

North Carolina Legislative Update, June 28, 2019

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While the focus at the General Assembly this week was on the budget bill, legislators also considered a number of bills on other topics.

Budget Bill ([H966](#))

A conference report for the budget bill covering two fiscal years beginning July 1 passed both houses this week. Governor Roy Cooper vetoed the bill on Friday stating in part that he wanted the budget to expand Medicaid coverage to more citizens. Legislative leaders have openly opposed this idea.

The question now is whether the General Assembly can override the Governor's veto. Under the State Constitution, that takes a vote of three fifths of those present and voting. If members vote on the override as they did on the conference report, the Senate would override the veto but the House would not. It is uncertain how soon the two chambers will hold override votes. Even if the new budget is not enacted by June 30 (end of fiscal year 2019), operation of State government and related functions will continue under funding at the current fiscal year levels pursuant to a law enacted a few years ago.

Storm Securitization & Electric Ratemaking ([S559](#))

A bill that would allow electric utilities to finance certain storm recovery costs and authorize the Utilities Commission to use an alternative rate setting mechanism, passed the House Energy and Public Utilities Committee this week. In addition to the current rate case mechanism used to set electric rates, the bill would authorize the Commission to use multiyear rate plans and banding of authorized returns to set rates. The bill, which earlier passed the Senate, is next scheduled to be heard in the House Rules Committee.

Wind Restrictions ([S377](#))

A bill that would have banned wind turbines in much of eastern North Carolina has been changed to require the Department of Environmental Quality (DEQ) to include military officials more actively in the permitting process of such facilities. Proponents have argued that a bill is necessary to protect air space around the State's military bases. The bill

passed through the House Energy and Public Utilities Committee this week and is now in the House Rules Committee. For more information, contact a member of the Brooks Pierce Government Affairs Team, linked below.