



INTRODUCTION

(Relative) Calm Before the Storm - Last week was - by comparison - relatively sedate, and unusually short. With the ACC Tournament starting on Thursday, the House scheduled a skeleton session and many lawmakers headed out of town early. Despite the brevity, and lack of public fireworks between the House and Senate, several major issues saw action, and the drafting staff was overwhelmed with last-minute requests as the bill-filing deadline (to have legislation in to the bill drafting office) was only days away for the Senate. While this week was not as action-packed as others this session, in some ways it may be the only lull that is given before the pace accelerates even more. Governor McCrory's budget is expected to arrive on Jones St. sometime in the next two weeks, after which the budget process will begin in earnest. Public fights over controversial bills are set to escalate, with a Planned Parenthood march/protest/lobby day coming up this Wednesday, just as the latest abortion-restriction bill was filed. Other bills, summarized below, are likely to elicit an equally strong reaction. With two weeks left in the month, March Madness will not be confined to the hardwoods this year, with plenty of rivalries and drama set to unfold on the legislative marble.

Voter ID, Continued – The House Elections Committee this week held its first hearings on the issue of Voter ID, and the public meeting lived up to its billing. Hundreds of people packed into three rooms of the legislative office building for a four-hour discussion, with speakers alternatively praising and criticizing the idea of requiring a valid photo ID to vote. Supporters raised the specter of voter fraud and said the idea that getting an ID was burdensome was ridiculous, given the number of basic daily activities that require one. Critics, who substantially outnumbered their opponents at this meeting, charged that such requirements disproportionately affect poor, minority and elderly voters, lengthen already long lines at the polls, and create confusion for poll workers. Several groups that are traditional opponents of the measure, understanding that Republicans have the votes to pass whatever kind of Voter ID bill they choose, offered to work with the sponsors to make the requirements as easy for those they represent to comply with as possible. The following day five experts on the issue addressed the committee, and more hearings are scheduled before a bill is introduced, sometime around the end of this month. House Speaker Thom Tillis, speaking to MSNBC on Saturday, said the main objective to passing such a bill is not to combat voter fraud, but to “restore confidence in elections.”



NORTH CAROLINA GROUND WATER ASSOCIATION



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McCrory and MetLife - Governor McCrory started the week fresh off a triumphant announcement that MetLife Inc. had agreed to an incentive package that includes them bringing thousands of jobs and over \$100 million in investment to the state in the next few years. Early this week the Governor had to answer questions about his involvement in the deal, as his former employer, Charlotte-based law and lobbying firm Moore & Van Allen, was hired by MetLife to broker their deal with the State. McCrory denied any involvement, but his critics used the issue to renew their charges that McCrory, who is not a lawyer or a lobbyist, has never fully explained the nature of his work for the firm or disclosed any conflicts of interest.

Controversial Bills – The session has been relatively light on controversial social issues until this week, when a pair of bills were filed that could restart the death penalty in North Carolina, and close most or all abortion clinics in the state. Sen. Thom Goolsby filed SB306, which would finish the repeal of the 2009 Racial Justice Act that was begun last session, which critics charge has led to a de-facto moratorium on the death penalty. The next day Sen. Warren Daniel filed SB308, which would require doctors who perform abortions to have admitting privileges at a local hospital, and remain with the patient through the entire procedure and recovery. The measure is similar to one passed in Mississippi last year, which has led to the closing of all but one of that state’s abortion clinics, the last of which is close to closing as well. Governor McCrory has said he does not support additional restrictions on abortion, but with a veto-proof majority in both chambers legislators can enact such a measure despite his objections. While the chances of passage for both of these measures is considered good in a Republican-dominated legislature, contentious debate on each, both inside and outside the General Assembly, is guaranteed.

State vs. Cities – Several measures that saw action this week had observers discussing a state-vs-cities atmosphere at the legislature, with several noting it seems the cities in question all happen to be led by Democratic mayors. A bill to allow Charlotte to use existing taxes – rather than new taxes or state money – to pay for renovations to the Bank of America Stadium, home of the NFL’s Panthers, was passed out of the House Government committee. The Panthers’ owner, Jerry Richardson, came to the legislature earlier this month pitching the idea of state funding to help ensure the stadium is renovated, hinting that such action could help ensure the team is not moved from North Carolina, but notable Charlotteans Governor McCrory and Speaker Tillis publically declared the idea dead on arrival, and House Conference Leader Ruth Samuelson (also of Charlotte) has taken on the job of getting the scaled-back funding bill passed, with no new taxes going to the stadium.

Other bills that municipal advocates have criticized as taking power away from the cities that need it include one would take control of the Charlotte-Douglas International Airport away from the city and give it to regional authority (a bill that passed the Senate this week after heated debate); one that would shift control of Asheville’s water system from the city to an appointed board; the Aesthetic Controls bill (which would limit cities’ and towns’ authority to control home appearance and design) that was passed by the House Regulatory Reform Subcommittee on Local Government this week; and a bill filed in the Senate at the end of the week that would void the lease agreement for the Dorothea Dix campus former Gov. Perdue entered into with Raleigh in the waning days of her administration. The “Dix Nix” bill would bring the city and state back to the negotiating table, and stall the existing plans to turn the 325-acre property into a public park. Sponsors say the bill will allow Raleigh to lease much of the campus, but at fair market value, and keep thousands of DHHS employees’ offices in place, saving the state the cost of relocating them. Raleigh Mayor Nancy McFarlane, along with supporters of the Dix park, lashed out at the idea of cancelling what they see as a good-faith contract, in just one of the

increasingly common battles between state and municipal leaders.

BILLS OF INTEREST

HOUSE BILL 274, Taxpayer Bill of Rights, would provide governmental accountability and protection to the taxpayers by limiting increases in the General Fund budget, reforming the budget process, establishing an Emergency Reserve Trust Fund, and amending the North Carolina Constitution to establish a General Fund expenditure limit. **Introduced by Representatives Blust, Jones, Holloway, and Starnes and referred to the House Government Committee.**

HOUSE BILL 279, Transfer Environmental Permits, would authorize the Department of Environment and Natural Resources to transfer certain environmental permits for stormwater runoff and erosion and sedimentation control plans associated with property development when the original property owner is unwilling or unable to agree to the permit transfer. The permit would be transferred if the following apply: (1) the proposed transferee is the owner of the land to be disturbed or has the owner's written consent to conduct the land-disturbing activity; (2) the proposed transferee intends to use the plan for the purposes for which it was issued; and (3) there will be no substantial change or modification of the project covered by the plan that would affect any requirement of the plan. A change in applicable laws and regulations occurring after the issuance of a permit to the original permit holder would not be considered a substantial change or modification of the project covered by the plan that would affect any requirement of the plan. **Introduced by Representatives Millis, Hager, McElraft, and Moffitt and referred to the House Environment Committee.**

HOUSE BILL 281, Record of Excusals from Jury Duty, would require the clerk of court to retain the name and address of each person who requests and is granted an excusal, deferral, or exemption from jury duty, along with the reason for the excusal, deferral, or exemption, for at least two years. This information would be a public record. **Introduced by Representative Cleveland and referred to the House Judiciary Committee.**

HOUSE BILL 284, Local Contracts/Local Bidder Preference, is substantially similar to Senate Bill 232, summarized in the March 11, 2013, legislative report. **Introduced by Representative Jordan and referred to the House Government Committee.**

HOUSE BILL 298, Affordable and Reliable Energy Act, would seek to reduce the high energy costs in the State by eliminating the Renewable Energy and Energy Efficiency Portfolio Standard (REPS), and would provide for cost recovery by public utilities only for the reasonable and prudent costs incurred prior to July 1, 2013, for compliance with Renewable Energy Portfolio Standards. **Introduced by Representatives Hager, Collins, Avila, and Cleveland and referred to the House Commerce and Job Development Committee.**

HOUSE BILL 310, Handgun Permit Modernization Act, would amend the criteria for the issuance of a handgun permit to require the sheriff to issue the permit if the applicant does not suffer from a mental infirmity that prevents the safe handling of a handgun, as determined by the National Instant Criminal Background Check System, and removes the current criteria regarding a physical infirmity. The sheriff could not request character affidavits, additional background checks, photographs, or other information unless specifically required. The bill also would remove the provision that provides that the determination by the court in an appeal of a permit

denial is final. No fee other than those authorized under this section could be charged for the application, renewal, or duplication of a permit, or for the cost of processing fingerprints, even if additional costs are incurred by the sheriff in processing the permit. **Introduced by Representatives Jordan, Hastings, Brody, and Szoka and referred to the House Rules Committee.**

HOUSE BILL 311, Repeal Literacy Test, would amend the North Carolina Constitution, if approved by a majority of voters in a statewide referendum held in November 2014, to repeal the requirement that persons registering to vote know how to read and write a section of the Constitution in English. **Introduced by Representative Alexander, Michaux, Jeter, and Warren and has not yet been assigned to a House committee.**

HOUSE BILL 312, Preserving Privacy Act of 2013, would make it unlawful for a person or municipal, county, or State law enforcement agency to use a drone to gather evidence or other information or data pertaining to criminal conduct or conduct in violation of a statute or rule. A drone could be used for other purposes, but any information or data acquired from the use of the drone could not be disclosed and would be inadmissible in any criminal, civil, or administrative proceeding. Exceptions would be provided as follows:

- (1) A municipal, county, or State law enforcement agency using a drone to conduct a search pursuant to a search warrant. Any search authorized under this subdivision would be limited to the scope of the warrant, and the warrant would specifically state that the use of a drone is authorized.
- (2) A municipal, county, or State law enforcement agency using a drone to conduct a search if consent to the search is given in accordance with Article 9 of this Chapter.
- (3) A municipal, county, or State law enforcement agency using a drone to conduct a search, subject to certain limitations, if the law enforcement agency possesses reasonable suspicion that immediate action is needed to prevent (i) imminent harm to life, (ii) serious damage to property, (iii) the imminent escape of a suspect, or (iv) the imminent destruction of evidence.

The drone could collect information or data only on the person or location subject to the search. Neither facial recognition nor other biometric matching technology could be used on information or data collected from the use of a drone that pertains to individuals, homes, or areas other than the subject of the search. An aggrieved party could bring a civil action against any person who violates these provisions. A person who willfully and knowingly violates these provisions would be guilty of a Class 1 misdemeanor (unlawful use of a drone), or a Class 3 misdemeanor (retaining data from a drone search). Any information or data obtained or collected in violation of this section would not be admissible as evidence in any criminal, civil, or administrative proceeding. Any information or data willfully and knowingly obtained or collected in violation of this section would be destroyed within 24 hours after the date on which the information or data was first obtained or collected, or after the date of the court's final decision. By January 31 of each year, an official who issues a search warrant during the preceding calendar year that authorized the use of a drone would be required to report to the Administrative Office of the Courts the identity of the law enforcement agency to which the search warrant was issued, the offense specified in the warrant, and the nature of the facilities or property searched. **Introduced by Representatives Setzer, Moffitt, D. Hall, and Harrison and has not yet been assigned to a House committee.**

HOUSE BILL 319, Dorothea Dix Lease, would condemn the leasehold interest in the Dorothea Dix campus property conveyed to the City of Raleigh that was entered into by Governor Perdue prior to leaving office. The property would be allocated to the Department of Health and Human Services for mental health purposes, with a portion of the property to be leased at fair market value for a public park with right of first refusal to the City of Raleigh. Any lease proceeds would be used to treat mental health. The bill would authorize the City of Raleigh to file an action in Wake County Superior County for a determination of just compensation for the taking of the property within 60 days of the effective date of the act. **Introduced by Representatives Burr, Avila, Cleveland, and Hurley and has not yet been assigned to a House committee.**

SENATE BILL 249, Reestablish NC Progress Board, would reestablish the North Carolina Progress Board to:

- encourage the discussion and understanding of critical global and national social and economic trends that will affect North Carolina in the coming decades;
- examine certain reports of the Commission for a Competitive North Carolina and the North Carolina Progress Board;
- track the eight issue areas developed by the Commission, in addition to other issues identified by the Progress Board. These issues include: (1) healthy children and families; (2) quality education for all; (3) a high performance workforce; (4) a prosperous economy; (5) a sustainable environment; (6) technology and infrastructure development; (7) safe and vibrant communities; and (8) active citizenship/accountable government;
- hold public hearings and educational and outreach programs to get the views of citizens on priority goals for the State, and to disseminate findings and recommendations to policymakers;
- provide a report every five years to the citizens of the State that updates the 20- to 30-year vision for North Carolina;
- submit a report to the General Assembly on social and economic trends, including specific targets and milestones to accomplish its mission, and recommend how the targets and milestones can be applied to increase the accountability of government;
- report periodically to the citizens of North Carolina on progress toward meeting goals, targets, and milestones;
- undertake new and ongoing policy research and benchmarking studies; and
- publish and distribute periodic reports on policies, performance improvement, and best practices for meeting the long-term goals for the State.

Introduced by Senator Hartsell and referred to the Senate Rules Committee.

SENATE BILL 254, Funds to Restore Private Well Program, would provide \$222,000 each year to the Department of Health and Human Services, Division of Public Health, for operating expenses for the Private Well Program, and to establish three Environmental Health Regional Specialist positions dedicated to the Private Well Program. **Introduced by Senator Hartsell and referred to the Senate Appropriations Committee. The North Carolina Ground Water Association supports this legislation.**

SENATE BILL 255, Small Business New Job Creation Incentive, is identical to House Bill 263, summarized in the March 11, 2013, legislative report. **Introduced by Senators McLaurin, Walters, and Clark and referred to the Senate Finance Committee.**

SENATE BILL 259, Maintaining Water & Sewer Fiscal Health, is substantially similar to House Bill 238, summarized in the March 11, 2013, legislative report. **Introduced by Senator Bingham and referred to the Senate Finance Committee.**

SENATE BILL 280, CDL Requirements/Military Experience, would allow the Division of Motor Vehicles to waive the commercial skills test for retired or discharged members of the armed forces who also satisfy other requirements. **Introduced by Senator Meredith and referred to the Senate Transportation Committee.**

SENATE BILL 284, OSC/GBICC/State Data Sharing, would direct the State to initiate across State agencies, departments, and institutions a data integration and data sharing initiative to leverage the data from current systems for enterprise-level State business intelligence. The Office of State Controller would identify data integration and business intelligence opportunities that will generate greater efficiencies in, and improved service delivery by, State agencies, departments, and institutions. The bill also would establish the Government Business Intelligence Competency Center (GBICC) in the Office of the State Controller. The bill sets out the powers and duties of the GBICC, requirements for the implementation of the Enterprise-Level Business Intelligence Initiative, general duties and requirements of state agencies related to data sharing, and provisions on privacy and confidentiality of information. The bill also would authorize the Division of Motor Vehicles to release social security numbers and the photographic image of applicants for a driver's license or identification card to the Office of the Controller for these purposes. **Introduced by Senator Hise and referred to the Senate Commerce Committee.**

SENATE BILL 293, WC/Subrogation/Employer Consent, would amend the State's workers' compensation laws to require employer consent for the reduction by more than 50% of an employer's subrogation lien. **Introduced by Senators Parmon and Brunstetter and referred to the Senate Commerce Committee.**

SENATE BILL 298, Online Voter Registration, is identical to House Bill 102, summarized in the February 15, 2013, legislative report. **Introduced by Senators Bryant, Parmon, and McKissick and referred to the Senate Rules Committee.**

SENATE BILL 329, UI/Some Formerly Disabled Workers Eligible, would provide that a person is eligible for unemployment insurance benefits if, prior to separation from employment due to no fault of his or her own, he or she was (i) on short-term or long-term disability leave from the employer immediately before separation, (ii) medically released from the disability leave period after being deemed to be able to return to work with the employer and therefore no longer eligible for disability leave status with the employer, and (iii) not employed by another employer during the disability period. **Introduced by Senator Cook and has not yet been assigned to a Senate committee.**

SENATE BILL 330, Study Water and Sewer Providers, would direct the Environmental Review Commission to study the statutory models for establishing, operating, and financing certain organizations that provide water and sewer services in the State. The Commission would determine whether, how, and to what extent the number of statutory models should be reduced and consolidated, and would consider any impacts on the ongoing operations and financing of existing organizations for the provision of water and sewer services. The Commission would report its findings and recommendations, if any, to the 2014 Regular Session of the 2013 General Assembly upon its convening. **Introduced by Senators Goolsby and Clodfelter and has not yet been assigned to a Senate committee.**

SENATE BILL 331, Sunshine Amendment, would amend the North Carolina Constitution, if approved by a majority of voters in a statewide referendum held in November 2014, to provide that all State and local government public records are open to inspection and copying, and all State and local government meetings are open to the public. The General Assembly could provide by general law passed by a two-thirds vote of the members present and voting of each house for the exemption of records in the case of public necessity. **Introduced by Senator Goolsby and has not yet been assigned to a Senate committee.**

SENATE BILL 332, Government Transparency Act, would increase accessibility to personnel records related to hiring, firing and performance, as well as other governmental records and meetings. The bill would require that a general description of the reasons for each state employee's promotion, demotion, transfer, suspension, separation, or other change in position classification be maintained and accessible. The bill also provides guidelines for receiving attorneys' fees for public record lawsuits and requests. **Introduced by Senator Goolsby and has not yet been assigned to a Senate committee.**

SENATE BILL 333, Limit Eligibility for Judicial Appointments, would prohibit the Governor from appointing a person who was an unsuccessful candidate for a judicial office in the most recent general election to a special superior court judge and/or as a nominee to fill a district court judge vacancy. **Introduced by Senator Rabon and has not yet been assigned to a Senate committee.**

SENATE BILL 334, Dorothea Dix Lease, is identical to House Bill 319, summarized above in this legislative report. **Introduced by Senators Hise, Pate, and Tucker and has not been assigned to a Senate committee.**

SENATE BILL 338, Establish General Government Oversight Committee, is identical to House Bill 153, summarized in the March 4, 2013, legislative report. **Introduced by Senator Tucker and has not yet been assigned to a Senate committee.**

BILL UPDATES

HOUSE BILL 120, Building Inspections/Local Consistency, was amended on the House floor to clarify that a city or county may not adopt a local ordinance or resolution or any other policy that requires regular, routine inspections of buildings or structures constructed in compliance with the North Carolina Residential Code for One- and Two-Family Dwellings in addition to the specific inspections required by the NC Building Code without first obtaining approval from the Building Code Council. The bill was also amended to require the Council, through the Department of Insurance (DOI), to publish in the North Carolina Register and post on the Council's website all appeal decisions and formal opinions at least twice a year. The Council, through DOI, would also publish a statement with the accurate website address and information on how to find additional commentary and interpretation of the Code in the NC Register at least two times a year. The bill was further amended to require the Council to review all applications for additional inspections requested by a local government in a *reasonable* (rather than timely) manner. **The bill as amended was approved by the House, and will next be considered by the Senate Commerce Committee.**

HOUSE BILL 156, Honest Lottery Act, was amended in the House Judiciary Subcommittee B to:

- provide that the Commission may use only draw-style games and instant scratch-off games, unless the General Assembly approves other games;
- make the use of false, misleading, unfair, or deceptive information in lottery advertising an unfair and deceptive trade practice; and
- remove the provisions that would have changed the name of the lottery and that would have required potential Commission contractors to disclose average compensation for each category of employees.

The bill as amended was approved by the House Judiciary Subcommittee B and will next be considered by the House Appropriations Committee.

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