North Carolina Spirits Association



Legislative Report May 24, 2024

Governor Cooper Vetoes NCDOT Agency Bill, Citing Environmental Concerns

Governor Roy Cooper vetoed a bill that would have allowed the billboard industry to cut more trees along North Carolina highways and eliminated protections for redbud trees. Governor Cooper emphasized the importance of protecting the state's natural beauty, which he believes is crucial for tourism and residents' quality of life. House Bill 198, the North Carolina Department of Transportation (NCDOT) agency bill, included a provision that sought to expand the "view zone" for billboards, allowing more tree removal to enhance billboard visibility. Environmental groups opposed the bill, citing unnecessary tree loss and lack of consensus. The North Carolina Sierra Club praised the veto, while Republican lawmakers criticized it, calling the bill a bipartisan compromise. The bill passed both legislative chambers by margins that could potentially override the veto. The bill now goes back to the legislature for a potential veto override vote, which has not yet been scheduled.

North Carolina Budget Talks Stalled Over Dispute on Reserve Spending and Earmarks

Republicans in the North Carolina General Assembly are deadlocked over this year's budget, with Senate leader Phil Berger attributing the impasse to the House's desire to allocate \$1 billion from state reserves to earmarks. The state has a \$1 billion revenue surplus, less than projected but still significant. The Senate prefers conservative spending and does not support using reserves, citing economic uncertainty and healthcare costs. House Speaker Tim Moore and other House leaders disagree, emphasizing the importance of addressing pressing issues like salaries and childcare. Despite the disagreement, both sides continue negotiations, aiming to finalize the state budget, which includes ongoing spending plans and potential additional raises for state employees. Budget negotiators await an agreement between Senate Berger and Speaker Moore on a topline spending number for the short session budget. What was initially expected to be a swift process has encountered obstacles. Nonetheless, budget chairs can quickly resume their work once a deal is reached, although meeting their optimistic timeline is becoming increasingly challenging.

NC Republicans Seek Compromise on Stalled Mask Legislation Over Health Exception Dispute

Senate leader Phil Berger stated that Senate and House Republicans will attempt to resolve disagreements over a stalled mask legislation bill. The Senate had passed a bill increasing penalties for wearing masks to commit crimes and participating in demonstrations that block traffic. The bill also proposed repealing a pandemic-era exception allowing masks for health reasons, which Senate Republicans argue is no longer necessary. However, the bill stalled in the House, as members from both parties did not agree with the Senate's version. House Speaker Tim Moore

expressed support for the bill's intent but suggested clarifying language to ensure no penalties for health-related mask-wearing. A conference committee with members from both chambers will now seek a final version of the bill. House members John Torbett, Erin Paré, Sarah Stevens, and Brian Biggs have been appointed to the committee, with Paré advocating for the right to wear masks for health reasons. The Senate has yet to appoint its conferees.

NC Lawmakers Revive Controversial Proposal for Nurse Practitioner Independence Amid Safety Concerns

North Carolina lawmakers are revisiting a proposal to grant nurse practitioners more independence, a measure that has failed to pass in multiple prior legislative sessions. The proposal, included in House Bill 681 and discussed in a Senate health committee this week, would allow nurse practitioners to practice without physician supervision if they meet specific educational and clinical requirements. These nurses must have 4,000 hours of supervised experience and a clean disciplinary record for the past five years. Democrat Senator Gale Adcock, a nurse practitioner, supports the bill, stating it would align North Carolina with regulations in 27 other states. However, the proposal faces opposition due to concerns about patient safety. Critics, like Democrat Senator Sydney Batch, caution against granting too much independence, drawing parallels to other professions requiring strict oversight. Republican Senator Joyce Krawiec defends the proposal, citing overwhelming data supporting its safety.

The North Carolina Patient Safety Association, along with other medical groups, opposes the bill, arguing it could increase health care costs and risks without improving access. House Bill 681 initially aimed to expedite physician licensure across states but now includes additional provisions. These include requirements for anesthesiologists, patient notifications of out-of-network charges, and restrictions on facility fees for nonhospital health care facilities. The amended bill has passed the committee and will proceed to the Senate Finance Committee for further consideration.

NC Senate Passes Bill to Shield Lawyers' Disciplinary Records, Sparking Transparency Concerns

The North Carolina Senate has passed Senate Bill 790, which aims to provide more protections and rights for lawyers during State Bar investigations but could make it harder for the public to learn about lawyers' disciplinary records. The bill passed 43-2 with minimal debate and now moves to the state House.

The bill responds to accusations that the State Bar's disciplinary actions are sometimes heavy-handed or politically motivated. It includes provisions to limit who can file complaints, allow the State Bar to dismiss frequent or misleading complaints more easily, and create a process for disciplined lawyers to request expungement of their records.

Critics, including a group of Democratic lawyers in the House, argue that the bill could reduce transparency and undermine the State Bar's role in protecting the public. The bill's future in the House remains uncertain, particularly if it faces opposition within the Republican ranks.

House Bill 1069 Aims to Revolutionize NC Community College System with Propel NC Initiative

Representative Matthew Winslow (R-Franklin) presented House Bill 1069 to the House Education Committee on Community Colleges, proposing significant reforms to the North Carolina Community College System. The bill, reflecting the Propel NC initiative, aims to enhance workforce development, increase funding for high-demand jobs, and update the funding model established in 1980. The proposal seeks to overhaul tier pricing and bring parity between short-term workforce and curriculum programs.

The legislation also includes creating an enrollment adjustment reserve for handling unpredictable enrollment increases. The aim is to ensure community colleges can meet business needs and workforce demands effectively. Representative Lindsey Prather (D-Buncombe) and Presiding Chairman Representative David Willis (R-Union) both expressed strong support for the bill, noting it would stabilize and make community college education more affordable. House Bill 1069 received a favorable report from the committee.

Budget negotiations have stalled as leaders await a decision from the Pro Tem and Speaker on a topline spending number for the short session budget. What was initially expected to be a swift process has encountered obstacles. Nonetheless, budget chairs can quickly resume their work once a deal is reached, although meeting their optimistic timeline is becoming increasingly challenging.

The legislature adjourned on Friday and will reconvene on Tuesday May	⁷ 28
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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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