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Focusing on Legislative Representation

LEGISLATIVE REPORT  
August 20, 2019

**INTRODUCTION**

We find ourselves in a sort of legislative limbo with session still officially underway but very few committees meeting and just a handful of bills being finished up here or there. The Senate has been absent a great deal and the House has been stripping bills or putting several bills together to send to the Senate where their fate remains less than certain. It is a difficult position for groups wanting to get things done at the legislature as they refuse to move most bills pending while tinkering at the edges on bills that the House and Senate want to resolve. Seems they are all waiting on a budget resolution that is not happening.

Speaking of the budget, the stalemate continues now for over seven weeks with very little if any discussion apparent between the Legislative Leadership and the Governor's Office. Not sure how they can resolve their differences if they won't even get in a room together and discuss them? Reminds me of an old MASH episode where the peace talks broke down over the type of table that the parties wanted to use in negotiations.

Both the House and Senate appear to be back this week to take care of business, and we are hopeful of an indication of how this session will be wrapped up. As soon as we know more than just rumor (or at least a very good one!), we will let you know.



APARTMENT ASSOCIATION OF  
NORTH CAROLINA



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## BILL UPDATES

HOUSE BILL 431, Fiber NC Act, was heard as a Proposed Committee Substitute (PCS) in the House State and Local Government Committee. The PCS removes the provisions from the first edition and replaces it with the following:

- enacts statutes authorizing counties and cities to install or maintain broadband infrastructure to be leased to a private provider;
- defines “broadband infrastructure” to mean wireline or wireless infrastructure capable of providing terrestrially deployed internet access service with specified minimum transmission speeds;
- restricts the authority granted to counties to instances in which (1) the lessee is a person operating for profit in NC to provide broadband services and (2) the county either has more than 4.75% of the county without a broadband infrastructure provider or has a major military installation;
- limits the authority granted to cities to instances in which (1) the lessee is a person operating for profit in NC to provide broadband services to customers and (2) the city has at least 60% of its population lying in a county that either has 4.75% of the county without a broadband infrastructure provider or has a major military installation that gives them authority to install or maintain broadband infrastructure to be leased;
- authorizes boards of commissioners and cities to use ad valorem taxes, grants, or any other unencumbered funds in exercising authority granted under the statute;
- prior to installation, a county or city must: prepare a report containing a business plan for providing broadband infrastructure including the results of a feasibility study determining the needs and available resources, as specified, as well as a map of the location and type of broadband infrastructure proposed to be installed, have the report available in the office of the clerk for at least 90 days prior to the date of the public hearing, and have the board of commissioners or city hold a public hearing with at least one week's public notice stating the intent to install and lease the broadband infrastructure;
- makes conforming changes to current statute, adding construction of broadband infrastructure to the purposes for which counties and cities can levy property taxes. Effective for taxes imposed for taxable years beginning on or after July 1, 2020;
- requires the appropriate governing board to authorize the execution of the lease agreement by adopting a resolution at a regular board meeting upon 30 days' public notice;
- limits lease terms to 25 years, inclusive of any options to renew or extend the lease;
- amends current statute to allow counties to provide grants to qualified private providers of highspeed Internet access to expand service in unserved areas in the county;
- amends current statute to prohibit cities from selling, leasing, or discontinuing a city-owned public enterprise without approval from a majority of voters; and
- makes clarifying changes to statute to explicitly prohibit cities from using broadband infrastructure constructed by the city pursuant to this act from being used to provide communications services under Article 16A, which details provisions related to communications services by cities.

**The bill as amended was approved by the House Local Government Committee and will next be considered by the House Finance Committee.**

**SENATE BILL 86, Small Business Health Care Act, which would establish standards for association health plans and Multiple Employer Welfare Arrangements, was approved by the House and the Senate and has been sent to the Governor for his signature.**

SENATE BILL 320, Regional Water Systems and State Grants. This legislation was vetoed by the Governor on August 2<sup>nd</sup>. In his veto, Governor Cooper provides that, “Local governments have an important duty to resolve differences between themselves and ensure fair access to vital resources like water for their residents. However, they should not use state law to seek an unfair advantage in negotiations.” **The Senate has not yet scheduled a time to hold a vote to over-ride the Governor's veto.**

SENATE BILL 361, Healthy NC, was approved by the Senate at the end of April, but it has grown on the House side to include a number of health-related issues. The House Health Committee heard the bill at the end of July and added a number of provisions. One of the provisions that was added would:

- create the 17-member North Carolina Healthcare Solutions Task Force to examine innovative solutions to health care access issues, including members appointed by the House and Senate, AHEC, the Sheps Center for Health Services Research, the N.C. Institute of Medicine, the Office of Rural Health at DHHS;
- direct the Task Force to address its work in two stages two stages, the first to identify metrics to provide an accurate assessment and measurement of the state of access to health care in North Carolina, and the second to identify any issues relating to access to health care in North Carolina and to develop innovative solutions that will increase access to health care and improve the state of access to health care in North Carolina as measured by the identified metrics;
- direct that Stage One begin no later than October 1, 2019, establish areas for examination and specify that the Task Force report to the Joint Legislative Oversight Committee on Health and Human Services at the conclusion of Stage One, no later than April 1, 2021;
- establish activities for Stage Two and require reports to the Joint Legislative Oversight Committee on Health and Human Services beginning no later than April 1, 2022 and annual until April 17, 2030; and
- terminate the Task Force on the data it submits its final report in 2030.

**The bill as amended was approved by the House Health Care Committee and the Full House and will next be considered by the Senate.**

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