



## NORTH CAROLINA GROUND WATER ASSOCIATION

LEGISLATIVE REPORT

MARCH 17, 2009



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### INTRODUCTION

Governor Perdue made her State of the State address last week and reminded lawmakers of the seriousness of the North Carolina budget deficit. Although she did not provide particulars of her budget plan, she indicated that she would actually increase funding for education per pupil. In addition, she has announced plans to increase funding for the probation system. The increase in spending for education and probation means even more stress on other sectors of government, which will have to absorb all of the deficits. The Governor has said that she is cutting some programs from government funding, even some that she likes, and is going to cut specific programs instead of across the board cuts as has been done in recent years. These statements have made many agencies, non-profits, administrators, and employees nervous about what the budget will include, or will not include. The Governor is set to unveil her budget proposal on Tuesday, March 17, 2009.

Once the budget proposal is released, legislators will start reviewing the provisions together in Joint Appropriation Subcommittees and start forming their own proposals. Once the provisions are reviewed and discussed, the House and Senate will stop meeting together and the Senate will begin forming their own budget proposal. Leadership in the Senate has already indicated that they may be willing to increase taxes for cigarettes and alcohol as a way to increase revenues and save some programs. The House will then take the Senate version and craft their own response. All three will then try to craft a compromise document which will be voted on as a package. We expect the Governor's office to play a more prominent role in the process at the Legislature this session because of the Governor's lengthy legislative experience and her ties to leadership.

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If you would like a copy of any of the legislation introduced or considered by this year's General Assembly, you may receive one copy of as many bills as you are interested in, free of charge, by calling the General Assembly's Printed Bills office at 919/733-5648. They will need to know if it is a House bill or Senate bill and the bill number. (For example, Senate Bill 8). Copies are also available on the General Assembly's World Wide Web site: <http://www.ncleg.net>.

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## BILLS OF INTEREST

HOUSE BILL 430, Voter Identification, would require all persons who are voting in person at a voting place or one-stop early voting site to present a current and valid photo identification and a copy of a document that shows the name and address of the voter (current utility bill, bank statement, government check, paycheck, or other government document) prior to voting. **Introduced by Representatives Moore, Current, Stam, and Killian and referred to the House Election Law and Campaign Finance Reform Committee.**

HOUSE BILL 433, Change Corporate Income Tax, would clarify that the income less related expenses from other activities that produce nonapportionable income is allocable to North Carolina if the business situs of the activities or investments producing the income is located in North Carolina. **Introduced by Representative Brubaker and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 445, Small Business Tax Exemption, would provide a \$50,000 tax exemption to C corporations that are not required to apportion income in North Carolina. **Introduced by Representative Holloway and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 525, Annexation - LGC and Already Served Areas, would require the Local Government Commission (LGC) to oversee annexation by all municipalities and would require at least 50% of property owners to consent to an annexation if the area is served by a central water and sewer system that is owned by an entity other than the annexing municipality. **Introduced by Representatives Luebke and Goforth and referred to the House Rules Committee.**

HOUSE BILL 544, Economic Impact/Regulatory Legislation, would require all bills filed in the General Assembly that make changes in law that are regulatory in nature and that could cause a substantial economic impact on the entities regulated by the proposed legislation to be accompanied by an economic impact statement. **Introduced by Representatives Dollar, Rhyne, and Tillis and referred to the House State Government/State Personnel Committee.**

HOUSE BILL 586, Expand Voter-Owned Elections, would allow the Secretary of State, Attorney General, Treasurer, Commissioner of Agriculture, and the Commissioner of Labor to utilize public campaign funds and would make various other technical changes to the Voter-Owned Elections Act. **Introduced by Representatives Glaizer, Ross, Rapp, and Martin and referred to the House Election Law and Campaign Finance Reform Committee.**

SENATE BILL 417, National Popular Vote Interstate Compact, would add North Carolina to the states that have adopted the National Popular Vote Interstate Compact, which provides that when it has been adopted by states with a majority of the national electoral votes, those states will commit



all their presidential electors to the winner of the national popular vote for President of the United States. **Introduced by Senator Clodfelter and referred to the Senate Judiciary I Committee.**

SENATE BILL 472, Annexation Changes, would provide a variety of amendments regarding annexations, including requiring priority to be given to projects located in areas annexed by a municipality to provide water or sewer services to low-income residents for loans or grants. **Introduced by Senator Rand and referred to the Senate State and Local Government Committee.**

SENATE BILL 475, Amend Carrboro Charter/Conserve Energy/Water, would allow the Town of Carrboro to adopt ordinances to prohibit deed restrictions, covenants, equitable servitudes, or other similar agreements that would prohibit the installation of solar collectors, clotheslines, rain barrels, garden fences, or any other device designed to generate or conserve energy through the use of renewable resources or to capture, store, or reuse water. **Introduced by Senator Kinnaird and referred to the Senate State and Local Government Committee.**

SENATE BILL 486, Change Corporate Income Tax, is identical to House Bill 433, summarized above in this legislative report. **Introduced by Senator Clodfelter and referred to the Senate Finance Committee.**

SENATE BILL 494, Annexation/Meaningful Services and Oversight, would make a variety of amendments to the annexation laws, including requiring meaningful services in annexed areas. “Meaningful services” would be defined as central water and sewer service and police and fire protection. **Introduced by Senator Shaw and referred to the Senate State and Local Government Committee.**

SENATE BILL 534, Healthy Families and Healthy Workplaces, is identical to House Bill 177, summarized in the February 24, 2009 legislative report. **Introduced by Senator Dorsett and referred to the Senate Commerce Committee.**

SENATE BILL 568, Stanly, Davidson Water Resource Privilege Tax, would authorize Davidson and Stanly Counties to levy an annual privilege tax on businesses that withdraw at least 10 million gallons of water per day from local water resources. **Introduced by Senator Bingham and referred to the Senate Finance Committee.**

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