North Carolina Spirits Association



Legislative Report June 17, 2022

Taxpayers in North Carolina are likely to see more tax cuts, and state workers could see more raises this summer, on top of those already coming. Leaders in the state House and Senate said Thursday the fast-tracked budget process is set to wrap up in the next few weeks. When the new fiscal year starts July 1, state employees are already set to get 2.5% raises, with many teachers expected to get the same, on average. Now they are expected to get more than that, if the legislature soon passes another spending bill and Governor Roy Cooper signs it into law.

The total spending agreement between the chambers is \$29.5 billion to \$30 billion. Unlike the past few years of long, drawn-out North Carolina state budget negotiations and stalemates, legislative leaders will soon meet to make the final decisions about a spending plan. House Speaker Tim Moore and President Pro Tem Phil Berger told reporters on Thursday they expect to pass a budget bill and adjourn the short session, too, by July. "Things are actually going very well," Speaker Moore told reporters Thursday, calling this year's budget process a "good sign." While leaders have not discussed details until further along in talks, Speaker Moore said tax relief is coming and that they need to be able to show that it "actually helps those who are struggling."

Senator Berger told reporters on Thursday that he and Moore might meet on Monday. After they come to an agreement, they'll meet with Governor Cooper. "I'm hoping it will not take us very long to work out whatever differences still remain," Berger said. "We will then spend some time with the governor, and I think we're talking about the next week before we have votes."

The House and Senate adjourned on Thursday and will reconvene on Monday, June 20, 2022.

ABC RELATED BILLS UNDER CONSIDERATION

This week I attended a stakeholder meeting at the legislature on behalf of the NC Spirits Association, to discuss several bills that may be considered in the next two weeks. Although the bills could be combined for consideration, there are currently two bills that contain technical corrections to various provision enacted in the 2021 legislative session – primarily to address the social districts provisions enacted last year - that allowed local governments to create and approve social districts for the consumption of alcohol. One of the bills would have new alcohol policy changes, to include eliminating private bar membership requirements; making changes to catering permit requirements, and other provisions. Whether all three bills are considered in the Senate this session is still to be determined. We should know more next week.

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: <u>www.ncleg.gov</u>.

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