



North Carolina Spirits Association

Legislative Report
May 17, 2024

Hal Weatherman Wins Republican Runoff for NC Lieutenant Governor, Dave Boliek Secures Auditor Nomination

Hal Weatherman won the Republican runoff for lieutenant governor in North Carolina, while Dave Boliek secured the Republican nomination for state auditor, defeating Jack Clark. Former federal prosecutor Brad Knott won the 13th Congressional District Republican runoff. The runoff elections were necessary as no Republican candidates secured a majority in the March primary. Voter turnout for the runoff elections was low, as is typical for such contests.

NC Senate Repeals Mask Health Exception, Increases Penalties for Masked Crimes Amid Controversy

The Senate has voted to repeal a health and safety exception to the state's longstanding ban on public mask-wearing and to enhance penalties for wearing a mask while committing a crime. The bill passed the Senate along party lines with a 30-15 vote. The key controversy centers around the removal of the pandemic-era health and safety exception, which Republicans argue is no longer necessary. Democrats, however, believe that penalties should be increased for criminal activities involving masks while retaining the health exception.

Critics label the bill as an "anti-protest" measure, responding to recent pro-Palestinian protests where masks were prevalent. The bill also introduces new penalties for blocking traffic during demonstrations. Democratic Senators, including Sydney Batch and Natasha Marcus, voiced concerns about the bill's impact on immunocompromised individuals and pushed for amendments to protect public health, which were rejected by the Republican-controlled chamber.

House Speaker Tim Moore emphasized that the bill targets identity concealment during protests, regardless of the cause, stating that no one should be able to hide their identity while protesting.

Lawmakers Face Funding Challenges for Private School Vouchers Amid Smaller Surplus

Republican lawmakers in North Carolina plan to significantly increase funding for the state's private school tuition voucher program, despite a smaller-than-expected budget surplus. House Speaker Tim Moore confirmed the commitment to meet the demand for Opportunity Scholarships, although funding challenges arise after a revenue forecast revision reduced the projected surplus from nearly \$1.4 billion to under \$1 billion. Lawmakers may need to find alternative funding sources to cover the nearly half a billion dollars proposed for the program.

A Senate bill passed on May 2 aims to allocate this amount over the next two years, but the House has yet to consider it amidst budgetary constraints. Speaker Moore emphasized the importance of the program, especially after the removal of income limits in 2023 left over 50,000 families on a waiting list.

Regarding tax rebates, both Speaker Moore and Senate leader Phil Berger have downplayed the likelihood of using the surplus for this purpose, preferring to address unmet capital needs exacerbated by inflation in the construction industry.

The push to legalize video lottery terminals (video slots) remains uncertain. Despite substantial lobbying efforts, there has been little movement on the issue. Speaker Moore indicated that while discussions continue, there is no strong support within the caucus for legalizing video gambling this session, reflecting last year's failed attempt to legalize casinos through the state budget.

While there was plenty of public action, behind the scenes the House and Senate Appropriation Subcommittee Chairs wrapped up their budget work and presented to the “big” appropriations chairs. Work will continue on the budget behind closed doors for the next month.

The legislature adjourned on Thursday and will reconvene on Monday May 20.

For more information about legislation described in the legislative reports, feel free to contact us at mfrazier@nexsenpruet.com or dferrell@nexsenpruet.com, or at (919) 573-7421. Information is also available on the General Assembly’s website: www.ncleg.gov.

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