

## North Carolina Legislative Update, August 29, 2019

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In the absence of an enacted budget for fiscal year 2019–2020, Legislators passed a number of bills appropriating money for various purposes this week. They also acted on bills on other topics.

### **Budget Bill ([H966](#)) & Other Appropriations Bills**

Since Governor Roy Cooper vetoed the budget bill on June 28, he and Legislators have been at an impasse on enacting a new budget. State government has not shut down due to State law that continues spending at fiscal year 2019 levels even though fiscal year 2020 started on July 1.

Given the budget impasse, Legislators this week passed several bills appropriating money for various things. These “piecemeal” or “mini” budget bills incorporate some provisions and language from H966. They are in addition to a bill ([H961](#)), enacted on August 1, that facilitates the drawdown of certain federal funds for health and human services and Community Development Block Grants.

The following bills have passed both chambers unanimously:

[H126](#) Raises salaries for the State Highway Patrol

[H226](#) Raises salaries for State employees

[H609](#) Appropriates funds for various things related to prisons including employee salaries

[H777](#) Raises salaries for employees at the State Bureau of Investigation and Alcohol Law Enforcement

A bill ([H555](#)) appropriating money for North Carolina’s move to Medicaid managed care passed both chambers but on close votes (25 to 20 in the Senate and 57 to 52 in the House).

Another bill ([H426](#)) dealing with salaries for K-12, UNC, and community college employees was sent back to the House Appropriations Committee on Wednesday with Speaker Tim Moore indicating that he expects a bill dealing with these issues to come back to the floor after more work.

Governor Cooper continues to advocate for budget negotiations with Legislators. It is uncertain how he will react to these new bills.

Legislative leaders announced on Wednesday that there will be no work at the General Assembly during Labor Day week but that work will resume on September 9 with votes on additional funding items expected.

**Tax Refund ([H74](#))**

After an announcement that State revenue collections were significantly larger than expected, a bill to provide tax refunds to taxpayers passed the Senate this week 30 to 16 and is now in the House. This bill would refund about \$660,000,000 with refunds of \$125 for individuals and \$250 for married couples filing jointly.

**Truth in Caller ID([H724](#))**

A bill to prohibit the use of misleading telephone identification methods for solicitations by voice or text was signed into law recently by Governor Cooper. Among other things, the bill bans telemarketers from using fake caller ID information that makes it look like a sales call is coming from a local number or a friend.

**New Health Plans ([S86](#))**

A bill that will allow various groups such as small businesses, real estate agents and others with statewide trade groups to work together to set up health insurance plans became law on August 26 without the signature of Governor Cooper. Such businesses will be able to offer these plans under the regulation of the North Carolina Department of Insurance. In a statement about the bill, the Governor expressed concern that the new plans might provide less coverage than other insurance and reiterated his goal to expand Medicaid coverage.

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