Budget

At the end of last week the House and Senate leadership reported that much progress had been made in reaching a compromise on the 22.2 billion dollar state budget. On 10:30 p.m. Friday a House Finance Chairman posted to social media an image of “white smoke” (signaling the selection of a new Pope at the Vatican), which veterans of the General Assembly understood to mean an agreement had been reached between the chambers. A final review of language is set for Monday, and the document is expected to be posted online late Monday night. While the final budget is a “conference report” (compromise version of legislation passed by both chambers in different forms) and cannot be amended on the floor, it is still a “two-day bill”, meaning separate votes must be taken over consecutive sessions. Given a House rule that requires the document to be public for 48 hours before a vote can take place, the House is expected to hold budget votes on Thursday and Friday (likely near midnight Friday morning) before adjourning for the holiday weekend. The Senate does not have a public notice rule and can vote the budget out earlier in the week if they choose.

Short Rows

With the budget compromise agreed to the rush to finish up remaining business and adjourn for the year will increase significantly this week. Some major issues remain – each chamber has passed a “regulatory reduction” bill, and a compromise version has yet to surface, and neither has a much-anticipated “fix” to the controversial House Bill 2, just to name two. Adjournment this week or next week is expected, meaning the remaining days will be fast, furious and somewhat dangerous. The danger comes as at this time in session entirely new provisions, as well as proposals that have been vetted but have not moved through the process, can find their way into unrelated bills or be brought up for last-minute approval (see below for an explanation of the most common method). We will remain vigilantly watchful for any proposals that would be harmful (or well-intentioned but not well developed) that attempt to be snuck by in the waning days.
On Friday, the Senate passed a bill that would make it illegal to sell kratom to anyone under the age of 18. Kratom, a tree in the coffee family, has been named a new psychoactive substance by the United Nations Office on Drugs and Crime for its sedative and stimulating effects. Kratom can be taken in liquid or powdered form. The bill would further create a study on kratom as well as nitrous oxide, commonly referred to as "whippets."

**Police Body Cameras**

The House voted to approve a bill that would allow for footage captured by police body cameras to be requested by affected parties. The bill would not make the footage public record, but rather sets up a formal system for persons captured in body camera footage to potentially review the film through a written request. There are a number of exceptions in which police could decline to release footage, including fear of releasing personal information and compromising the safety of a person. Some House Democrats argued that the bill does not go far enough to address the public's concerns in encounters with law enforcement, however many others spoke of the measure as a great first step in establishing transparency.

**Gut and Amend**

Debate over the General Assembly’s ‘gut and amend’ tactics have amplified over the past few weeks as the legislature prepares to adjourn. Committees from both chambers have seen an increase in Proposed Committee Substitutes, which often remove the previous language of a bill and replace it with entirely new, often unrelated, content. Proposed Committee Substitutes have been common practice towards the end of a legislative session in years past as they are a way of allowing new content to be introduced in the final days of a session. Often the bills being gutted have already passed in another chamber and would not be seen otherwise. Opponents of this tactic cite the need for members of the public to be given 24 hours to view any proposed changes before a vote can be taken. House Speaker Tim Moore noted that the continuation of ‘gut and amend’ in the remainder of the session is likely to “get worse before it gets better.”

**BILL UPDATES**

HOUSE BILL 3, Omnibus Constitutional Amendments, was amended in the Senate Rules Committee to place 3 proposed Constitutional amendments in this bill. The Amendments must be approved by voters at a statewide election to be conducted on November 8, 2016, and would:

- prohibit condemnation of private property except for a public use (Eminent Domain) and provide for the payment of just compensation with right of trial by jury in all condemnation cases;
- provide for taxpayer protections that establish a State Emergency Savings Reserve Fund and reduce the maximum income tax rate to five and one-half percent from ten percent; and
- protect the right of the people to hunt, fish, and harvest wildlife.

The bill as amended was approved by the Senate Rules Committee and will next be considered by the full Senate.
HOUSE BILL 287, Amend Insurance Laws. The provisions of this bill were removed entirely in the Senate Insurance Committee and replaced with new provisions to provide that Chapter 58 (Insurance) of the NC General Statutes does not apply to any accountable care organization approved by the Centers for Medicare and Medicaid Services (CMS) to participate in Medicare programs. This exemption would be limited to the activities performed by the accountable care organization pursuant to its agreement with CMS for participation in Medicare programs (Medicare is regulated under Federal Law). After further amendments in the Senate Judiciary II Committee and on the Senate floor, the bill was approved by the Senate. The bill has been sent to the House to consider the changes made by the Senate.

HOUSE BILL 972, Law Enforcement Recordings/No Public Record, was amended on the House floor to allow the court to place any conditions or restrictions on the release of the recording that the court, in its discretion, deems appropriate. The bill as amended was approved by the full House and will next be sent to the Senate for consideration.

SENATE BILL 821, GSC Technical Corrections 1, was amended in the Senate Judiciary I Committee to add anabolic steroid as a Schedule III controlled schedule, and provide that an anabolic steroid does not include chorionic gonadotropin when administered by injection for veterinary use by or upon the order of a licensed veterinarian. The bill as amended was approved by the Senate Judiciary I Committee and will next be considered by the Senate Finance Committee.

LEGISLATION ENACTED

SENATE BILL 734, Statewide Standing Order/Opioid Antagonist. This bill to authorize the State Health Director to prescribe opioid antagonist by means of a statewide standing order, with immunity from civil and criminal liability for such action, was signed into law by the Governor on June 20, 2016. Effective: June 20, 2016. The North Carolina College of Emergency Physicians supported this legislation.

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