

# ALERTS

## North Carolina Legislative Report - November 14, 2014

November 1-14, 2014

The General Assembly adjourned "sine die" on Wednesday, August 20. During the interim, the MVA Public Affairs Legislative Report on North Carolina will be distributed biweekly to keep you up to date on the latest legislative issues facing the state.

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### *Committee Reports*

#### **Joint Legislative Education Oversight Committee**

The Committee met on Wednesday, November 5, and Representative Johnson presided over the meeting. The first agenda item focused on AP U.S. History and founding principles. Superintendent June Atkinson, Chairman Bill Cobey, Trevor Packer, Senior VP of AP and Instruction for the College Board, Heather LaJoie with East Mecklenburg High School, Lee Quinn with Broughton High School and David Brooks with Broughton High School gave presentations and comments on AP U.S. History and founding principles.

The second agenda item focused on the state board of community colleges and auditing of local community colleges. Jennifer Haygood, Executive VP for Operations and CFO for the North Carolina Community College system, gave a presentation and made comments on these issues.

#### **Joint Legislative Oversight Committee on Unemployment Insurance**

On Wednesday, November 12, the Committee met. At the meeting, the Division of Employment Security announced that the U.S. Department of Labor had granted North Carolina a waiver from an automatic increase in the federal unemployment tax rate. The federal unemployment tax rate is 6% of wages (up to \$7,000 in wages per employee), but credits against the tax can reduce that rate to 0.6%. If a state owes a debt to the federal government for unemployment benefits, that credit is reduced each year until the debt is paid. Currently, the rate imposed on employers in North Carolina is 1.5%. This amount was set to increase to 1.8% in 2015, but the waiver was granted in recognition of North Carolina's efforts over the last two years to greatly reduce the amount of debt owed. At the end of 2012, the debt stood at approximately \$2.5 billion, but has been reduced to approximately \$465 million now. The debt is expected to be completely repaid next year. Also on the agenda was a discussion of the State's variable benefits duration formula. The formula is used to determine the number of weeks for which an individual will qualify for unemployment benefits. Because of a quirk in the current formula, all recipients currently qualify for the maximum number of weeks. The

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Committee discussed options for amending the formula but no action was taken at this meeting. Finally, the Committee received an update from the Division of Employment Security on their efforts to formally adopt rules. The legislature had directed the agency to adopt rules more than two years ago.

### Joint Legislative Administrative Procedure Oversight Committee

On Wednesday, November 12, the Committee met and received an update on the ongoing review and expiration of existing rules. The Committee also heard a briefing from legislative staff about a lawsuit filed last week by the State Board of Education challenging the authority of the Rules Review Commission over the Board and the application of the Administrative Procedure Act to the Board.

### *In The News*

Raleigh News & Observer: 6 lawmakers vie to be NC House speaker

Raleigh News & Observer: Could Hagan return in 2016 in bid for Sen. Burr's seat?

Raleigh News & Observer: NC Senate candidate Tom Bradshaw 'inclined' to seek recount

Associated Press: Duke announces plans to move coal ash

Raleigh News & Observer: Gov. McCrory sues Berger, Tillis over commission appointments

Charlotte Observer: New details emerge in Heath Morrison's resignation

Raleigh News & Observer: McCrory would call lawmakers back for jobs

WRAL: NC voter turnout sets midterm record

### *Calendar*

#### Mon, November 17, 2014

1:00 PM - 5:00 PM

Joint Legislative Oversight Committee on Health and Human Services, Traumatic Brain Injury Subcommittee

1027/1128 LB

1:00 PM

Joint Legislative Program Evaluation Oversight Committee, Subcommittee on Medicaid and Health Administration -- CANCELLED

544 LOB

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**Tue, November 18, 2014**

9:00 AM

**Joint Legislative Oversight Committee on Health and Human Services**

643 LOB

9:30 AM

**Revenue Laws Study Committee**

544 LOB

10:00 AM

**Select Committee on Regulatory Authority and Operations of the NC Wildlife Resources Commission (House)**

1228/1327 LB

1:30 PM

**North Carolina General Statutes Commission, Trust Drafting Committee**

Room 5003, UNC School of Law, 160 Ridge Road

**Wed, November 19, 2014**

1:00 PM

**Joint Legislative Program Evaluation Oversight Committee**

544 LOB

**Thu, November 20, 2014**

10:00 AM

**Joint Legislative Oversight Committee on Information Technology**

544 LOB

**Tue, December 02, 2014**

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10:00 AM

**Joint Legislative Education Oversight Committee**

643 LOB

**Fri, December 05, 2014**

9:00 AM

**Joint Legislative Transportation Oversight Committee -- CORRECTED**

1228/1327 LB

**Wed, December 10, 2014**

9:00 AM

**Environmental Review Commission**

544 LOB

**Tue, December 16, 2014**

1:00 PM

**House Study Committee on Education Innovation (2013) -- CORRECTED**

643 LOB

**Wed, January 14, 2015**

9:00 AM

Session Convenes (House)

House

9:00 AM

Session Convenes (Senate)

Senate

