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# **NORTH CAROLINA METROPOLITAN MAYORS COALITION – LEGISLATIVE UPDATE**

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# A look at 2014

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- **February 10** – Candidate filing period for 2014 elections begins
- **February 28** – Candidate filing period for 2014 election ends
- **May 6** – Primary elections
- **May 14** – General Assembly Session convenes
- **November 4** – General election



# 2014 N.C.G.A Short Session

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- Convenes May 14, 2014
- Anticipated to last 6-8 weeks
- Election year (All N.C. House and Senate seats; Kay Hagan's U.S. Senate seat)
  - Members cannot raise money while in session
- Remember: Leadership decides what will be considered, when it will be considered, and what will be in the bills



# 2014 N.C.G.A Short Session

- What is eligible?
  - Budget bills – bills that directly and primarily affect the state budget (must be introduced by May 27, 2014)
  - Bills amending the Constitution
  - Bills that passed the House by May 16, 2013, or the Senate by May 20, 2013 (otherwise known as bills that “crossed over”)
  - Study committee bills (must be introduced by May 21, 2014)
  - Local bills that are not controversial
    - Submitted to drafting by May 21, 2014
    - Introduced by May 28, 2014



# What to expect...

- Make peace with the teachers
  - Teachers will get a pay raise; however, what will it cost?
    - \$55 million for each 1% for teachers and instructional support
    - \$135.7 million for each 1% for all teachers, administrators and state employees
  - Where will the money come from?
  - What about state employees?
- Medicaid
  - Governor's proposal is due in March
  - Move towards managed care
  - 1.6 million recipients – 3-4 private companies service those individuals
  - Computer system issues
    - NCTracks – handles claims and payments
    - NC FAST – enrolls people in other social service programs (e.g., food stamps)
- Budget



# What to expect...

- Transportation
  - Determining where DOT dollars are spent
    - Equal split: NC Board of Transportation assigned half of the “local” vote on DOT project priorities to DOT’s 14 division engineers for the Division-tier projects.
    - The workgroup recommended a 20/30 split
    - Should MPOs have more input?
- [HB 150 – Design Controls](#)
  - “An act to clarify when a county or municipality may enact zoning ordinances related to design and aesthetic controls.”



# Privilege License Tax

- Original purpose: determine who was doing business in your city or town
- This is a dangerous issue for municipalities as they could lose a source of revenue
- Two likely options:
  - Place a cap on amount a city or town may charge and apply equally to all entities
  - Eliminate the tax
- Some legislators believe that certain cities and towns have abused this tax – used gross receipts to unfairly burden businesses and increased the tax to fill budget holes
- Likely to see more in terms of a proposal by January 2014



# 2014 General Assembly Session Study Commissions

- Health Care – Market based solutions and elimination of anti-competitive practices:
  - Comparison of same day surgery – costs and quality of care
  - Certificate of need in N.C. as compared to other states
  - Study of barriers to a market-based health care delivery system
- Jordan Lake Rules – Joint Study – Senator Gunn and Representative Faircloth, Chairs
- Regulated and Non-regulated industry utility fees
- Common Core standards
- Property owner protection and rights – Reps. Moffitt & Malone, Chairs (HB 632)
- Unmanned Aircraft Systems – Reps. Steinburg & Stam, Chairs
- Public Enterprise System & Use of Funds – Reps. Moffit and Brown, Chairs
- Land Development – Reps. Stevens & Arp, Chairs
- [Please click here for a detailed memorandum on the study commissions](#)



# Bills from last session that are still alive

- [HB 8](#) – Eminent Domain
- [HB 150](#) (SB 139) – Zoning/Design & Aesthetic Controls
- [HB 632](#) – Property Owners Protection Act/Study
- [HB 677](#) – Local Government Regulatory Reform/[SB 112](#) (HB 94) – Create Jobs Through Regulatory Reform
- [HB 708](#) – Study Public Enterprise Systems/Use of Funds
- [HB 773](#) – Local Gov'ts/Bldgs/Structures/Inspections
- [SB 287](#) – Notice Publication – Guilford Co. Local Govs.
- [SB 334](#) (HB 319) – Dorothea Dix Lease



# North Carolina FreeEnterprise Foundation – Key Legislation

- [HB 74](#) – Regulatory Reform Act of 2013
  - Several important issues, including...
    - ... prohibits municipalities (until October 2014) from enacting environmental regulations exceeding existing state and federal requirements without unanimous vote of city council.
- [HB 677](#) – Local Government Regulatory Reform
  - Prohibits ordinances authorizing employers to withhold labor union dues from an employee's compensation or requiring employers to assume financial, legal or other responsibility for an employee's carbon footprint.
- [HB 683](#) – Commonsense Consumption Act
  - Bars lawsuits against manufacturers, sellers, and advertisers (among others) of legal food products alleging consumption-related weight gain and obesity, precludes local governments from imposing portion restrictions on sale of soft drinks.
- [SB 76](#) – Domestic Energy Jobs Act
  - Streamlines regulatory process and eliminates certain regulations governing energy exploration and production, requires periodic review and sunseting of existing rules, prohibits delayed enforcement of local ordinances, prohibits certain contract requirements by local governments.



# Major unresolved issues

- Asheville Water System
  - First week of September, Superior Court Judge Howard Manning, Jr. heard arguments from the City of Asheville and the Attorney General's office as they debated the constitutionality of the legislation passed by the NCGA giving Asheville's water system to a newly-formed regional entity.
  - Attorneys have agreed to keep the status quo intact until Manning decides the case in early 2014.
  - There is a good chance that Manning's decision will not be the final one as either side could appeal.
- Charlotte Airport
  - New law moving Charlotte Airport out of City's control and into control of an authority has yet to be enacted due to a preliminary injunction.
  - Richard Vinroot has been hired to represent the new authority
  - Charlotte Airport Commission appointed
- Dorothea Dix
  - Fate of the Raleigh's lease on the property now rests in negotiations between the City and Gov. McCrory



# A few questions

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- Will Thom Tillis win the GOP Senate primary?
- If so, will he resign from the General Assembly before the 2014 Session?
- If he resigns, who will replace him as Speaker?
- What will Governor McCrory propose in his 2014 Budget for teachers? State employees?
- Where will the money to fund the teacher/statement employee increase come from?

