

LEGISLATIVE REPORT August 5, 2019

INTRODUCTION

It has been an eventful time at the General Assembly as legislators work to see their bills on the Governor's desk before the end of session and as the debate over the budget continues. House Republicans have worked tirelessly to convince a handful of Democrats to break from the Governor and vote with them on the override. Republican leadership has pointed to increased funding in specific legislators' districts as reasons for Democrats to support the override. House Speaker Tim Moore said that they are waiting until the time is right, and wants everyone to have time to consider their position before voting. It's unlikely that we will see a vote on the override any time soon, as various members of the majority have plans to be away and Republicans will need all of their members, as well as eight from the minority, in order to successfully override Governor Cooper's veto.

The House carried on business as usual last week, while the Senate left town to return to Raleigh on August 6th. The Senate is primarily waiting on the House to make their move to override the veto, but this lengthy delay on taking up the vote suggests that the votes aren't there to successfully override. The Governor has noticed, too. Governor Cooper's office released a statement noting that it has been over 21 days since he made his counteroffer to Republicans. The Governor suggests that it is well-past time for Republicans to return a counter offer and work on a compromise with him instead of spending time on an override effort that is destined to fail. Meanwhile Republican leadership blames the Governor for holding the budget "hostage" over one issue: Medicaid expansion.

NC Health Care for Working Families, the Republican's Medicaid expansion compromise bill, has sat on the House agenda under "unfinished business" for weeks now, alongside the potential override vote. This version of expansion would include work requirements and premiums, which may be an issue with the courts now that a federal judge has struck down another state's work requirement for Medicaid. With still no discussion of this bill on the floor and potential legal issues with its content, it seems this bargaining chip may be of little use in the ongoing budget debate.

With both sides still dug in their positions on Medicaid expansion, and both sides still blaming the other for the delay on the budget, the budget stalemate appears to be far from over.



APARTMENT ASSOCIATION OF NORTH CAROLINA



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LEGISLATION ENACTED

HOUSE BILL 492, Simplify Builder Inventory Exclusion. This legislation adds the builder inventory property tax exclusion under G.S. 105-277.02 to the group of property tax benefits that use a one-time application. The one-time application replaces the current annual application. **Effective:** Applies to property tax years beginning July 1, 2019.

<u>HOUSE BILL 675</u>, <u>2019 Building Code Regulatory Reform</u>, was signed into law by the Governor on July 26th. This legislation makes various changes and clarifications to the statutes governing the creation and enforcement of building codes. <u>Effective</u>: July 26, 2019, for Sections 3 and 9-12. The remainder is effective October 1, 2019.

SENATE BILL 420, NC Servicemembers Civil Relief Act, was signed into law by the Governor on July 25th. This bill enacts the North Carolina Servicemembers Civil Relief Act and clarifies that no member of the North Carolina National Guard should be forced to use any vacation or other leave from his or her civilian employment for a period of active service. Effective: July 25, 2019, unless otherwise provided. This bill was modified at the request of the Apartment Association of NC.

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