

ALERTS

North Carolina Legislative Report - August 7, 2015

August 7, 2015

The General Assembly convened for the 2015 legislative session on January 14. Lawmakers returned to Raleigh on January 28 to begin the session in earnest. The MVA Public Affairs Legislative Report on North Carolina will be distributed on a weekly basis to keep you up to date on the latest legislative issues facing the state.

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On The Floor

For legislative action lookup by day, click below:

- [Bills with House Action by Day](#)
- [Bills with Senate Action by Day](#)

Committees

House Finance Committee

The Committee met on Tuesday, August 4, and approved one bill. H 943, Connect NC Bond Act of 2015, would authorize the State to issue approximately \$2.85 billion of general obligation bonds to support various capital projects. The issuance of general obligation indebtedness must be approved in a referendum. As presented in committee, the referendum would be held in November 2015, but this was later amended on the floor of the House so that the referendum would coincide with the 2016 presidential primary.

House Appropriations Committee

The Committee met on Wednesday, August 5, and approved one bill. H 482, Employee Misclassification Reform, would enact the Employee Fair Classification Act (Act) to prevent the misclassification of employees as independent contractors and make other reforms regarding employee misclassification. The bill would create a division within the Department of Revenue to monitor employee misclassification issues, codify caselaw regarding the differences between employees and independent contractors, and provide penalties for employee misclassification. The Committee also continued its discussion of H 97, 2015 Appropriations Act.

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House Appropriations Subcommittee on Agriculture and Natural and Economic Resources

The Subcommittee met on Thursday, August 6, for an informational meeting on the solar energy industry in North Carolina. NC Utilities Commission Chairman Ed Finley addressed the Committee on the current and projected solar capacity in the State. The NC Department of Environment and Natural Resources presented on the challenges associated with the growth of the solar industry. Members briefly heard from representatives of the solar industry on current disposal practices. The Committee adjourned before finishing the agenda and will continue their discussion at the next meeting.

Senate Education Committee - Universities

The Committee met on Tuesday, August 4, and approved one bill. S 37, Waive Tuition/Fallen Officer Was Guardian, seeks to provide that a tuition waiver for surviving children whose parents or legal guardians were law enforcement officers, firefighters, rescue squad workers and/or certain others.

Senate Finance

The Committee met on Thursday, August 6, and approved two bills. H 117, NC Competes Act, would make changes to the JDIG program, One NC, and the tax laws to incent economic development in the State. The bill would allow for sales tax exemptions for certain datacenter equipment and certain sales of aviation fuel. In addition, the bill would amend the formula used to allocate local sales tax revenues to counties so that 50% of those revenues are allocated on a per capita basis and 50% are allocated on a point-of-sales basis. Currently, 25% are allocated on a per capita basis and 75% are allocated on a point-of-sales basis. S 607, Taxpayer Bill of Rights, would propose the following three changes to the State Constitution: a) modifying Section 2 of Article V to cap the tax on income at 5% (currently capped at 10%), b) creating a new constitutionally required Emergency Savings Reserve Fund, appropriations from which would require a vote of two-thirds of both houses of the General Assembly, and c) creating a new limit on the growth of State spending in the annual budget based on the rate of inflation plus population growth, which could be exceeded with a vote of two-thirds of both houses of the General Assembly. The constitutional amendments would require voter approval. The bill proposes placing them on the ballot with the 2016 presidential primary.

Senate Health Care Committee

The Committee met on Thursday, August 6, and approved H 372, Medicaid Transformation/HIE/Primary Care/Funds. The Senate adopted a Proposed Committee Substitute (PCS) to H 372, which included an updated Medicaid reform package. The PCS for H 372 would change the operational structure and administrative oversight for the Medicaid and NC Health Choice programs, enact the Statewide Health Information Exchange (HIE) Act, and provide for the discontinuation of the Medicaid Primary Care Case Management (PCCM) program. The new Medicaid and Health Choice programs would feature full-risk capitated payments to commercial insurers and provider-led entities (PLEs); management by a newly created Department of Medicaid; and oversight by a newly created Joint Legislative Oversight Committee. The HIE Act would require participation from specified providers and create both an HIE Authority and an HIE Advisory Board. The current Medicaid PCCM program would be discontinued to provide funding for increased Medicaid rates to primary care physicians.

In The News

Raleigh News & Observer: NC Senate unveils compromise on sales tax distribution, jobs incentives

Raleigh News & Observer: NC House shifts proposed bond vote to 2016 primary

WRAL: NC Senate moves to lock in tax cuts

Raleigh News & Observer: NC Senate proposal would reshape Medicaid

Charlotte Observer: Bill would make county, towns pay for I-77 toll cancellation penalty

Raleigh News & Observer: DHHS Secretary Wos resigns; Gov. McCrory appoints new leader

Charlotte Business Journal: City, county concerned over sales-tax uncertainty

Calendar

Mon, August 10, 2015

1:30 PM

Session Convenes (Senate)

Senate

3:00 PM

Appropriations/Base Budget (Senate)

NC Competes Act. (H117)

Medicaid Transformation/HIE/PrimaryCare/Funds. (H372)

643 LOB

4:00 PM

Rules, Calendar, and Operations of the -- CANCELLED (House)

1228/1327 LB

4:00 PM

Rep. Torbett - Press Conference

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Press Room LB

7:00 PM

Session Convenes (House)

House

Wed, August 26, 2015

3:00 PM

Joint Legislative Program Evaluation Oversight Committee

544 LOB