

NC Legislative Update: June 7, 2019

Related Professionals

David P. Ferrell
919.573.7421
dferrell@nexsenpruet.com

Michelle L. Frazier
919.573.7433
mfrazier@nexsenpruet.com

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Legislators returned to Raleigh this week to continue business, with the House voting to reject the Senate's budget proposal and send the bill to conference. Both chambers have appointed conferees to work on a compromise. Healthcare changes will be a center focus point of budget negotiations, and despite including controversial Certificate of Need (CON) law changes in their budget, the Senate has indicated that they plan to move a standalone CON bill through committee while budget negotiations are taking place.

Governor Cooper took action by signing 5 bills into law this week.

<https://governor.nc.gov/news/gov-cooper-signs-bills-law-3>

<https://governor.nc.gov/news/gov-cooper-signs-bill-law-1>

Veto Override Vote

After placing it on the daily calendar for over a month, the House failed to override Governor Cooper's veto of Senate Bill 359, the Born-Alive Abortion Survivors Protection Act. The 67 to 53 vote was largely on party lines, with only two Democrats breaking rank to vote with the Republicans, but the vote failed to get the three fifths required vote to override a veto. The Senate overrode the veto in late March. In his veto message, Governor Cooper called the bill unnecessary and claimed that protections already existed for abortion survivors. Right to life groups have insisted that the protections are needed, and the issue has already become a campaign point for the special congressional elections in North Carolina's 3rd and 9th districts.

WRAL: <https://www.wral.com/house-fails-to-override-cooper-s-veto-of-abortion-bill/18434139/>

New & Observer: <https://www.newsobserver.com/news/politics-government/article231125688.html#storylink=sectionheadlines>

Budget Conferees Appointed

House and Senate leaders appointed conferees this week to work on a compromise budget between the two chambers. The conferees are set to begin meeting next week, however, many large decisions will likely have to be made at the upper leadership level, with the corner offices having the final say. Legislators have indicated that they would like to strike a deal with Governor Cooper to avoid a veto. If legislators and the governor are unable to enact a budget by the end of the fiscal year on June 30th, then a statutory continuing resolution will take effect. The continuing resolution will prevent a government shut down by continuing recurring funding at last year's levels, but will take non-recurring cuts, which fund many areas of state government.

Budget Conferees: <https://www.ncleg.gov/Legislation/Bills/Conferees/2019/H966>

Farm Act Clears Ag Committee

The annual Farm Act received approval from the Senate Agriculture and Environment Committee this week after being heard previously for discussion only. The 30 section bill largely deals with hemp regulations, but also includes provisions relating to a wide variety of issues ranging from utility easements, farm equipment repair, animal waste odor rules, sweet potato promotion, present use tax valuation, swine permits, and public records disclosure.

A section of the bill that expands the definition of agritourism to include shooting ranges and exempts them from local zoning rules drew criticism from landowners near such sites, and an amendment was adopted to give the Wild Life Resources Commission the power to set guidelines on the shooting ranges. County Commissioners will have authority to review applications and decide if operations meet the guidelines set forth by the Commission.

The Farm Act will still have to clear the Senate Finance Committee, Judiciary Committee, Rules Committee, and Senate floor before going to the House.

WRAL: <https://www.wral.com/bill-advances-on-hemp-hogs-shooting-and-biogas/18433550/>

Sports Betting Bill Fails

The House Judiciary Committee voted down House Bill 929 this week in a 12-16 vote. The bill sought to legalize and regulate sports betting and establishes the Gaming Commission within the Department of Commerce. The bill faced opposition from the North Carolina Family Policy Council and the Christian Action League who both believe that the bill represents a drastic change in policy towards opening the State up for gambling. The House Commerce Committee had previously approved the contentious bill.

Under the bill, the Gaming Commission would be in charge of regulating fantasy sports, the NC Education Lottery, and boxing matches. Bill sponsors claimed that fantasy sports betting, where chance outweighs skill, has been going on for some time, and that the bill will legalize and regulate the industry and provide the State with new revenue. While the bill did not receive a favorable report from the Judiciary Committee, the Committee has placed it on their calendar next week for possible reconsideration.

WRAL: <https://www.wral.com/legalized-fantasy-sports-loses-bet-in-house-committee/18433401/>

D-Day Anniversary

The General Assembly celebrated the 75th anniversary of D-Day this Thursday and honored North Carolina World War II veterans. Legislators held session in the old chambers of the State Capitol and a commemorative ceremony was held on the Capitol Grounds following session. Nine World War II veterans were in attendance and the 39 North Carolinians who lost their life on D-Day were remembered.

News & Observer: <https://www.newsobserver.com/news/politics-government/article231119213.html>

Redistricting Lawsuit

A lawsuit over redistricting between the advocacy group Common Cause and legislative leaders took an interesting turn this week after computer files from the late political consultant Dr. Tom Hofeller were submitted to court. Dr. Hofeller, who was hired by legislative leaders to draw legislative district maps, passed away last summer and his estranged daughter came into possession of his hard drives, which she turned over to Common Cause. Common Cause, the plaintiffs in the case, claim that the documents on the hard drives reveal that racial data was factored into creating maps, despite legislative leaders' assertion that racial data was not used. Common Cause also claims that the hard drives show that maps had already been drawn before the criteria for their creation had been adopted. Legislative leaders have asked the court to make Hofeller's files confidential and say that they could not help what he did on his own time and therefore information recovered from Hoffeler's hard drives is not relevant.

The New York Times: <https://www.nytimes.com/2019/06/06/us/north-carolina-gerrymander-republican.html>

WRAL: <https://www.wral.com/lawsuit-republican-legislators-lied-about-election-maps/18436547/>

Plaintiff's Motion for Direction to Defendants: <https://static1.squarespace.com/static/5beeefdbf407b4c074e45ec6/t/5cf930ccecbaaf0001e1f0f1/1559834837650/Common+Cause+v.+Lewis+6.6.19+PLDG++Plaintiffs+Motion+for+Direction+--+6-6-19.pdf>

2019 Session Laws

The following 23 bills have become law this session:

- SB 7: Bipartisan Ethics Appointments
- SB 75: Restore Ct. of Appeals Membership
- SB 77: Ag Disaster Fund/Certain Counties
- SB 214: Ensure Orderly 2019 Elections
- SB 12: Fill Certain Vacancies/Alexander & Burke Co.
- SB 56: Revenue Laws Technical Changes

- SB 4: Extend Terms of 2 Members/Coastal Carolina CC
- SB 272: Zoning for University Facilities-Durham
- SB 6: Dare County/CC Construction Funds
- SB 162: Loan Origination/Late Payment Charge Changes
- HB 263: Fill Vacancies/Modify 2018 Appointments
- SB 63: City of Kannapolis/Annexation
- HB 130: Allow Game Nights
- SB 505: Rural Job Retention Act
- SB 605: Highway Storm Recovery Act
- HB 1014: 2020 Census VTD Verification Program
- SB 310: Electric Co-Op Rural Broadband Services
- HB 363: Craft Beer Distribution & Modernization Act
- HB 233: State Auditor/Local Finance Officer Amends
- HB 532: DNCR Add New Trails & Various Changes
- HB 388: Immunizing Pharmacists
- HB 646: ID Approval/Flex Muni One-Stop
- HB 70: Delay NC HealthConnex for Certain Providers

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 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 or Ross Barnhardt at rbarnhardt@nexsenpruet.com.