

Fwd: REPRESENTATIVE RODNEY W. MOORE'S RALEIGH REPORT - June 9, 2014

sjohnclt@aol.com [sjohnclt@aol.com]

Sent: Monday, June 09, 2014 4:38 PM**To:** Steve Johnston**Attachments:** image001.png (54 KB); image003.jpg (10 KB);

-----Original Message-----

From: Charmey Morgan (Rep. Rodney Moore) <Moorerla@ncleg.net>

To: 'sjohnclt@aol.com' <sjohnclt@aol.com>

Sent: Mon, Jun 9, 2014 4:37 pm

Subject: REPRESENTATIVE RODNEY W. MOORE'S RALEIGH REPORT - June 9, 2014

[Representative Rodney W. Moore](#)

N. C. House Of Representatives

Legislative Office Building

Raleigh, NC 27603-5925

(919) 733-5606

Rodney.Moore@ncleg.net

Mecklenburg County



For Immediate Release

June 9, 2014

REPRESENTATIVE RODNEY W. MOORE'S RALEIGH REPORT

Senate approves budget; House gets to work

After completing its initial budget work shortly after midnight on May 31st, the Senate formally submitted its proposal, [S744](#), to the House for its consideration. While House appropriations subcommittees met on last Tuesday to review both Senate and gubernatorial funding priorities, no official action was taken this past week, but plans for this week's House budget action were rolled out on the House floor on last Thursday. House appropriations subcommittees are expected to complete work on their individual spending plans by Wednesday, followed by full Appropriations and stops in Finance and Pension and Retirement. A House floor vote will convene at noon on Thursday, with third reading scheduled on Friday. Significant points of difference between the House, the Governor, and the Senate are likely to include plans for Medicaid reform and the level of teacher salary increases. Their proposal paid for the teacher pay raise by slashing \$390 million directly out of the K-12 education budget. It is imperative that the House budget corrects some of the shameful and politically motivated budget cuts that were proposed by Senate Republicans. Highlighted below are a few the most **damaging cuts**:

- **7,400 teacher assistant positions**
- **70 school nurses**
- **788 new teaching**
- **30% cut to the Department of Public Instruction**
- **15,000 Aged, Blind and Disabled will no longer receive health coverage**

Medicaid Expansion

By not accepting the Medicaid expansion, NC is missing out on \$400 billion that many in the state desperately need as the economy continues to sputter and denying health coverage to nearly 500,000 individuals. Experts have said that by not extending benefits to newly eligible North Carolinians, 400 people may needlessly die this year because they did not receive adequate care. In addition, citizens are already paying the taxes required by law to expand Medicaid in other states; however, because of not accepting the Medicaid expansion, these citizens are not reaping the benefits these taxes pay for.

Medicaid Facts in North Carolina:

Residents

- 37,000 North Carolinians receive skilled nursing facility (SNF's) services on any given day.
- 59.2% of residents were discharged back to their communities which is evidence of NC's stringent level of care criteria.

- Total dependence in Activities of Daily Living (ADLs) is the fourth highest in the US.

Finances

- Average Skilled Nursing Facility rate on April 1, 2014: \$157.17; on October 1, 2008: \$156.51
- Skilled Nursing Facilities in all southeastern states, EXCEPT North Carolina, have received rate increases in the past 24 months. North Carolina has the lowest Medicaid rate in this region. Further rate cuts will only make the disparity worse.

Goals of Medicaid Reform Skilled Nursing Facilities (SNFs)

- Predictability YES, Medicaid expenditures for SNF care has been virtually flat
- Controlled Growth YES, Growth is controlled by the number of licensed beds
- "Whole Person Care" YES, SNFs are paid an all-inclusive, per diem (capitated) rate

Bills of Interest

[HB 1099](#) - UNMANNED AIRCRAFT REGULATION - This bill would establish regulations for the use of Unmanned Aircraft Systems (UAS) in North Carolina. The bill would establish the right to bring a civil cause of action against a person, entity, or state agency that conducts surveillance of an individual or an individual's dwelling through the use of UAS without that person's written consent. An action could also be brought for using UAS to photograph an individual without his or her approval and for the purpose of publishing or otherwise publically disseminating the photo. The bill authorizes the use of UAS for specific law enforcement purposes. Under the bill, state and local law enforcement agencies would be allowed to use UAS to conduct surveillance if a warrant is obtained, or if the surveillance could be done by a manned aircraft without obtaining a warrant. In addition, law enforcement agencies would be permitted to use UAS to counter a potential terrorist attack, to search for a missing person, to thwart an escape by a suspect, to photograph public gatherings, and to prevent "imminent danger to life or serious damage to property." The bill also establishes criminal penalties for certain uses of UAS and requires the Aviation Division of the Department of Transportation to develop a knowledge and skills test for operating UAS, which all operators would be required to successfully complete, by Feb. 1, 2015. The bill has been referred to a subcommittee of House Judiciary B, but due to its highly complicated subject matter, it is not expected to move this session.

[SB 78](#) - LAW ENFORCEMENT AND DA PRIVACY/TAX WEBSITES - This bill would allow law enforcement officials and district attorneys to request that their personal information be removed from tax websites. It is intended to prevent the sort of incident that occurred when the father of an Assistant District Attorney for Wake County was kidnapped in retaliation for her successful prosecution of a criminal defendant. The bill directs counties to develop a process by which law enforcement officers and district attorneys may seek removal of personal information, such as their address and phone number, from a website maintained by the county, which is available to the public and displays local tax records. When a specific request is made pursuant to this process, the county would be required to remove the information. The information would continue to be a public record under Chapter 132 of the General Statutes. The bill received a favorable report from the Rules Committee and was re-referred to the House Judiciary Subcommittee C.

[H1195](#) - FISCAL INTEGRITY/PENSION-SPIKING PREVENTION - A bill to reign in the rare occurrences of public pension spiking, was reported favorably in House State Personnel and re-referred to House Appropriations, where it may become a special provision in the budget. Sponsored by Reps. Jeff Collins (Nash) and Stephen Ross (Alamance), the bill reflects collaboration between NCACC, the N.C. League of Municipalities, the State Treasurer's Retirement Division and the N.C. City/County Management Association's retirement committee with a goal to preserve the public pension funds' fiscal integrity while honoring the hard work and dedication of public employees receiving appropriate salary increases and promotions.

This bill would set a contribution-based pension benefit cap triggered by excessive salary increases and imminent retirement. These two factors may create an actuarial liability to the pension funds, since the pension spike has not been actuarially funded by employee and employer contributions during the employee's work history. The cap would only apply to state and local employees who make \$100,000 or more and who retire Jan. 1, 2015, or later. The pension funds' Boards of Trustees must set the cap to capture no more than 0.75 percent of retirement allowances. Again, the \$100,000 compensation does not trigger the cap — the cap is triggered by an employee who is on the cusp of retirement and who receives an excessive salary increase.

It would also provide that the return of non-vested contributions would include interest and would reset TSERS vesting back to five years.

[H1043](#) - PREQUALIFICATION UPDATE - received a favorable report in House Government on Thursday, beginning its journey to clarify how local governments might prequalify contractors under alternate bidding methods. Sponsored by Rep. Dean Arp (Union), this bill sets forth recommendations from the Purchasing and Contract Study Committee called for in [H857](#) (Design-Build/PPP Construction), which was approved in 2013 and fulfilled a county goal to authorize all counties to consider design-build as a contracting option. Wake County Commissioner Paul Coble served as the county representative on the study committee.

H1043 would require a local government using contractor prequalification to adopt a prequalification policy and assessment tool. Prequalification may only be used for construction at risk, design-build, and public-private partnership projects. H1043 would define prequalification standards to be uniform, consistent and transparent, and a local policy must allow all eligible contractors meeting the standards to be prequalified. The bill would prohibit limiting prequalification only to those contractors who have previously been awarded a contract by the bidding entity.

Of particular note to counties, the proposed committee substitute for this bill would establish a Blue Ribbon Commission to Study Building and Infrastructure Needs of the State through 2025. The committee's charge would include studying the needs of counties for water and sewer and schools. It would study a priority process within each category and the feasibility of a fund with a dedicated revenue stream. The committee would also explore funding options for meeting anticipated capital needs until 2025.

ON THE FLOOR

The week, the Senate passed S 812, Maintain State Authority Over Academic Standards, and S 743, NC Economic Development Partnership Modifications.

The House passed H 230, Clarify Read to Achieve/School Performance Grades, H 1032, the Patent Abuse Bill, H 1031, NC Economic Development Partnership Modifications and H 1061, Replace Common Core with NC's Higher Academic Standards.

COMMITTEES

House Education Committee

The Committee met on Tuesday, June 3, to address three bills. H 1062, Schematic Diagrams and Keys for Schools would require local school administrative units to provide diagrams and emergency access to school buildings to local law enforcement agencies and emergency response information to the Emergency Management Division of the Department of Public Safety. H 1062 received a favorable report in Committee and passed the House unanimously. S 370, Respect for Student Prayer/Religious Activity, would clarify student rights to engage in prayer and religious activity in school, create an administrative process for dealing with complaints and clarify religious activity for school personnel. The bill received a favorable report in Committee and passed unanimously on the House floor. H 1061, Replace Common Core to meet NC's Needs, would repeal and replace the Common Core standards in North Carolina schools. The bill would establish the Academic Standards Review Commission to adopt a new set of standards. The bill received a favorable report in Committee and was approved by a vote of 78-39 on the House floor.

House Appropriations Subcommittees

All of the House Appropriations Subcommittees met on Tuesday, June 3. Each Subcommittee reviewed the differences between the Senate passed budget and the Governor's budget. State agency officials also were able to give remarks about the Governor's budget request. The House budget process will continue early next week.

House Finance Committee

The Committee met on Wednesday, June 4, and approved four bills. H 1067, Murphy Deannexation, and H 1080, Watha Deannexation, are local bills dealing with removing areas from the respective municipalities. H 1069, Unemployment Insurance Law Changes, would make various changes to the law regarding unemployment insurance benefits, including requiring claimants to present photo identification and contact at least five prospective employers a week rather than two in order to be eligible for benefits. H 1069 has now passed second reading in the House and awaits final approval by the House. H 1201, Exempt Admission to Agricultural Fairs, would exempt admission charges to county fairs from the sales tax. H 1201 has now passed second reading in the House and awaits final approval by the House.

House Commerce and Job Development Subcommittee on Biotechnology and Healthcare

The Subcommittee met on Wednesday, June 4, to address H 1031, NC Economic Development Partnership Modifications. H 1031 would establish the statutory framework that would allow the Department of Commerce to contract with a private, nonprofit entity for business development and recruitment activities. The bill received a favorable report in Committee and passed second reading in the House.

Senate Commerce Committee

The Committee met on Wednesday, June 4, and approved S 743, NC Econ. Dev. Partnership Modifications. S 743 would establish the statutory framework that would allow the Department of Commerce to contract with a private, nonprofit entity for business development and recruitment activities. The bill was re-referred to the Senate Appropriations Committee where additional provisions were added in a Committee substitute approved by that Committee on Thursday, June 5. These provisions would establish a new Film and Entertainment Grant Fund to replace tax credits for qualifying production companies that expire at the end of this year. The bill passed a second reading in the Senate and awaits final approval by the Senate.

Senate Education/Higher Education Committee

The Committee met on Wednesday, June 4, to take up three bills. The Committee discussed S 793, Charter School Modifications, but did not vote on the bill in Committee. S 793 seeks to clarify the process for review for charter applications by the NC Charter Schools Advisory Board, to raise the application fee for charter applications and to require adoption of rules for the charter application process. It also seeks to clarify the appeals process for denials of charter applications and make charter schedules subject to requirement to open meetings and public records laws. The Committee then debated and passed S 815, Ensuring Privacy of Student Records, and S 812, Replace Common Core To Meet NC's Needs. S 815 seeks to ensure the privacy and security of student educational records. S 812 would appoint a State commission to review North Carolina's educational standards.

Senate Agriculture/Environment/Natural Resources Committee

The Committee met Thursday, June 5, to hear a presentation from DENR regarding Governor McCrory's Coal Ash Action Plan (S 729); Senator Stan Bingham presided. The meeting was for discussion purposes only, and public comment was allowed. The Committee heard remarks from DENR Secretary John Skvarla; Tracy Davis, Director of Mineral and Land Resources; Linda Culpepper, Director of Solid Waste; and Tom Reeder, Director of Water Resources regarding proposed regulations for dam operators, coal ash remediation efforts and future solutions for combustion byproducts, such as consumption by industry, to protect the State's natural resources.

Senate Appropriations Committee

The Committee met on Thursday, June 5, to address two bills. S 743 would establish the statutory framework that would allow the Department of Commerce to contract with a private, nonprofit entity for business development and recruitment activities. Additional provisions were added in a committee substitute approved by that Committee on Thursday, June 5. These provisions would establish a new Film and Entertainment Grant Fund to replace tax credits for qualifying production companies that expire at the end of this year. The bill went on to pass second reading in the Senate. S 3 modifies the job maintenance and capital development fund provisions. S 3 received a favorable report in committee and was approved unanimously by the Senate.

CALENDAR

Tue, June 10, 2014

10:00 AM	Finance Subcommittee on Occupancy Tax (House) Wilson County Occupancy Tax Increase. (H1244) Averasboro Township TDA Changes. (H1044)	424 LOB
10:00 AM	Education -- CANCELLED (House) SBOE Rulemaking Clarification. (H1164) Student Organizations/Rights & Recognition. (S719)	643 LOB

12:00 PM [State and Local Government \(Senate\)](#) 1124/1224 LB
12:00 PM [Transportation -- CANCELLED \(House\)](#) 643 LOB
Service of Hearing Order/MV Dealer Licensee. ([H1097](#))
Insurance & Registration Required for Mopeds. ([H1145](#))
Electronic Drivers License Amendment. ([H1157](#))
DPS Study Commercial Vehicle Safety Alliance. ([H1190](#))

1:00 PM [Finance \(Senate\)](#) 544 LOB

Wed. June 11, 2014

8:30 AM [Finance \(House\)](#) 544 LOB

10:00 AM [Judiciary Subcommittee A \(House\)](#) 1228/1327 LB
Highway Patrol Routine Maintenance. ([H1088](#))
AOC Civil Case Management System. ([H1089](#))
AOC Information Technology Policy. ([H1090](#))
Study Supervision of Magistrates. ([H1091](#))
Mandatory Mediated Settlements/District Ct. ([H1094](#))

10:00 AM [Education/Higher Education \(Senate\)](#) 544 LOB
Charter School Modifications. ([S793](#))
Military Student Identifier. ([H1060](#))

1:00 PM [Finance \(Senate\)](#) 544 LOB

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Please remember that you can listen to committee meetings and press conferences on the General Assembly's website at www.ncleg.net. Once on the site, select "Audio," and then make your selection – House Chamber, Senate Chamber, Appropriations Committee Room or Press Conference Room. A schedule of committee meetings and other events is also available on the website.

