

North Carolina Legislative Update, July 26, 2019

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The week at the General Assembly ended without a budget veto override or compromise on the budget. Legislators considered bills on a variety of other topics.

Budget Bill ([H966](#)) & Other Appropriations Bills ([H961](#), [H111](#))

Governor Roy Cooper vetoed the budget bill (H961) on June 28 and at this point, the General Assembly has not voted to override that veto. A vote of 60% of those present and voting in both houses would be necessary to override. Pursuant to a law passed a few years ago, spending will continue at FY19 levels even though FY20 started on July 1.

Legislators are considering other appropriations bills. The House passed a bill (H111) this week that would facilitate the drawdown of certain federal funds. This bill is now headed to the Governor. Another bill that would fund some State initiatives, such as the growth in K-12 school enrollment, has passed the House and is pending in the Senate.

Certificate of Need ([H126](#))

The Senate this week passed a scaled-down version of a bill that would change Certificate of Need (CON) laws. Although earlier versions of the bill would have exempted a number of medical facilities from this requirement, the current version would, among other things, exempt facilities that already have a CON that are being replaced, renovated, or relocated to a site in the same county. It would also exempt certain types of facilities, including psychiatric and chemical dependency treatment facilities, but only within 18 months after the effective date of the law.

Alcohol Bills ([S290](#), [H971](#))

A bill (S290) to revise various ABC laws, including those related to distilleries, passed the Senate this week and is headed to the Governor. Among other things, the bill would allow distilleries to serve drinks and operate more like craft breweries and wineries, allow some liquor tastings in ABC stores, and allow beer tastings at farmers markets.

A bill (H971) that would move North Carolina away from the State-controlled ABC store model to a private-sector store model was heard this week in the House ABC Committee. Representative Chuck McGrady (R-Henderson), a primary sponsor, indicated that he sought a hearing on the bill to explain the proposed changes and allow comments on its

provisions. The bill is not expected to be considered on the floor during the 2019 Session.

For more information, contact a member of the Brooks Pierce Government Affairs Team, linked below.