



INTRODUCTION

Although we just sent a summary of the Senate budget last week, the House completed their entire budget process this week as well. The budget was released on Tuesday morning and reviewed in the House Appropriation Subcommittees where amendments were accepted. Then on Wednesday the budget proposal was explained, amended, and debated in the House Appropriations Committee most of the day. On Thursday, they began amending and debating the budget for over 8 hours and had a final vote on Friday morning after several more hours of debate. Almost 40 amendments were considered with the majority being approved. The most controversial seemed to deal with the film tax credits, moving the SBI from the Attorney General to the Department of Public Safety, and the Education budget. Seven Democrats voted for the budget with almost all of the Republicans and I think every House member would say that even if they voted against it, they thought it was a much better package than the one put together by the Senate. There is a limited summary of the budget later in this report and we will do a final, more comprehensive summary of the budget once the final document is approved by both chambers.

Both the House and Senate are saying that they want to wrap up their business by the end of June, but with the big differences in the budget, they will have to work fast to come to a compromise and get the votes needed in their chamber. The other piece is that they need to make sure the Governor is happy enough to sign it into law.

On a positive note, the Senate filed the bill that will be used to end the session and already put a date of June 27th as the final day, so they are optimistic. Committees are meeting, but it is clear that they are only taking up limited legislation and wrapping up their business to go home once the budget is complete.



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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BILLS OF INTEREST

HOUSE JOINT RESOLUTION 1262, 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 report to the 2015 General Assembly when it convenes. The study would examine at least 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 the relationship between completion of the training 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; and
- any other issues the Commission deems necessary to complete its report.

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 Representatives Cunningham, Earle, Whitmire, and Horn and referred to the House Rules Committee.**

SENATE BILL 880, Education Simplification Amendment, would amend the State constitution, if approved by voters in a statewide election held on November 4, 2014, to establish a Department of Education within the Executive Branch, which would be headed by a person appointed by the Governor subject to confirmation by the General Assembly, and abolish the State Board of Education and the Superintendent of Public Instruction. **Introduced by Senator Tillman and referred to the Senate Education/Higher Education Committee.**

SENATE JOINT RESOLUTION 881, Adjournment Sine Die, would adjourn the 2013 session of the General Assembly, sine die, on Friday, June 27, 2014. **Introduced by Senator Apodaca and referred to the Senate Rules Committee.**

BILL UPDATES

HOUSE BILL 698, Background Checks for Firefighters. This bill was amended in the Senate Judiciary II Committee to include provisions that would establish the Urban Search and Rescue Program in the Division of Emergency Management and the Urban Search and Rescue Team Advisory Committee. The bill was further amended on the Senate floor to require the Department of Public Safety (DPS) to study the costs of implementing the program, including the apportionment of costs between State and local governments, prior to the Program's implementation. The Senate also amended the bill to make the provisions regarding criminal history record checks of applicants to and current members of fire departments and emergency medical services effective January 1, 2015. **The bill as amended was approved by the Senate and will next be sent back to the House to consider the changes made by the Senate.**

SENATE BILL 78, Law Enforcement and DA Privacy/Tax Websites. The provisions of this bill were completely removed in the House Rules Committee and were replaced with new provisions that would require cities and counties to remove personal information, including address and phone number, from tax records available to the public on an internet website maintained by the city or county when requested by law enforcement or a district attorney. **The bill as amended was approved by the House Rules Committee and will next be considered by the House Judiciary Subcommittee C.**

SENATE BILL 648, NC Commerce Protection Act of 2014. A variety of amendments were made to this bill in the Senate Judiciary I Committee and on the Senate floor, including establishing a 10-member Joint Select Committee to Study the Need for Reform in the Laws Governing Apportionment of Tort Liability to study issues related to the need for reform of the laws governing apportionment of tort liability and successor liability, including adoption of comparative negligence and the abrogation of joint and several liability, and any other issues related to tort liability. **The bill as amended was approved by the full Senate and will next be considered by the House Judiciary Committee.**

SENATE BILL 749, Strengthen Controlled Substances Monitoring, was amended in the Senate Health Care Committee to direct DHHS to apply for grant funding from the National Association of Boards of Pharmacy, which fund would be used to establish the connection to PMP InterConnect and for two years of ongoing service, maintenance and support in order to create interstate connectivity for the required drug monitoring program. **The bill as amended was approved by the Senate Health Care Committee and will next be considered by the Senate Appropriations Committee.**

SENATE BILL 812, Maintain State Authority Over Academic Standards (Replacement of Common Core). A variety of amendments were made to this bill in the Senate Education/Higher Education Committee and on the Senate floor. These amendments include:

- amending the duties of the State Board of Education to include ensuring that all adopted English Language Arts and Mathematics standards increase students' level of academic achievement and will be among the highest standards in the nation;
- reducing the number of members of the Academic Standards Review Commission from 17 to 11;
- prohibiting a person serving in a statewide elected office or as a member of the General Assembly from being appointed to the Commission;
- directing the SBOE to continue to develop and update the North Carolina Standard Course of Study, including a review of standards in other states and of national

assessments aligned with those standards, and implement the assessments it deems most aligned to assess student achievement;

- requiring assessments to be nationally normed, aligned with the North Carolina Standard Course of Study, and field tested, such as the ITBS, SAT, ACT Aspire, and NAEP;
- requiring local boards of education to continue to provide for the efficient teaching of the course content required by the standard course of study; and
- providing that the current standard course of study (common core) remains in effect until official notice is provided to all public school teachers, administrators, and students' parents/guardians of any changes made in the standard course of study by the State Board of Education.

The bill as amended was approved by the full Senate and will next be considered by the House Education Committee.

LEGISLATION ENACTED

SENATE BILL 786, Energy Modernization Act. This bill, which is also known as the “fracking bill” and makes a variety of changes to the statutes enacted in the past few years which collectively open North Carolina to oil and gas exploration and development by hydraulic fracturing, was signed into law by the Governor on June 4, 2014.

HOUSE BUDGET

On Friday morning, the House completed work on their version of the state budget with a vote of 77-35, which included 7 Democrats voting for the budget plan. Many Democrats were torn since they believe the House budget was so much better than the Senate proposal. Both chambers have now completed their budget, setting the stage for negotiations between the two chambers. Everyone expects the Senate to reject the House's changes and each chamber's budget conferees are already gearing up for the negotiations to craft a compromise version. The only questions now are whose priorities will win out, and how long the process will take.

In many ways the House's budget differs starkly from the Senate proposal, and is much more aligned with the Governor's recommended budget. The House budget is a less extreme document, with more moderate teacher raises, fewer policy changes, smaller cuts to Health and Human Services and no changes to Medicaid eligibility. The House budget would not tie teacher raises to a forfeiture of tenure - a priority for the Senate - nor does it cut funding for Teachers Assistants, which the Senate budget would eliminate for grades 2 and 3. The House budget would; however, rely on increased revenue from the state Lottery to pay for the proposed raises, a controversial and some say risky proposal. The chambers do agree on at least one thing – the House budget would, like the Senate's, transfer the State Bureau of Investigation from the Department of Justice (led by Attorney General Roy Cooper) to the Department of Public Safety, meaning the transfer is all but certain to take place. Many other provisions are in serious contention, however, and all the power dynamics and tensions we've described since the session convened will culminate as the two chambers battle to create a document that moves toward their vision of the best future for our state.

Note: We will prepare a full report on the finalized budget once it is approved by both chambers.

Some of the major differences between the House's budget and the Senate's proposal are below along with highlights that are relevant to your organization:

- The House budget, like the Senate's, includes a provision that would eliminate the "shared savings plan" established for Medicaid providers in last year's budget, and convert the plan's 3% withholding to a 3% reduction. The House budget **does not**, however, include the additional 2% provider rate reduction proposed by the Senate. Additionally, the House proposes to study, rather than implement, a statewide hospital base rate. The Senate proposal to increase the state's annual Medicaid assessment on hospitals from 25.9% to 28.85% was likewise left out of the House's plan. The House budget did not include moving the Division of Medical Assistance out of DHHS.
- The House budget also did not include the drastic cuts to the blind, disabled and elderly or the prohibition of the State to enter into any contracts with CCNC. One million is provided for Medicaid Reform, but may not be used for any other purposes.

Clearly, the House budget is better for the House of Medicine and we will push hard for the House version while the budget is in Conference Committee.

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