

ALERTS

North Carolina Legislative Report - May 20, 2016

May 20, 2016

Lawmakers returned to Raleigh for the Regular Session April 25, 2016. The MVA Public Affairs Legislative Report on North Carolina will be distributed weekly during session to keep you up to date on the latest legislative issues facing the state.

On The Floor

For legislative action lookup by day, click below:

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

Committee Meetings

House Appropriations Committee

The House Appropriations Committee met on Tuesday, May 17, to review the proposed \$22.2 billion budget proposal. After debate and amendments, the Committee approved the spending plan and sent the bill to the House Finance Committee. After stops in the Finance and Pensions Committees, the budget was passed on the House floor by a vote of 103-12. Highlights of the House budget include an average 4 percent raise for teachers, a 2 percent raise for state employees and a 1.6 percent cost of living adjustment for state retirees. The bill now heads to the Senate where they will make their proposed changes followed by a conference between the two chambers to iron out the differences. The goal of both chambers is to pass a final budget and send it to Governor for his signature by the end of June.

House Finance Committee

The Committee met on Tuesday, May 17, to consider the finance provisions in H 1030, 2016 Appropriations Act. The Committee approved the bill which included these provisions: a) setting the insurance regulatory fee, b) increasing the standard deduction amount applicable to personal income taxes in steps over a four-year period, and c) repealing the excise tax on mill machinery and providing a complete exemption from the sales and use tax for this equipment.

House Local Government Committee

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The Committee met on Wednesday, May 18, to address five bills. H 932, Honor Our Service Animals/Sheriff Contracts, permits the Cleveland County Sheriff to purchase food and food supplies for the county's detention facility without complying with the formal and informal bidding requirements and allows Cleveland County and any municipality in the County to transfer retired public service animals used by a local government in the County to the officer or employee who had normal custody and control of the animal during its service. H 1023, Municipal Service Districts/Statutory Changes, requires additional accounting of certain contractors of cities with respect to municipal service districts, requires that an ordinance to establish a municipal service district be adopted at two separate meetings of the city council, and establishes a process by which property owners may petition for creation or reduction of a municipal service district. H 1058, Tobaccoville Recall Elections, amends the Village charter to allow the recall of officers of the Village of Tobaccoville. H 1083, Wilmington/Ordinance Initiative & Referendum, amends the Wilmington Charter to require initiative ordinance petitions to be signed by 25% of the total number of registered voters residing within the City at the time of the last regular municipal election. H 989, Red Cross Charter Amendments, amends the charter of the Town of Red Cross to, allow the members of the Council to appoint a qualified person to serve for the unexpired term in the event of a vacancy and requires the Town Council to choose one of its members to serve as Mayor Pro Tempore to perform the duties of the mayor in the mayor's absence. All the bills received a favorable report in Committee, were passed on the House floor and referred to the Senate Committee on Local Government

Senate Health Care Committee

The Committee met on Tuesday, May 17, and approved three bills. S 825, Expand Hospital Disclosure Requirements, seeks to expand hospital disclosure requirements pertaining to charity care, patient revenues, income and capital assets and improvements. It would also appropriate funds to the Department of Health and Human Services Division of Health Services Regulation for information costs associated with the department's expanded responsibilities under these requirements. S 838, Medicaid Transformation Modifications, seeks to require further reporting from the Department of Health and Human Services related to transformation of the Medicaid and NC Health Choice programs and to modify certain provisions of the Medicaid transformation legislation. S 841, Medicaid Eligibility Timeliness/Funds, seeks to support improvement in the timeliness of Medicaid eligibility determinations, as recommended by the Joint Legislative Program Evaluation Oversight Committee.

Senate State and Local Government

The Committee met on Tuesday, May 17, to take up six bills. S 727, Moore County Local Sales Tax Use Restriction, limits how Moore County could use the funds received if the voters approved a referendum authorizing a cent sales tax. The bill received a favorable report and was referred to the Senate Finance Committee. S 733, Town of Proctorville/Sewer Fee Collections, authorizes the Town of Proctorville to collect delinquent fees for sewer services in the same manner that property taxes are collected. The bill received a favorable report and was referred to the Senate Finance Committee. S 739, Town of Rolesville/Annexation, adds certain property, including the right-of-way of the Rolesville Bypass, to the Town of Rolesville. The bill received a favorable report and was referred to the Senate Finance Committee. S 741, State Controller/Criminal Record Checks, authorizes criminal record checks for any current or prospective employees, volunteers, or contractors of the Office of State Controller. The bill received a favorable report and was

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referred to the Senate Judiciary II Committee. S 774, Village of Marvin/Deannexation, removes property from the corporate limits of the Village of Marvin. The bill received a favorable report and was referred the Senate Finance Committee. S 803, Municipal Service Districts/Statutory Changes, requires additional accounting of certain contractors of cities with respect to municipal service districts, requires that an ordinance to establish a municipal service district be adopted at two separate meetings of the city council, and establishes a process by which property owners may petition for creation or reduction of a municipal service district. The bill received a favorable report and was referred to the Senate Finance Committee.

Senate Finance Committee

The Committee met on Wednesday, May 18, and approved two bills. SB 818, Increase the Zero Tax Bracket, would increase the standard deduction amount applicable to personal income taxes in steps over a two-year period. S 832, Expand 1%/\$80 Excise Tax for Ports Equip., would expand the excise tax on mill machinery to include certain types of equipment used at port facilities. The effect of this expansion is to reduce taxes on this equipment because items subject to the excise tax on mill machinery are subject to taxation at the rate of 1% with an \$80 cap per item rather than to the general sales and use tax at a rate of 6.75% to 7.5% with no cap.

In The News

- WRAL: Proposed \$22.2B state budget clears NC House
- Raleigh News & Observer: NC legislators back income tax cut for middle class
- WRAL: Broad economic development bill 'on the table'
- WRAL: Bill would make it easier for retired K-9s, police horses to stay with handlers
- WFAE: *DEQ Says Duke Must Remove Coal Ash At All Plants, But That Could Change*

Legislative Calendar

Mon, May 23, 2016

4:00 PM

Session Convenes (Senate)

Senate

5:00 PM

Session Convenes (House)

House

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Tue, May 24, 2016

9:00 AM

Finance, Subcommittee on Occupancy Tax (House)

Increase Sampson County Occupancy Tax. (H1039)

Yadkin Occupancy Tax Modification. (H1056) Sanford Occupancy Tax Authorization. (H1127)

544 LOB

10:00 AM

Pensions and Retirement (House)

Retirement Creditable Service Charter Schools. (H960)

Commission Membership Winston-Salem Ret. Fund. (H964)

Retirement Technical Corrections Act of 2016.-AB (H1011)

Study Unfunded Liability/Retiree Health Fund. (H1027)

415 LOB

12:00 PM

State and Local Government -- CORRECTED (Senate)

Change Report - Build. & Infrastructure Comm. (S748)

Stokes County/Local Acts - By Request. (S787)

Town of Bakersville/Deannexation. (S852)

Sanford/Harnett OT. (S874)

Town of Fairmont/Utility Bill Collections. (S876)

Duplin/Sampson Cty/Detention Ctr Contracts. (S831)

Town of Sunset Beach/Deannexation. (S875)

423 LOB

12:00 PM

Transportation (House)

DOT Proposed Legislative Changes. (H959)

DOT/No Discrimination Against Motorcyclists. (H1050)

643 LOB

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Wed, May 25, 2016

10:00 AM

Agriculture/Environment/Natural Resources (Senate)

DACS Enforcement Authority/Bedding. (S770)

544 LOB

12:00 PM

Senator McKissick Press Conference

Press Room LB

Thu, June 02, 2016

10:30 AM

Rep. Harrison - Press Conference

Press Room LB

Wed, June 08, 2016

11:00 AM

Rep. Stevens - Press Conference

Press Room LB

Tue, June 14, 2016

9:00 AM

Senator Smith-Ingram Press Conference

Press Room LB