

# NC Legislative Update: July 19, 2019

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Legislators spent a short week in Raleigh with the Senate holding session Monday and Tuesday, and the House working Monday through Wednesday. Despite being on the calendar every day, the House has still not taken a vote on Governor Cooper's veto of the budget. The State is currently operating under a statutory continuing resolution that keeps spending levels at last year's levels until a new budget is adopted.

The Senate has announced that they will be in town for several days next week and then may adjourn for an indefinite amount of time. House Speaker Tim Moore has indicated that the House will stay in session until a budget deal is struck.

In a press conference this week, Senate leader Phil Berger listed his remaining priorities outside of a budget for the session as Certificate of Need (CON) reform, the annual Farm Act, the Excellent Public Schools Act, and an adjournment resolution.

WRAL: <https://www.wral.com/no-end-in-sight-for-state-budget-fight/18513333/>

## Senate Spending Bill

The Senate Appropriations Committee amended House Bill 961 to add provisions that will ensure that the State can spend federal grant money in light of the budget stalemate. The bill contains provisions that are usually included in the budget, and legislators feared that the continuing resolution that is currently in place would not allow the State to spend federal dollars. The bill largely involves grants received by the Department of Health and Human Services (DHHS), but also contains authorization to spend disaster relief money, and agriculture assistance dollars. The House passed a similar bill last week that contained more funding, but is also intended to ensure federal grants will be available.

## Certificate of Need Reform

The Senate Health Committee voted to approve a controversial bill reforming the State's Certificate of Need (CON) laws. The Senate has tried

several times this year to pass CON reform, but have not had the votes to get it further than committee, having to pull the bill from the calendar and send it back to committee for modifications. House Bill 126 is the latest effort, and contains increases for spending thresholds, limits on how long a CON can be held, exemptions for home health care and behavioral health, and a CON repeal for dialysis in counties over 300,000 in population. The bill is not expected to move in the House if it gets there, but many people believe that the Senate will have trouble passing the bill out of their own chamber.

## Announcement for Governor

North Carolina Representative Holly Grange announced this week that she will run for Governor in 2020. Representative Grange was appointed to the NC House in 2016 to fill former Representative Rick Catlin's term and she has won reelection twice. She will likely face Lieutenant Governor Dan Forrest in a Republican primary.

*WRAL*: <https://www.wral.com/republican-lawmaker-running-for-governor/18517340/>

## Hemp Controversy

The House Finance Committee approved the 2019 NC Farm Act this week, but not before amending the bill's controversial hemp section. Federal law changes last year have opened the door for states to legalize hemp production and hemp derived products. The Senate version of the bill allowed for smokable hemp products, which are some of the most profitable use of the plant. However, many members of the House have concerns with smokable hemp, and an amendment was adopted in the Finance Committee to outlaw smokable hemp.

Advocates for smokable hemp say that it is a vital revenue stream for hemp growers and that farmers will struggle to make the industry profitable without it. Opponents of smokable hemp call it a backdoor path to marijuana legalization and say that it will make the law hard to enforce. Prosecutors and law enforcement groups worry that since hemp looks and smells similar to marijuana, it will prevent them from having probable cause when enforcing other laws. They claim that the smell of marijuana is a common way to obtain probable cause, and this bill will take that away.

In the new version of the Farm Act, one section states that the term marijuana includes smokable hemp. In an abundance of caution, the House also included the same language equating smokable hemp with marijuana in a separate controlled substance bill they were hearing in the Judiciary Committee the same day.

*WRAL*: <https://www.wral.com/house-looks-to-define-smokable-hemp-as-marijuana/18515437/>

## 2019 Session Laws

The following 122 bills have become law this session:

1. SB 7: Bipartisan Ethics Appointments
2. SB 75: Restore Ct. of Appeals Membership
3. SB 77: Ag Disaster Fund/Certain Counties

4. SB 214: Ensure Orderly 2019 Elections
5. SB 12: Fill Certain Vacancies/Alexander & Burke Co.
6. SB 56: Revenue Laws Technical Changes
7. SB 4: Extend Terms of 2 Members/Coastal Carolina CC
8. SB 272: Zoning for University Facilities-Durham
9. SB 6: Dare County/CC Construction Funds
10. SB 162: Loan Origination/Late Payment Charge Changes
11. HB 263: Fill Vacancies/Modify 2018 Appointments
12. SB 63: City of Kannapolis/Annexation
13. HB 130: Allow Game Nights
14. SB 505: Rural Job Retention Act
15. SB 605: Highway Storm Recovery Act
16. HB 1014: 2020 Census VTD Verification Program
17. SB 310: Electric Co-Op Rural Broadband Services
18. HB 363: Craft Beer Distribution & Modernization Act
19. HB 233: State Auditor/Local Finance Officer Amends
20. HB 532: DNCR Add New Trails & Various Changes
21. HB 388: Immunizing Pharmacists
22. HB 646: ID Approval/Flex Muni One-Stop
23. HB 70: Delay NC HealthConnex for Certain Providers
24. HB 9: Bessemer City Charter Amendment
25. HB 201: Randolph Co. Register of Deeds Tax Cert
26. SB 252: Dental Bill of Rights
27. SB 138: Even-Yr Municipal Elections/Town of Black Mtn.
28. SB 139: Even-Yr. Municipal Elections/Town of Montreat
29. HB 336: Extend Suspension of Spencer Mountain
30. SB 235: Franklin/Nash Municipalities/Unfit Dwellings
31. SB 30 Stanly CC/Contracting Date Extension
32. SB 381: Reconstitute/Clarify Boards and Commissions
33. HB 301: CIP Revisions/Juvenile Code
34. HB 179: Mini-Truck Classification
35. HB 131: Repeal Map Act

36. HB 82: Railroad Crossings/On-Track Equipment
37. SB 648: Support Shellfish Aquaculture
38. SB 448: Amend Appt For Compact on Education/Military
39. SB 255: State Board Construction Contract Claim
40. SB 151: Break or Enter Pharmacy/Increase Penalty
41. HB 617: Allow Repeat Referral to Teen Court
42. HB 578: Modify Legitimations Provisions
43. HB 548: Modify Physical Therapy Definition
44. HB 383: Topsail Beach Charter/Board Vacancies
45. HB 1016: UNC Boards of Trustees Appointments
46. HB 1017: Special Master Wake House Plan
47. HB 415: Photos of Juveniles/Show-Ups
48. SB 148: Public Records/Release of LEO Recordings
49. SB 11: ABC Regulation and Reform
50. SB 466: EDPNC Modifications
51. HB 57: Create Term for Public Schs. & Codify NCVPS
52. HB 389: ABC/Univ Athletic Facility
53. HB 531: Tenants at Foreclosure Act Restored
54. HB 658: Allow Donations of Unexpired Drugs
55. HB 664: myFutureNC/Postsecondary Attainment Goal
56. HB 432: Water/Sewer to Contiguous Dwelling Units
57. HB 219: NAIC Accreditation Amendments.-AB
58. SB 80: China Grove Satellite Annexation
59. SB 242: Recreational Land Fee Changes
60. SB 227: TP3/Principal Fellows Consolidation
61. SB 84: Walkertown Zoning Authorizations
62. SB 262: Union/Prohibit Certain Hunting Acts
63. SB 674: Surry Co./Mt. Airy/Elkin City/Bd. Ed Partisan
64. HB 15: Lexington/Dissolve Utilities Commission
65. HB 240: Albemarle/City Labor for Business Ctr
66. HB 299: Henderson Cty/Build Community College Bldgs
67. HB 6: Burlington Airport/Lease/Contract Authority

68. SB 225: Repeal Tuition Surcharge
69. HB 537: Hwy Use Tax Vehicle Subscriptions
70. HB 934: Right to Try Adult Stem Cell Treatments
71. SB 219: Modify Teacher Licensing Requirements
72. SB 55: Continuing Education for General Contractors
73. SB 483: Vacation Rental Act Changes
74. SB 610: Authorize Northern Peaks Trail
75. SB 95: Veterans Memorial Funds/Do Not Revert
76. SB 556: GSC People First Language 2019
77. SB 529: Fees/Returned Checks
78. SB 88: Electrician Requirements for Certain Orgs
79. SB 313: Guar. to Streamline Afford. Housing
80. SB 127: Protect Governmental Accountability
81. HB 656: Medicaid Changes for Transformation
82. HB 924: Teacher Contract Changes
83. HB 474: Death by Distribution
84. HB 67: Road Barrier Prohibition
85. HB 310: Clarify Insurance Prod'r Crim. Bckgrd Check
86. HB 812: Nutrient Offset Amendments
87. HB 886: Study Participation of Operators in NC Pre-K
88. HB 529: Utilities/Water and Wastewater Consumption
89. HB 917: Emergency Declaration/Clarify Rd Closure
90. HB 747: NC Missing Person Information Sharing
91. HB 770: Freedom to Work/OLB Reform
92. HB 871: Fair Contracts
93. HB 4: Claremont Deannexation
94. HB 52: Wrightsville Beach Local Act Amendment
95. HB 204: Town of Beaufort/Annexation
96. HB 349: Wilkes County Fire Tax-Procedure
97. HB 489: Lincolnton-Lincoln County Airport Authority
98. HB 80: Roanoke Rapids Lake/Unattended Equip
99. HB 237: Brunswick County Zoning Procedure Changes

100. HB 368: Bermuda Run/Speed Restrictions
  101. HB 98: Macon/Clay/No Right-of-Way Spotighting
  102. HB 134: Filling Vacancy/Onslow County Board of Comm
  103. HB 170: Various Satellite Annexations
  104. HB 187: Amend Town of Elon Charter/Parking Ordinances
  105. HB 285: City of Sanford/Town of Beaufort/Vol Annex
  106. HB 239: Pitt County Animal Control Records
  107. HB 324: Local Hunting Omnibus
  108. HB 429: Navigable Waters/Manteo/Hyde
  109. SB 191: Out-of-State Law Enforcement/2020 Rep Convtn
  110. SB 399: Rehire High-Need Teachers
  111. SB 355: Land-Use Regulatory Changes
  112. SB 378: Local Economic Development Modifications
  113. SB 394: Changes to Estates & Trusts Statutes
  114. SB 311: Massage Board Membership
  115. HB 257: Motorcycles/Face Masks
  116. HB 224: Assault w/ Firearm on LEO/Increase Punishment
  117. SB 594: Register of Deeds Updates
  118. SB 525: Textile Hist. Site/Operate SE NC Museum
  119. SB 220: Removal of Political Signs by Citizens
  120. SB 500: Modify Advanced Math Course Enrollment
  121. SB 186: Beaufort-Morehead Cty Airport Authority/Amend
  122. SB 686: Appointments Bill 2019
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## More about Nexsen Pruet's North Carolina Public Policy Team

*In addition to providing Government Affairs Services, the Nexsen Pruet Public Policy team provides attorneys and clients with a newsletter summarizing the week's activities and conveying the inner workings of the legislative process and state government in Raleigh during the legislative session. Please feel free to pass this along to your clients or other interested parties. If you would like to receive the update in your inbox, please email [shernandez@nexsenpruet.com](mailto:shernandez@nexsenpruet.com) to be added to the list. If you are interested in learning more about how Nexsen Pruet can help you achieve your public policy goals and acquiring legislative representation in North Carolina or South Carolina, please reach out to Sandy Sands at [ssands@nexsenpruet.com](mailto:ssands@nexsenpruet.com) or Ross Barnhardt at [rbarnhardt@nexsenpruet.com](mailto:rbarnhardt@nexsenpruet.com).*