



INTRODUCTION

This week saw the initial meetings of some committees, particularly joint meetings between the House and Senate Appropriations subcommittees, the six of which all met Wednesday at 8:30 a.m. to review their respective charges, areas of focus and directions from the full Appropriations “big Chairs,” the chief budget writers in each chamber. The meetings were and will be, for a time, mainly educational, as the budget writing process does not typically begin in earnest until the Governor’s proposed budget is released. In the meantime, the members of each subcommittee will have time to hear from agencies, advocates and organizations affected by the spending plans they are charged with delivering.

On Thursday, a meeting of the full joint Appropriations committee was convened to hear a presentation from the Fiscal Research Division on state revenue and budget forecasts. The report was mixed, with a projected \$271 million shortfall in the current year’s budget and a \$541 surplus in the expected budget for the next fiscal year. The surplus is almost certain to be consumed by increases in public school and Medicaid enrollment along with a promised raise of starting teacher pay. The surplus is also dependent on projected tax payments that won’t be totaled until after April 15th, making the annual “April surprise” even more closely watched this year.

The other big news this week was the passage by the Senate of a bill that would adjust the gas tax rate and result in an additional \$1.2 billion in revenue over the next 4 years. Despite this, the description of the bill as a tax increase was fiercely resisted by its supporters, pointing to the fact that the bill cuts the current rate from 37.5 to 35 cents per gallon for the rest of the fiscal year. The bill would set 35 cents per gallon as a minimum, preventing a reduction to 30.4 cents scheduled for July that would have been caused by falling gas prices. The bill was attacked by groups as diverse as American for Prosperity and Progress NC Action, whose position on the right and left (respectively) of state politics makes their agreement particularly newsworthy. The state Chamber of Commerce, meanwhile, lauded the bill and the transportation funding it will bring to the state’s roads and bridges, which Chamber-funded television ads imply are a deadly threat to our schoolchildren. Despite all the debate and drama around the measure it passed 36-14 (with bipartisan support and opposition) and heads to an as-yet uncertain future in the House.



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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BILLS OF INTEREST

HOUSE BILL 78, Enact Medical Cannabis Act, would enact the North Carolina Medical Cannabis Act to allow protections for the medical use of cannabis. The bill would include prohibitions, restrictions, and limitations on the medical use of cannabis, and would require registry identification cards for qualified patients and designated caregivers. The bill would provide that a physician may not be subject to arrest or prosecution, penalized in any manner, or denied any right or privilege for recommending the medical use of cannabis or providing written certification for the medical use of cannabis pursuant to the Act. The University of North Carolina System would research the efficacy and safety of administering cannabis as part of medical treatment, which would be known as the North Carolina Cannabis Research Program. **Introduced by Representatives Alexander, Carney, Harrison, and Cunningham, and has not yet been referred to a committee.**

HOUSE RESOLUTION 83, Suicide Prevention Resolution, would authorize the Legislative Research Commission to study the role of health care providers and other key gatekeepers in suicide prevention, particularly among minors and veterans, and make a final report to the 2017 General Assembly when it convenes. The study would examine, at a minimum, the following:

- the effect of evidence-based suicide assessment, treatment, and management training on the ability of a licensed health care provider to identify, refer, treat, and manage patients with suicidal ideation. The Commission would:
 - review available research and literature regarding (i) best practices in assessing, treating, and managing patients with suicidal ideation and (ii) the relationship between completion of training in these best practices and patient suicide rates;
 - assess which licensed health care providers are best situated to positively influence the mental health behavior of individuals with suicidal ideation;
 - evaluate the impact of suicide assessment, treatment, and management training on veterans with suicidal ideation; and
 - review curricula of health care profession programs offered at the State institutions of higher education regarding suicide prevention;
 - the categories of licensed health care providers in this State that should be required to complete training in suicide assessment, treatment, and management as part of their continuing education requirements;
 - for each category of health care providers identified above, (i) the minimum number of required hours and the specific elements of any suicide prevention training that would be beneficial and (ii) any recommended exemptions from the proposed minimum training requirements;
 - the feasibility and effectiveness of providing training to school personnel, clergy, and law enforcement personnel on how to recognize at-risk behavior and how to make appropriate referrals for treatment;
 - methods for credentialing and identifying, through a badge or other form of identification, all persons trained in recognizing at-risk behavior and how to make appropriate referrals for treatment;
 - methods for ensuring that non-identifying information derived from suicide investigations is shared for statistical, research, and other purposes consistent with State and federal confidentiality laws with relevant stakeholders, including health care providers; law enforcement officers; community-based organizations that provide mental health services to individuals with suicidal ideation; State agencies, including the Department of Health and Human Services; and the Child Fatality Task Force; and
 - any other issues the Commission deems necessary to complete its report.
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The resolution states that it is the General Assembly's intent in enacting this legislation to prevent as many suicides in this State as possible, particularly among minors and veterans by: (i) requiring health care providers to complete training in suicide assessment, treatment, and management as part of their continuing education requirements; and (ii) implementing training for other adults who are regularly in contact with people at risk for suicide to recognize factors that may indicate thoughts of suicide. The resolution would not expand or limit the existing scope of practice of health care providers that complete this type of training. **Introduced by Representative Cunningham and has not yet been referred to a House committee.**

HOUSE BILL 89, Omnibus Economic Development Improvements, would restore various tax credits and incentives for economic development, and includes the following provisions:

- creates a Job Catalyst Fund in the Department of Commerce to provide funds to a local governmental unit for projects that result in the creation of jobs;
- enacts the North Carolina New Markets Jobs Act of 2015 to provide that an entity that makes a qualified equity investment earns a vested contractual right to a below-the-line reduction of tax applicable to the entity's State premium tax liability on future premium tax reports, and includes provisions regarding reduction for qualified equity investment, notice of noncompliance, refundable performance deposit, letter rulings, retaliatory tax, decertification, limitation on fees, rural investment reserve, new capital requirement, and reporting requirements;
- reenacts the Mill Rehabilitation Tax Credit, and extends the credit until January 1, 2020;
- reenacts the Historic Rehabilitation Tax Credit, and extends the credit until January 1, 2020;
- reenacts the previous tax credit for qualifying expenses of a film production company;
- reenacts the tax credit for low-income housing awarded a federal credit allocation on or after January 1, 2003, and extends the credit until January 1, 2020;
- extends the tax credit for investing in renewable energy property from January 1, 2016, to January 1, 2020;
- reenacts the use of North Carolina ports credit, and extends the credit until January 1, 2020;
- reenacts the tax credits for qualified business investments, and extends the credit until January 1, 2020;
- extends the authority of the Economic Investment Committee to award grants under the Job Development Investment Grant Program from January 1, 2016, to January 1, 2019;
- adds the Invest NC exemption;
- extends the sunset on economic incentive refunds until January 1, 2020;
- reenacts and extends certain Research and Development credits;
- extends the tax credit for manufacturing cigarettes for exportation until January 1, 2020; and
- reenacts the earned income tax credit, amends the credit 2.5% for tax year 2015 and 5% for other tax years, and extends the sunset from January 1, 2014, until January 1, 2019.

Introduced by Representatives Hamilton, R. Moore, and Hanes, and has not yet been referred to a House committee. (This bill is sponsored by Democrats, and we expect to see a Republican version of an economic development bill this week.)

SENATE BILL 49, Curbside Voting IDs, would repeal the statute which allowed a person who is voting curbside to provide a copy of a current utility bill, bank statement, government check, paycheck, or other government document that shows the name and address of the voter. This provision would require an acceptable form of ID to be shown just like any voter, and would be

effective January 1, 2016. **Introduced by Senator Tillman and referred to the Senate Redistricting Committee.**

SENATE BILL 81, NC Toxic-Free Kids Act, would prohibit the sale and distribution of children's products containing bisphenol A, TRIS, or phthalates after July 1, 2017. Beginning October 1, 2016, a retailer or distributor of a children's product or its trade organization would be required to notify the Department of Environment and Natural Resources (DENR) of any children's products that contain a chemical regulated under this Article. DENR, in consultation with the Division of Public Health, would report to the General Assembly no later than January 1, 2017, with a summary and evaluation of retailers' and distributors' notices of chemicals of high concern. The report would include recommendations for legislation to protect children's health and to improve the alternatives assessment process, including: (1) a summary of the information provided by the reports about the use of these chemicals in children's products; (2) evidence of and opportunities for preventing children's exposure to chemicals of high concern; and (3) the availability of safer alternatives to each chemical of high concern. **Introduced by Senator Bingham and has not yet been referred to a Senate committee.**

SENATE BILL 87, Funds/Health Information Exchange, would direct the Department of Health and Human Services to use a portion of the \$2 million appropriated to its Division of Central Management and Support to fund the monthly operating expenses of the North Carolina Health Information Exchange for the 2014-15 fiscal year. **Introduced by Senator Hise and has not yet been referred to a Senate committee.**

BILL UPDATES

SENATE BILL 20, IRC Update/Motor Fuel Changes, was amended in the Senate Finance to add a provision that would modify the way our gas tax is calculated. The provisions would temporarily lower the gas tax from 37.5 cents per gallon to 35 cents per gallon and then set 35 cents as a floor to prevent the tax from falling further in the future. (It was anticipated that the gas tax would drop substantially on July 1st based upon the current formula.) Over the long term these changes are expected to bring in an additional \$1.2 billion.

The Senate Republicans are touting the provision as a tax break, but anti-tax groups and Democrats are calling it a bait and switch, by calling it a tax break that will eventually increase the amount that consumers pay for gas. The bill as amended was approved by the Senate Finance Committee and the Senate Appropriations Committee. **After further amendment on the Senate floor, the bill was approved by the Senate and will next be sent to the House for consideration.**

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