

# ALERTS

## North Carolina Legislative Report - November 9, 2012

October 29 - November 9, 2012

### *On the Floor*

The NC General Assembly completed the short legislative session on July 3rd and has adjourned sine die until January 30, 2013. The MVA Public Affairs Legislative Report on North Carolina will be distributed bi-weekly while the North Carolina Legislature is not in session. While session is over, the General Assembly will continue to have various interim committee meetings throughout the year.

Elections were held on November 6<sup>th</sup>, and almost all races in North Carolina have been decided. For the first time since the 1800's, Republicans will have control of both chambers of the General Assembly and the Governor's mansion.

### *Committee Highlights*

#### **Revenue Laws Study Committee**

On Thursday morning the Committee met to hear presentations on two major issues facing the General Assembly for next year: tax-reform and unemployment insurance reform. Brent Lane of the UNC Center for Competitive Economies gave a presentation on tax-reform and highlighted the advantages of moving forward with tax reform in the immediate future. Three separate presentations on unemployment insurance were given during the committee meeting. Cindy Avrette with the NCGA Research Division gave an overview on the issue as well as representatives from the Department of Commerce and the Employment Security Division. Following those presentations, many representatives from the business community made public comments regarding the issue as well.

### *In The News*

#### **McCrory unveils transition team in Raleigh** (November 8, 2012)

Governor-elect Pat McCrory on Thursday unveiled his team of advisers that will help him transition to North Carolina's chief executive, including Raleigh political veterans, Charlotte allies and business leaders. "The campaign is over and now it's time to govern," the former Charlotte mayor told reporters Thursday in Raleigh.

#### **Reps. Samuelson, Lewis to seek co-Majority Leader jobs in NC House; Stam wants Speaker Pro Tem** (November 8, 2012)

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Reps. David Lewis and Ruth Samuelson are both seeking to lead House Republicans next year, and there may be room for both of them. Republican are considering splitting the majority leader post into two positions and the current Majority Leader, Paul "Skip" Stam, R-Wake, is hoping to become Speaker Pro Tem. Samuelson, R-Mecklenburg, sent an email to colleagues Wednesday asking for their support in her bid, saying if the post is split that she wants the "development" post.

**The TABOR question** (November 8, 2012)

A taxpayer bill of rights may be on the agenda for lawmakers next year after Republicans in control of the General Assembly won sufficient majorities in the House and Senate to send constitutional amendments to voters without Democratic votes. Such measures, approved in several other states, generally limit the growth in the state's tax rate based on some calculation of inflation and population growth unless some extra hurdle is met by lawmakers or the citizens.

**Coleman and Forest prep for a possible recount** (November 8, 2012)

The race for lieutenant governor is frozen until Nov. 16, when local boards of election roll in provisional votes to those already counted and come up with final tallies. Democratic candidate Linda Coleman trails Republican Dan Forest in the unofficial tally by about 11,000 votes. She'll wait until the counties add up all the votes before she decides whether to ask for a recount, said her campaign spokesman Micah Beasley.

**Duke Energy 3Q EPS down from 2011** (November 8, 2012)

Strong third-quarter earnings by Duke Energy shows employees are putting the company's difficult and controversial merger with Progress Energy behind them, according to Duke CEO Jim Rogers. "What's significant from my standpoint is we beat the street consensus by two cents, and that's a really a great way to come out of the gate," he said.

**Gov.-elect McCrory says he won't ignore Democrats** (November 7, 2012)

After a convincing and historic win, Republican Gov.-elect Pat McCrory said Wednesday that he won't shut out Democrats from efforts to repair state government even as the GOP this week retained a solid hold on the Legislature. A day after routing Democratic Lt. Gov. Walter Dalton, McCrory said he wants to reach out to Democrats, who reached a low watermark this week after dominating state politics for decades.

**Race in NC's 7<sup>th</sup> House District too close to call** (November 7, 2012)

Despite millions in out-of-state money funding months of fierce attack ads, the margin of votes between the candidates in North Carolina's 7th Congressional district is still too close to call. On Wednesday, neither congressional hopeful wanted to talk to the media, and it appeared the race was headed for a recount in about two weeks. Complete but unofficial results show veteran Democratic U.S. Rep Mike McIntyre leading Republican challenger David Rouzer by 507 votes out of more than 334,000 that were cast.

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**Lt. Governor: Forest squeaks by Coleman** (November 7, 2012)

Republican Dan Forest declared victory in the race for Lieutenant Governor, with unofficial returns showing him beating Democrat Linda Coleman by about 11,200 votes statewide. "I think that's about as good as it gets in a tight race," he said. Forest would be the second Republican Lieutenant Governor in modern history and the first to serve with a Republican governor.

**House GOP leader Skip Stam in line to become speaker pro tem** (November 11, 2012)

House Majority Leader Paul "Skip" Stam will not seek another term in that post but is poised to become House Speaker Pro Tem. Stam, an Apex Republican, said after six years as the chamber's GOP leader it's time to shift positions. "I believe in term limits at the leadership level and I want to set a good example," he said in an interview Wednesday.

**NC voter turnout currently near 68 percent** (November 8, 2012)

A state elections official says voter turnout in North Carolina's election won't reach 2008 record levels, but it'll get pretty close. Elections numbers Wednesday afternoon showed 4.5 million ballots had been cast for a voter turnout so far of 67.7 percent based on more than 6.6 million registered voters in the state. State Board of Elections Executive Director Gary Bartlett said he still expected turnout to edge toward 69 percent after mail-in absentee ballots are collected through Friday and provisional ballots are reviewed.

**State Ramps up crackdown on Medicaid fraud** (November 5, 2012)

A North Carolina-wide crackdown on fraud has been intensified in recent months as state regulators took action against dozens of health care providers suspected of bilking the state's Medicaid program, officials said. Beginning in May, the N.C. Department of Health and Human Services started suspending Medicaid payments to certain outpatient behavioral health providers and placing 37 on prepayment review, a status where regulators scrutinize every incoming claim before approving reimbursement, said DHHS spokeswoman Chrissy Pearson.

**Ousted Duke Energy CEO Bill Johnson will lead the TVA** (November 8, 2012)

Bill Johnson, the former chief of Progress Energy who was ousted as CEO of Duke Energy in July, will head the Tennessee Valley Authority, one of the nation's largest energy companies with a footprint in western North Carolina. Johnson will replace TVA CEO Tom Kilgore, who once was Johnson's boss at Raleigh-based Progress Energy. TVA's announcement about hiring Johnson made no mention of his brief tenure at Duke, saying only that he was instrumental in getting the merger done with Charlotte-based Duke.

**Randleman tapped to replace East on ticket** (November 5, 2012)

Wilkes County's representative to the N.C. House of Representatives has been tapped to replace the late Sen. Don East on the Republican Party's ticket for the state Senate. Shirley Randleman, who is not seeking re-election to the House, beat out Surry County Board of Commissioner Chairman R.F. "Buck" Golding for the party's nod.

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**Next governor will have tighter grasp on North Carolina's levers of power** (November 3, 2012)

North Carolina's next governor stands to have more power than any other recent chief executive to put an immediate stamp on state government. A new state law empowers the incoming governor to fill 1,000 state government jobs with political allies - more than double the current amount.

### *Legislative Calendar*

#### **Tue, November 13, 2012**

- 10:00 AM Surplus Property Subcommittee of the House Select Committee on State-Owned Assets
- 10:00 AM - 3:00 PM Joint Legislative Oversight Committee on Health and Human Services
- 12:00 PM Legacy Costs from the State Health Plan, Pensions and ESC, House Select Committee on

#### **Wed, November 14, 2012**

- 9:00 AM Administrative Procedure Oversight Comm, Jt Leg
- 10:00 AM Perinatal Health Committee of Child Fatality Task Force
- 10:00 AM Program Evaluation Oversight Comm., Jt. Leg. 1228/1327
- 10:00 AM Blue Ribbon Commission Sub-Com on Adult Care Transitions
- 1:00 PM Blue Ribbon Commission - Sub-Com on Housing

#### **Thu, November 15, 2012**

- 9:30 AM Environmental Review Commission 544 LOB
- 10:00 AM Justice Warren Task Force Legislative Committee 1027/1128 LB
- 10:00 AM Career and Technical Education Committee (LRC)(2011) 415 LOB
- 10:00 A.M. - 3:00 P.M. Certificate of Need Process and Related Hospital Issues, House Select Committee on

#### **Mon, November 19, 2012**

- 11:00 AM Unintentional Death Committee of Child Fatality Task Force