



North Carolina Spirits Association

Legislative Report
August 9, 2019

The Senate returned to Raleigh this week and took up bills on Tuesday and Wednesday, while the House held session Monday through Thursday. The House continued to place the motion to consider Governor Cooper's budget veto on the calendar, but no vote was taken. The State is still operating on a continuing resolution that keeps recurring funding at last year's levels. House Speaker Tim Moore indicated that it may be October before the House votes on the override. The legislature has already approved a stop-gap funding bill to ensure that federal dollars can still be spent during the ongoing budget stalemate.

The House approved a Senate Bill that would create a rural hospital loan program, and would also allow local governments more flexibility on their sales tax and expand eligibility for the State's Utility Account.

The House had a heated debate on House Bill 431 in committee, which would allow local governments to provide their citizens with broadband, similarly to how they provide utilities like water and sewer. The issue divided Republicans, with many believing that the bill allows government to compete with the private sector, and goes against the Level Playing Field bill that was passed in 2011 to limit municipal broadband.

Both chambers approved a conference report on the Excellent Public Schools Act, which makes changes to the Read to Achieve program aimed at improving literacy rates in K-3. The bill will now go to the Governor.

This week, 51 of the 55 House Democrats signed on to a letter sent to Senate President Pro Tem Phil Berger and House Speaker Tim Moore, pledging that they will not vote to override Governor Cooper's veto of the State Budget. In the letter, House Democrats point out that if all 51 of the Democrats who signed the letter vote against the override, then Republicans will not have the three-fifths vote required to override. House Republicans need seven Democrats to break rank if all members are present. However, the NC Constitution only requires three-fifths of the members "present and voting", so House Republicans could successfully override the veto if enough Democrats are absent on a given day.

The House and Senate will reconvene on Monday afternoon.

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