plan B on the budget," Moore said. "But while we've not been able to reach an agreement with the Senate, we're tired of waiting. We're going to move on, and get a budget done." Moore indicated that the House's spending plan would be filed by Monday night, and is scheduled to be in House Appropriations on Tuesday, then voted on Wednesday. He expressed frustration with the Senate's lack of urgency, noting that the current fiscal year ends in less than three weeks. Senate leader Berger quickly responded to the news, declaring the proposal will be dead on arrival in their chamber.

Currently, last year's budget is in place and will rollover if a new budget is not enacted, but it excludes the \$1 billion surplus. The House wants to use this surplus for raises or bonuses for state workers, additional child care subsidies, and increased private school tuition vouchers, each potentially costing hundreds of millions of dollars. The Senate, however, is more cautious about these expenditures. "We've spent a decade and a half trying to make sure that we don't fall into the same trap that the Democrats fell into," Berger said, referring to when Republicans took the majority in 2010. "Which is, 'If you've got the money, spend it.' I'm disappointed that that's the position they've taken." Berger supports increasing private school tuition funding but is hesitant about additional pay for state workers and child care subsidies. He indicated a willingness to let the surplus roll into the state's savings account if no agreement is reached. Berger also told reporters that he still hopes to more or less end this short session on June 30th, with or without a new budget.

HOUSE BILL 287, HEALTH CARE OMNIBUS

The Health Care Omnibus bill was reviewed by the Senate Health Committee last week as a Proposed Committee Substitute (PCS) which amends the previous bill. In addition to the original provisions aimed at educating patients on the dangers of opioids and the use of opioid antagonists, the PCS encompasses several other healthcare policies. These include establishing a pathway to independent practice for Licensed



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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Psychological Associates after 4,000 hours of supervision, updating the nomination process for the Psychology Board, and removing rehabilitation facilities and beds from the certificate of need review. The bill passed unanimously and will next be considered by the Senate Rules Committee.

HOUSE BILL 1024, NONCONSENSUAL BOOTING AND TOWING REFORM

A bill set out to create a regulatory framework for nonconsensual towing and booting in North Carolina is moving forward. The bill would create a Towing and Recovery Commission, require towing businesses to obtain permits from the Commission, create a nonconsensual towing database for use by the public and towing businesses, create signage regulations, and require motorists to move over for public service vehicles.

POTENTIAL CONSTITUTIONAL AMENDMENTS

Senate leader Berger has told reporters that he is considering a number of constitutional amendments to put on the ballot in November. One constitutional amendment proposal that we have already seen gain traction by Republican leaders in the House is a proposed constitutional amendment to reinforce the existing ban on immigrant voting. This measure passed House Elections last week and is now in House Rules. A recent poll from the 501c4 Carolina Partnership for Reform may shed some light on what Senate leader Berger's other potential constitutional amendments might be. Here are the five potential amendments:

- Reduce the maximum allowable income tax rate in North Carolina from seven percent to four percent
- Prohibit non-citizens from voting in elections in North Carolina
- Require voters to provide photo identification before voting without exceptions
- Repeal the literacy test as a requirement to vote
- Adopt term limits for North Carolina Supreme Court justices limiting them to serving two, twelve-year terms term (Notably, this proposal would secure Republican control of the NC Supreme Court through the next redistricting cycle)

BILL UPDATES

HOUSE BILL 98, Right to Try Individualized Treatments, was amended by the Senate Judiciary Committee to completely remove the previous contents and replace it with language that authorizes a patient to request and a manufacturer to provide the patient with an individualized investigational drug, biological product or device that is unique and produced exclusively for use by the specific patient. Eligible patients include those who have:

- a life threatening or severely debilitating illness;
- considered all other treatment options approved by the US Food and Drug Administration;
- received a recommendation from the treating physician for use of an individualized product;
- given informed consent in writing;
- documentation from the treating physician that the patient meets all the above criteria.

A manufacturer may provide an individualized product to a patient at no cost or for a charge but is not required to provide an individualized product to a patient. No licensing board or entity responsible for Medicare certification shall take action against a health care provider based solely on the provider's recommendation to a patient regarding an individualized treatment. **The bill was approved by the Senate Judiciary committee and will next be considered by the Senate Rules Committee.**

HOUSE BILL 228, Rev. Laws Tech., Clarifying, & Admin. Chngs., received technical corrections in the Senate Finance committee regarding Medicaid Hospital Assessments to:

- modify the definitions of “Consumer Price Index: All Urban Consumers,” “Consumer Price Index: Medical Care,” and “Medicare Economic Index;”
- adjust the calculation of the state and county administration components;
- adjust the private and public hospitals historical assessment shares; and
- add a category of “rural emergency hospital.”

The bill was approved by the Senate Finance committee and will next be considered by the Senate Rules Committee.

HOUSE BILL 287, Health Care Omnibus, was amended by the Senate Health Care Committee to modify the previous content regarding opioid antagonist education and add several provisions. The new version allows pharmacists to make required information available in electronic or paper form. It extends the exception for Medicaid coverage through prepaid health plans for prison inmates post-release for a limited period of time and adds an exception for inmates in non-prison detention settings whose Medicaid eligibility has been suspended. It includes the NC Association of Professional Psychologists as part of the nominating committee for members of the NC Psychology Board. It also removes rehabilitation facilities and facility beds from certificate of need review.

The bill authorizes licensed psychological associates to engage in independent practice without supervision by a licensed psychologist if the licensed psychological associate:

- has 4,000 hours of post-licensure experience;
- documents that all performance ratings for the 4,000 hours have been average or above average; and
- submits an application for independent practice with proof of the 4,000 hours of experience.

It also prohibits licensed psychological associates from practicing neuropsychology or forensic psychology without demonstrating specialized education and training in these areas. **The bill was approved by the Senate Health Care committee and will next be considered by the Senate Rules Committee.**

HOUSE BILL 563, Hemp-Derived Consumables/Con Sub Changes, was amended in the Senate Judiciary Committee to, among other changes:

- narrow the scope of new GS Chapter 18 to only regulate hemp-derived consumable products and remove provisions pertaining to regulation of Kratom products from the act;
- increase the legal age to give, possess, purchase, sell Products to 21 and over (was, 18 and over) and make conforming changes throughout GS Chapter 18D to reflect the new age requirement;
- remove provision allowing sale of Product to an underaged person with parental consent;
- require public school governing bodies to adopt written policies prohibiting the use of hemp-derived consumable products on school buses or school transportation service vehicles; and
- create several new felonies for exposing a child to a *controlled substance* (defined as a controlled substance, controlled substance analogue, drug, marijuana, narcotic drug, opiate, opioid, opium poppy, poppy straw, or targeted controlled substance).

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

HOUSE BILL 864, PFAS Pollution and Polluter Liability, was amended in the House Environment Committee to

- amend the definition of *permissible concentration level* to mean any maximum contaminant level that may be established by the EPA for the per- and polyfluoroalkyl substances (PFAS) compound in question, or combined compounds;
- amend the type of *PFAS manufacturers* from facilities to persons and removes production of PFAS precursors from the definition;
- require the Secretary of Environmental Quality to determine that the responsible party is a *PFAS manufacturer*, that the manufacturer has discharged or released PFAS into the environment that has caused or contributed to the presence of PFAS in the public water system, and that the concentration of PFAs in the public water system has exceeded a permissible concentration level; and
- reduce the appropriation from \$2 million to \$300,000 for 2024-25 from the General Fund to the Department of Environmental Quality to implement the act.

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

HOUSE BILL 939, Access to Transcranial Magnetic Stimulation, was amended in the House Health Committee to require that healthcare providers or facilities offering transcranial magnetic stimulation procedures must have the treatment of mental disorders within their scope of practice for the procedures to receive insurance coverage. The amendment also clarifies that it is within the discretion of the insurer to determine whether to cover such procedures, the indications for which the procedures will be covered, requirements for coverage, and reimbursement rates. Reimbursement rates may differ based on several factors, including participation in the insurers network. **The bill was approved by the House Health committee and will next be considered by the House Appropriations Committee.**

HOUSE BILL 1029, Right to Try Individualized Treatments, was amended by the House Health Committee to split the definition of “life-threatening or severely debilitating illness” into two separate definitions of “life-threatening illness” and “severely debilitating illness” and defines the two terms. The amendment also clarifies that denial of Medicaid coverage for individualized treatment is not a violation of the prohibition against a state official blocking access to such treatment. **The bill was approved by the House Health committee and will next be considered by the House Appropriations Committee.**

HOUSE BILL 1056, PA Licensure Interstate Compact, was amended in the House Rules Committee to clarify that the rules of the PA Licensure Compact Commission may not modify or expand the scope of practice of a PA as allowed by the laws of a participating state. **The bill was approved by the House Rules committee and the full House and will next be considered by the Senate Rules Committee.**

SENATE BILL 640, Amend Occupational Licensing Board Statutes, was amended by the House Judiciary 2 Committee to completely remove the previous contents and replace it with language regarding occupational licensing board regulations, which include the North Carolina Medical Board. The provisions include the:

- adoption of rules for disciplinary and enforcement actions;
- investigation of unlicensed activity;
- injunctive relief;
- jurisdictional disputes between boards; and
- development of a complaint process.

The bill was approved by the House Judiciary 2 committee and will next be considered by the House Rules Committee.

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