



INTRODUCTION

The intensity at the legislature has really peaked during the last two weeks as crossover deadline has added urgency to the committees and sessions. Crossover means that a bill must pass the House or the Senate to remain eligible for further consideration this year and next year. Bills that have appropriation requests (funding) or revenue impact (taxes or fees) are not subject to the crossover deadline, but most other bills are. Committees have been meeting for two hour sessions and having meetings late into the afternoon and evening after session to try to reach the bills in their committees that legislators are pushing to be heard. This is also the time where legislation is passed without a complete vetting of the bill in committee. Phrases heard a lot this time of year include: we will fix it when it gets to the House/Senate, I am open to continuing to work on the bill to fix it, I just need to get it through before the crossover deadline. The other problem this time of year is that there are so many committee meetings going on that many members cannot attend or must be in other meetings to present the bills they have sponsored. You don't know how many will appear at committee meetings to actually vote on legislation.

This report includes all the bills filed in the House before their bill filing deadline, although there will be a handful more appropriation and revenue bills filed. After this report, there will mainly be bill updates to report on amendments made to bills that are moving through the various committees. Although some amendments will be minor, many pieces of legislation will have major overhauls that make the bills vastly different or may completely replace bills with new legislation. We will continue to monitor legislation as it moves through the committees to report on the various changes that are made that are relevant to your association.

The legislators met in a joint meeting this week to get an update on the State's revenue numbers from the April 15th tax returns. The news was not good, with an additional budget shortfall of almost \$1 billion. The House will have to either raise more revenue or make even more drastic cuts to the State budget which would almost have to include state employees. Apparently, there is a battle going on right now within the Democratic caucus in the House regarding whether to increase taxes to deal with the budget shortfall. The Senate budget increased cigarette and alcohol taxes, but additional increases might become necessary.



NORTH CAROLINA GROUND WATER ASSOCIATION



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WELL GROUTING INSPECTION/BOND REQUIREMENT

HOUSE BILL 1246, Well Grouting Inspection/Bond Requirement, would allow a well contractor to grout a private drinking water well without a prior inspection by the local health department if the contractor provides a written certification within 10 days of completing the grouting to the health department that the well has been grouted in compliance with applicable rules and regulations. The certification would be accepted as evidence of compliance for the purposes of the issuance of a certificate of completion. The bill would prohibit a water well contractor from obtaining or renewing a construction or repair permit for a private drinking water well, unless the contractor files and maintains a \$25,000 continuous bond in favor of the state. The bond would be payable for losses due to defective well construction or well repair by the water well contractor or the contractor's agents operating in the course and scope of the contractor's agency.

The contractor would have the option of filing a separate bond for each permit or of filing a blanket bond covering all well construction and repairs requiring a permit within the state for which the applicant holds a permit. Instead of filing a surety bond, the water well contractor could file with the Department of Environment and Natural Resources a cash deposit, an irrevocable letter of credit, a guaranty of payment from an acceptable bank, an assignment of a savings account in an acceptable bank, or other security acceptable to the Department. After a hearing, the Environmental Management Commission could initiate claims for actual damages on the bond or other security for the cost of remediation or abatement of the losses.

A person who owns property on which a defective well construction or well repair occurred could initiate a civil action in the county in which that well is located to recover against the bond. The bond provisions would apply to well contractors who apply for a construction or repair permit or for a renewal of a permit on or after October 1, 2009. **Introduced by Representative Haire and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

NC DROUGHT RESPONSE

HOUSE BILL 1429, Clarify the New NC Drought Response, would clarify that a water shortage emergency is a shortage that presents not only an imminent threat, but also requires that the threat be severe. The bill would also repeal the provision that prohibits the approval of any water shortage plan that tries to meter or regulate private drinking water wells and instead, clarifies that local governments and public or private water supply systems are not authorized to regulate water use from a well located outside of their jurisdiction, a well not connected their system, or any other private well. **Introduced by Representative Lewis and referred to the House Water Resources and Infrastructure Committee. This legislation is supported by the North Carolina Ground Water Association.**

PROTECT PRIVATE DRINKING WELL USERS' HEALTH

HOUSE BILL 1442, Protect Private Drinking Well Users' Health, would require that a water test be conducted on any private drinking water well or improved spring that supplies water for human consumption when a property is transferred or rented. The lessor of any rental or leased property to which water is supplied from a private drinking water well or improved spring would be required to conduct a water test at least once every three years and provide a copy of the

results to the tenant within 30 days or to a new lessee before the tenant signs the rental or lease agreement. The Environmental Management Commission would establish criteria and procedures to test water provided from private drinking water wells and improved springs to determine whether the water complies with drinking water rules. The criteria and procedures would include an analysis for at least the following contaminants: bacteria (total coliform); nitrates; heavy metals; volatile organic compounds where potential sources of these contaminants are present; radon; and radium-222 and radium-226.

The Commission could also require testing for other contaminants in any area of the state where additional contaminants may pose a threat to public health. Water tests would be required to be completed by a certified laboratory and the certified laboratory would be required to submit the results of the water test to the owner no later than 15 days after the completion of any analysis required by the transfer, sale, or lease of property or as required to obtain a well permit under a local well program. The results would be electronically submitted to the Department of Environment and Natural Resources and to the State Health Director no later than 15 days after completion of the analysis. The bill would also establish a Groundwater Quality Database as a resource center and repository for the results of groundwater quality monitoring conducted and submitted pursuant to various programs administered by the Department. The Database information would be required to be accessible to state agencies, local governments, and the general public. The Department would be required to notify all residents within a 1500-foot radius of the known boundaries of each groundwater contamination site or incident identified in the database and to offer free water tests to well users notified. **Introduced by Representative Harrison and referred to the House Health Committee. The North Carolina Ground Water Association has many concerns about this bill, including the Commission establishing the criteria for the water tests and the costs of the tests. We will work with the sponsor to modify the bill to address our concerns.**

BILLS OF INTEREST

HOUSE BILL 1090, UI/Severance Modification, would amend the definition of total and partial unemployment regarding the treatment of severance pay by deleting: (1) the requirement that a person who is receiving severance pay as a result of separation from employment is to be considered unemployed and (2) the provisions that require an individual to be considered unemployed if he or she receives severance pay for any week he or she is registered at or attending any institution of higher education, secondary school, or Employment Security Commission-approved vocational, educational, or training program. **Introduced by Representative Wainwright and referred to the House Insurance Committee.**

HOUSE BILL 1101, Water Resource Policy Act of 2009, is identical to Senate Bill 907, summarized in the March 31, 2009 legislative report. **Introduced by Representatives Allen, Gibson, and Tarleton and referred to the House Water Resources and Infrastructure Committee.**

HOUSE BILL 1133, Firearm in Locked Motor Vehicle/Parking Lot, would prohibit a business, commercial enterprise, or employer from establishing, maintaining, or enforcing a policy or rule that prohibits or has the effect of prohibiting a person from transporting or storing any firearm or ammunition if locked out of sight within the trunk, glove box, or other enclosed compartment or area within or on a motor vehicle and the person is otherwise in compliance with all other applicable laws and regulations. The prohibition would not apply to the following: (1) vehicles owned or leased by an employer; (2) facilities, lands, or property owned, operated, or controlled

by any commercial or public entity engaged in the generation, transmission, or distribution of electricity; in the transmission or storage of natural gas or liquid petroleum; or in water storage or supply; (3) facilities owned or leased by a United States Department of Defense contractor or sites on which hazardous chemicals are stored in quantities greater than 1,000,000 pounds at any one time or in any quantity required to be registered pursuant to federal law; and (4) where transport or storage of a firearm is prohibited by state or federal law.

A person who is injured or incurs damages, or the survivor of a person killed, as a result of a violation of the prohibition could bring a civil action against any business entity, commercial enterprise, or employer who committed or caused the violation. A person who would be entitled legally to transport or store a firearm or ammunition, but who would be denied the ability to transport or store a firearm or ammunition by a prohibited policy could bring a civil action to enjoin any business entity, commercial enterprise, or employer from violating the prohibition. An employee who was discharged for violating a prohibited policy or rule when he or she was lawfully transporting or storing a firearm out of plain sight in a locked motor vehicle could bring a civil action against the employer, business entity, or commercial enterprise and would be entitled to the following: (1) reinstatement to the same position held at the time of his or her termination from employment, or to an equivalent position; (2) reinstatement of the employee's full fringe benefits and seniority rights; (3) compensation for lost wages, benefits, or other lost remuneration caused by the termination; and (4) payment of reasonable attorney's fees and legal costs incurred.

A business, commercial enterprise, employer, or property owner could not be held liable for damages, injuries, or death resulting from or arising out of another person's actions involving a firearm or ammunition transported or stored in the locked motor vehicle, including, but not limited to, the theft of a firearm from an employee's automobile. The reasonable good faith effort of a business, commercial enterprise, employer, or property owner to comply with other applicable and irreconcilable federal or state safety laws or regulations would be a complete defense to any liability on their part to comply with other applicable and irreconcilable federal or state safety laws or regulations in any action to enforce any right or obligation under these provisions. **Introduced by Representative Hilton and referred to the House Judiciary I Committee.**

HOUSE BILL 1134, Open Government Act, would create the Open Government Unit of the Department of Justice to develop and implement education and awareness programs on rights and responsibilities under the public records and open meetings laws for public and government agencies. The unit would also serve as mediator/moderator in resolving public record and open meeting disputes between parties, assemble and maintain an electronic collection of legal materials related to public records and open meetings laws, and adopt and develop policies for implementation. The bill also requires attorney fees to be awarded to the prevailing plaintiff, unless the local government has an opinion from the Attorney General, or a court decision that justified their refusal to provide the records. **Introduced by Representatives Ross, Wainwright, Wilkins, and Dickson and referred to the House Judiciary I Committee.**

HOUSE BILL 1139, Regulate Irrigation Systems/Cities, would authorize cities with populations in excess of 90,000 to regulate or prohibit underground irrigation systems that are connected to the local public potable water supply system in new subdivisions and other new residential and nonresidential developments within their corporate limits and extraterritorial planning jurisdiction. An underground irrigation system would include any piping system installed below ground level for the purpose of providing water distribution for lawns, shrubbery, and other

landscaping and vegetation through spray, drip, filtration, or other similar method of discharge. In addition, cities could not adopt any ordinance that prohibits or has the effect of prohibiting the installation and maintenance of cisterns and rain barrel collection systems used to collect water for irrigation purposes on any property within their corporate limits and extraterritorial planning jurisdictions; however, cities would be permitted to regulate the installation and maintenance of cisterns and rain barrel collection systems to protect the public health and safety and to prevent them from becoming a public nuisance. **Introduced by Representative K. Alexander and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1167, Local Governments Regulate Smoking/Public Places, would authorize local governments to adopt ordinances, laws, or rules to regulate smoking in public places. **Introduced by Representative M. Alexander and referred to the House Health Committee.**

HOUSE BILL 1194, Reform Legislative Ethics, would allow the State Ethics Commission to conduct inquiries and hear ethics complaints against legislators and legislative employees instead of referring the complaints to the Legislative Ethics Committee or the employee's employer. The Commission would be required to issue recommendations for punishment of the legislator or legislative employee if it found an ethical violation and refer the matter to the Legislative Ethics Committee or the employee's employing entity. **Introduced by Representative Blust and referred to the House Ethics Committee.**

HOUSE BILL 1211, Funds/Ferrymon and Modmon Programs, would provide \$286,000 in each of the next two years to the Institute of Marine Sciences at the University of North Carolina at Chapel Hill for the continuation of the North Carolina ferry-based water quality monitoring program and the Neuse River Estuary Modeling and Monitoring Project for the Albermarle-Pamlico estuarine system. **Introduced by Representative E. Warren and referred to the House Appropriations Committee.**

HOUSE BILL 1216, Exempt Office Equipment from Property Tax, would exempt office equipment and office furniture owned and used by a business with 25 or fewer employees from the property tax base. **Introduced by Representative Allred and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1219, No Automatic Contract Renewals, would prohibit the inclusion of automatic renewal clauses in product or services contracts with consumers or businesses. A violation would be an unfair and deceptive trade practice and would make the contract provision void and unenforceable. **Introduced by Representative Allred and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1230, APA Rules: Increasing Costs Prohibition, is identical to Senate Bill 866, summarized in the April 23, 2009 legislative report. **Introduced by Representative Gibson and referred to the House State Government/State Personnel Committee.**

HOUSE BILL 1236, Promote Water Use Efficiency, would allow users of water for commercial or industrial purposes to establish a voluntary water conservation and water use efficiency certification program to encourage and promote the use of year-round water conservation and water use efficiency measures. A water conservation and water use efficiency certification would only be issued to a person who meets the program standards, including the implementation of measures that reduce water consumption by 20% or more on an ongoing basis and who utilizes the services of a licensed plumbing contractor to measure water flow and

inspect equipment for leaks to determine if the applicant is in compliance with the standards of the certification program. State and local governments would be required to recognize a certification program organized pursuant to these provisions. A person who receives certification would be deemed to be in compliance with any water conservation measures required by law and would not be required to implement additional water conservation measures during periods of drought or water emergency. **Introduced by Representative Gibson and referred to the House Water Resources and Infrastructure Committee.**

HOUSE BILL 1245, DOT Study Tolling at State Lines/Other States, would require the Department of Transportation to study the feasibility of tolling all interstate highways entering into North Carolina, including: (1) the process for getting permission from the United States Department of Transportation to toll existing interstate highways; (2) the cost benefit analysis of engaging surrounding states in a compact to allow for toll collections at state lines and a division, between the affected states, of tolls collected based on the percentage of total miles of an interstate highway that is in each state; (3) the cost benefit of tolling existing interstate highways; (4) the actual cost of construction of toll booths; and (5) any revenue or fund losses that would result from the tolls. The DOT would submit its report to the Legislative Transportation Oversight Committee and the Fiscal Research Division by March 1, 2010. **Introduced by Representative Haire and referred to the House Transportation Committee.**

HOUSE BILL 1270, National Popular Vote Interstate Compact, is substantially similar to Senate Bill 417, summarized in the March 17, 2009 legislative report. **Introduced by Representatives Goodwin, Adams, Carney, and Goforth and referred to the House Election Law and Campaign Finance Reform Committee.**

HOUSE BILL 1283, Good Faith Immunity/Certain Employers, would provide that an employer who in good faith dismisses an employee from employment because the employee lied to the employer in a sworn statement given in connection with a federal work authorization program or social security number verification service would be immune from civil liability and would not be liable to the former employee for any damages arising out of the dismissal. **Introduced by Representative Blackwood and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1288, Plastic Bags Recycling, would increase the state recycling goal from 25% to 75% by requiring retailers that own or control more than 10,000 square feet of retail space and provide customers with plastic bags for carrying items purchased to implement a plastic bag collection program to facilitate recycling, provide a clearly marked receptacle for collecting the bags, and arrange for the pickup, transport, and recycling of the plastic bags deposited in the collection receptacles. **Introduced by Representative Harrison and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1300, No Pressuring Lobbyists for Contributions, would prohibit a legislator, executive branch official, or candidate campaign committee or their real or purported agent from soliciting, requesting, either directly or indirectly, or accepting a contribution from a registered lobbyist. A registered lobbyist could solicit a contribution on behalf of a political party executive committee if the solicitation is solely for a separate segregated fund kept by the political party that is only used for activities that are not candidate-specific, including generic voter registration and get-out-the-vote efforts, pollings, mailings, and other general activities and advertising that do not refer to a specific individual candidate. A registered lobbyist could also advise any of the following with regard to contributions to a legislator, executive branch official, or candidate

campaign committee: (1) a political committee that employs or contracts with, or whose parent entity employs or contracts with, the lobbyist; (2) individual members of that political committee; and (3) the lobbyist's principal. A legislator or executive branch official would be allowed to serve on a board or committee of an organization that makes a solicitation of a registered lobbyist as long as he or she does not directly participate in the solicitation and does not directly benefit from the solicitation. Violations of these provisions would be punishable by a civil fine. **Introduced by Representative Blust and referred to the House Ethics Committee.**

HOUSE BILL 1310, Insurance Premium Discount/Prevention Course, would provide for automobile insurance premium discounts of at least 10% to persons 55 years of age or older who do not have more than two safe driver incentive plan points and who complete an accident prevention course approved by the Division of Motor Vehicles. The rate reduction would not be allowed for courses that are self-instructed or that do not meet DMV requirements or courses that are required by court order, DMV order or regulation, or by law. **Introduced by Representative Underhill and referred to the House Aging Committee.**

HOUSE BILL 1318, New Felony Death by Motor Vehicle, would create a new death by motor vehicle charge when the death is the result of the operation of a commercial motor vehicle by an owner-operator who knew that the commercial motor vehicle was not safe for operation. **Introduced by Representative Randleman and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1320, Cell Phone Use/Aggravating Factor in Crashes, would provide for a \$100 fine in addition to any fine assessed by the court for the conviction of a charge for a moving motor vehicle violation where mobile phone use is noted as a distraction. **Introduced by Representative Starnes and referred to the House Ways and Means/Broadband Connectivity Committee.**

HOUSE BILL 1321, Allow UM/UIM Coverage Choice, is substantially similar to House Bill 678, summarized in the March 31, 2009 legislative report. **Introduced by Representative Starnes and referred to the House Insurance Committee.**

HOUSE BILL 1336, Amend Irrigation Contractors' Licensing Laws, would amend the laws that regulate irrigation contractors to provide substantive requirements for licensing corporations, provide for the issuance of licenses to nonresidents, clarify the fee structure, and make other changes. **Introduced by Representative Gibson and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1337, Water Resources Improvement Act of 2009, would create the Water Resources Improvement Cost-Share Program, operated by the Soil and Water Conservation Commission, to help farmers and other landowners increase and preserve water storage capacity, develop and improve surface and groundwater supplies, and implement water conservation and efficiency practices. The program would supply cost-share funds to farmers and other North Carolina landowners to expand or construct water storage structures, adopt innovative water storage practices, including, but not limited to, aquifer storage and recovery systems, develop and improve surface and groundwater resources, and convert to more water-efficient equipment or practices. The cost-share assistance would be limited to 75% of the cost being provided by the Program with a maximum of \$150,000 per year per applicant. **Introduced by Representatives Gibson and Gillespie and referred to the House Water Resources and Infrastructure Committee.**

HOUSE BILL 1353, Conserve Energy/Water, would authorize cities and counties to adopt ordinances that prohibit deed restrictions, covenants, equitable servitudes, or any similar binding agreements that would prohibit the installation of solar collectors, clotheslines, rain barrels, garden fences, or any other devices designed to generate or conserve energy through the use of renewable resources or to capture, store, or reuse water. **Introduced by Representative Harrison and referred to the House Energy and Energy Efficiency Committee.**

HOUSE BILL 1384, Shopping Carts/Prevent Exposure to Germs, would enact the North Carolina Shopping Carts Act to protect shoppers from exposure to germs, viruses, bacteria, and other contaminants by requiring all retail stores that provide shopping carts to make available to the public at no cost sanitation wipes at the entrances to their premises. The failure to comply with a notice of violation would be punishable by a civil fee of up to \$100. **Introduced by Representative Jones and referred to the House Health Committee.**

HOUSE BILL 1385, Cistern Tax Credit/Regulatory Reform, would provide a tax credit for the construction of cisterns on residential and commercial property of 35% of the cost of constructing and installing the system. The bill would also allow cities with populations greater than 100,000 to prohibit underground irrigation systems that are connected to the local public potable water supply system. Cities could not prohibit rainwater recovery systems. **Introduced by Representative K. Alexander and referred to the House Water Resources and Infrastructure Committee.**

HOUSE BILL 1395, Clean Water Trust Fund/Pending Unpaid Awards, would require grants that were awarded from the Clean Water Management Trust Fund for the 2008-2009 fiscal year to be funded before any new grants are awarded this year. **Introduced by Representative Bryant and referred to the House Appropriations Committee.**

HOUSE BILL 1399, Capacity Use Areas/Amend Water Withdrawal, would require persons who are required to obtain a permit for withdrawal of water in the Central Coastal Plain Capacity Use Area to achieve the reductions in withdrawals in cretaceous aquifer zones without withdrawing, selling, or transferring water to other users. The termination of any existing authority to withdraw and sell or transfer water would not take effect before January 1, 2011. The Department of Environment and Natural Resources would be required to revise each permit in effect on October 1, 2009, to preclude any further withdrawal and selling or transferring of water after January 1, 2011. All permits issued or renewed after October 1, 2009 would prohibit the withdrawal, sale, or transfer of water to achieve the reductions in withdrawals specified in cretaceous aquifer zones for Phase II and Phase III. Persons who are required to obtain a permit for withdrawal of water in the Central Coastal Plain Capacity Use Area and who fail to meet the specified deadlines would be required to reduce their withdrawals prior to the next phase by the total amount of water that the person withdrew in excess of the applicable groundwater reduction requirement for the prior phase. **Introduced by Representative Braxton and referred to the House Water Resources and Infrastructure Committee.**

HOUSE BILL 1413, Allow Money Damages for SCRA Violations, would allow persons who suffer economic harm as a result of a violation of the federal Servicemembers Civil Relief Act to recover actual damages suffered as a result of the violation. The bill would also prohibit clerks of superior court from allowing power of sale foreclosure sales for persons who are subject to the Servicemembers Civil Relief Act. **Introduced by Representative Martin and referred to the House Homeland Security, Military, and Veterans Affairs Committee.**

HOUSE BILL 1465, Business Recovery Act, would provide that when an employee is injured or killed in an automobile accident while the employee is a driver or passenger in an employer's covered vehicle and the accident is due to the negligence of an uninsured or underinsured third party, the employee is to be compensated by the employer's uninsured or underinsured motorist coverage instead of under the employer's workers' compensation insurance. **Introduced by Representative Folwell and referred to the House Transportation Committee.**

BILL UPDATES

HOUSE BILL 221, Oversight of Licensing Boards. This bill was amended in the House Judiciary I Committee to provide that the Joint Legislative Administrative Procedure Oversight Committee's review of the activities of state occupational licensing boards would not include decisions regarding board personnel matters or determinations on individual licensing applications or individual disciplinary actions. The annual report that each occupational licensing board would be required to file each year with the Secretary of State, the Attorney General, and the Committee would have to include the number of complaints received involving licensed and unlicensed activities and the number of disciplinary actions taken against licensees and actions taken against non-licensees. The bill would also clarify that the suspension of a board's authority to collect fees would not affect the board's duty to issue and renew licenses or the validity of any application or license for which fees have been tendered. **The bill as amended was approved by the House Judiciary I Committee and the full House and will next be considered by the Senate State and Local Government Committee.**

SENATE BUDGET

We have summarized below the Senate budget proposal. The Senate had to make budget reductions in all areas of the budget and achieved these reductions primarily by giving agencies management flexibility to find their own reductions. In addition, all non-profits or pass through funding to non-state agencies received reductions of 6-10% in their funding. The budget provides a modest increase in pay of 1.8 percent for teachers and no increase for other state employees. The Senate continues to work on their revenue package which would include increased taxes on cigarettes and alcohol as well as taxes on specific services. Apparently, the tax on services will include automotive services, landscaping and other services, but will not include medical or legal services. The Senate has not released the specifics of their plan and continues to work on it to address the revenue needs. Since the Senate released its budget, the legislature learned that the revenue from the April 15th tax returns leaves them in a bigger deficit which will require the House to either find another billion in reductions or will require them to raise more revenue. The House is currently working on their version of the budget and we expect them to release their proposal within the next two weeks.

Capital

Water Resources Development Projects. The Senate budget would provide \$17.6 million for the state's share of Water Resources Development Projects.

General Government

Cigarette Increase (\$1.00 Increase). The Senate budget would increase the tax on the sale or possession for sale of cigarettes by a distributor from 1.75 cents to 6.75 cents per individual cigarette.

Professional Business Fee. The Senate budget would increase the fee for a statewide privilege license to practice a profession or engage in business from \$50 to \$200.

Environment and Natural Resources

Clean Water State Revolving Fund Match. The Senate budget would provide over \$2.4 million to meet the 20% state match required to draw the maximum federal funds for the Clean Water State Revolving Fund.

Drinking Water State Revolving Fund. The Senate budget would provide over \$5.4 million to meet the 20% state match required to draw the maximum federal funds for the Drinking Water State Revolving Fund.

Clean Water Management Trust Fund. The Senate budget would reduce funding to the Clean Water Management Trust Fund which would provide \$75 million in each of the next two years to the Clean Water Management Trust Fund.

Small Business Assistance Fund. The Senate budget would provide \$3 million to the Department of Commerce for the Small Business Assistance Fund to provide loans to small businesses with 100 or fewer employees and less than \$1 million in annual receipts to guarantee a commercial loan; to provide emergency bridge loans; and for any other purpose related to small business job preservation.

One NC Small Business Funds. The Senate budget would transfer \$2 million from the One NC Fund to the One NC Small Business Fund to provide matching grants to businesses that qualify for the federal Small Business Innovation Research (SBIR) Program and the Small Business Technology Transfer (STTR) Program Incentive funds.

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