

The General Assembly

The 2013 legislative session was conducted under Republican control of both the General Assembly and the Governor's office for the first time in more than a century. The session started with the first ever organizational session, resulted in many high profile changes to the law, and saw a series of organized protests. The 2013 General Assembly convened on January 9 for a one day organizational session, reconvened to begin the session's work on January 30 and adjourned on July 26. The session totaled 103 legislative days, more in line with previous long sessions following the 2011 record short 87 day long session.

This chapter provides an overview of the 2013 session, including the organization of each chamber and major legislation enacted. Please note that School of Government (SOG) faculty members and experts are writing summaries of selected legislation of interest to state and local government officials. These summaries are available on the SOG's Legislative Reporting Service website, lrs.sog.unc.edu under the "Legislative Summaries" link; the site will be updated as summaries are available.

Overview of the 2013 Regular Session

Article II, Section 11, of the North Carolina Constitution provides for a biennial session of the General Assembly that convenes in every odd-numbered year. Until 1973 the General Assembly held a single regular session, convening in each odd-numbered year, meeting several months, and then adjourning sine die. Prior to 1974, legislative sessions in even-numbered years of the biennium were extra sessions and they were rare and of short duration.

Beginning with the 1973-74 biennium, the General Assembly began holding annual sessions. The General Assembly convenes in January of odd-numbered years. In these "long sessions," which generally run through midsummer, a biennial budget is adopted and any legislative business may be considered. In even-numbered years the General Assembly convenes for a "short session," which generally runs from May through July or August. In the short session the General Assembly considers budget adjustments for the second year of the biennium and generally deals with bills that have passed one house and a limited number of additional noncontroversial matters. Legally the short session is a continuation of the long session.

The 2013 session marked the first time Republicans had the majority in both the Senate and House of Representatives and held the Governor's seat since the 1870s. The session also welcomed a record breaking number of new members; the November election resulted in the election of 61 new members. The Senate gained 11 Republican members while the House gained 15 Republicans.

The 2013 session began with an unprecedented one day organizational session. On January 9, legislators met to adopt temporary rules, name leadership, and announce committee appointments. This one day session allowed legislators to quickly get to work when the session reconvened on January 30. The 2013 session also marked the legislative building's 50th anniversary.

The 442 bills approved in 2013 were not without controversy. The 2013 session saw the first ever series of organized protests. Referred to as "Moral Mondays," the weekly protests started April 29 and continued through the end of session. Initiated by the state chapter of the NAACP, and expanding to include coordination with other organizations, the protests attracted individuals

voicing opposition to many issues include changes made to the unemployment act, voter identification laws, abortion law, and education. Protesters rallied on the Halifax Mall behind the Legislative Building, with some protestors carrying their activities to the legislative building rotunda, where those who did not obey police requests to disburse were arrested. By the end of session, the protests, which at times drew thousands of attendees, had resulted in 924 arrests. Upon session's conclusion, the NAACP announced that the protests would continue at locations across the state, beginning in Asheville, with demonstrations planned in each of the state's congressional districts. In July, approximately 200 people gathered to respond to the protests with a "Thankful Tuesday" rally, with supporters showing support for the Governor's and Republican legislators' efforts.

This session was also noteworthy for a number of controversial local bills. While previous sessions saw deference given to the local delegation on the control over and need for local legislation, this session saw a number of bills where the local delegation was split in its support of the legislation. Controversial issues included control over the Charlotte-Douglas International Airport, the makeup of the Central Carolina Community College Board of Trustees, management of the Asheville water system, and efforts to further development of the Durham 751 South development.

The House of Representatives

The November 2012 election resulted in the election of 45 new House of Representatives members for a total membership of 77 Republicans and 43 Democrats, establishing a veto proof Republican majority. Thom Tillis was re-elected Speaker of the House while Larry Hall was elected Minority Leader. Table 1-1 lists the 2013 House officers.

The demographics of the 2013 House can be broken down as follows¹:

- 30 women, two less than in 2011
- 90 men
- 22 African Americans, four more than in 2011
- One Native American

Bobbie Richardson was appointed before the start of the session to replace Representative Angela Bryant who was appointed to the Senate to replace Senator Ed Jones who passed away before the beginning of the session. Prior to session, Josh Dobson was also appointed to fill Mitch Gillespie's seat after he resigned in order to take the position of Assistant Secretary of the Environment at the Department of Environment and Natural Resources. Grier Martin returned to the General Assembly to replace Representative Deborah Ross who resigned in order to take a position as general counsel for Triangle Transit. Roger Younts was appointed to replace longtime member Jerry Dockham, who resigned in order to take a position on the state's Utilities Commission.

Table 1-1. Officers of the 2013 House of Representatives

Thom Tillis, Mecklenburg County, Speaker
Paul Stam, Wake County, Speaker Pro Tempore
Edgar Starnes, Caldwell County, Majority Leader
Mike Hager, Burke and Rutherford counties, Majority Whip
Pat McElraft, Carteret and Jones counties; James L. Boles, Jr. Moore County; Deputy Majority Whips
Ruth Samuelson, Mecklenburg County, Republican Conference Leader
Rick Catlin, New Hanover County, Republican Freshman Leader
Dean Arp, Union County, Republican Freshman Whip
Larry Hall, Chatham and Durham counties, Minority Leader

¹ These statistics reflect House membership as of the end of the 2013 session and take into account the resignation or death of any members and the appointment of replacement members.

Michael Wray, Halifax and Northampton counties, Deputy Minority Leader
Winkie Wilkins, Granville and Person counties; Susan Fisher, Buncombe County; Rosa Gill, Wake County, Minority Whips
Deborah Ross, Wake County; Marvin Lucas, Cumberland County, Democratic Conference Co-Chairs
Duane Hall, Wake County, Democratic Freshman Leader
Denise Weeks, Principal Clerk
Clyde Cook, Sergeant-at-Arms
John Young, Acting Reading Clerk

The Senate

Sixteen new members were elected to the Senate during the 2012 elections. The November election resulted in Republican's maintaining a veto proof majority; the 2013 Senate was made up of 33 Republicans and 17 Democrats. The demographics of the 2013 Senate can be broken down as follows²:

- Eight women, two more than in 2011
- 42 men
- Nine African Americans, two more than in 2011

Representative Angela Bryant was appointed to fill the seat of Senator Ed Jones, who passed away in December after serving more than four terms in the Senate and one in the House of Representatives. Following adjournment Senator Kinnaird resigned after serving nine terms in the Senate to work with organizations helping individuals meet the new voting identification requirements and registering to vote. Senator Kinnaird's seat will be filled by Representative Foushee; Representative Foushee's replacement has not yet been named.

The 2013 Senate officers and leadership are shown in Table 1-2.

Table 1-2. 2013 Senate Officers and Leadership

Dan Forest, Lieutenant Governor, President
Philip Berger, Guilford and Rockingham counties, President Pro Tempore
Louis Pate, Lenoir, Pitt, and Wayne counties, Deputy President Pro Tempore
Harry Brown, Jones and Onslow counties, Majority Leader
Jerry Tillman, Moore and Randolph counties, Majority Whip
Fletcher Hartsell, Jr., Cabarrus and Iredell counties, Majority Caucus Secretary
Andrew Brock, Davie, Iredell, and Rowan counties, Joint Majority Caucus Leader
Martin Nesbitt, Buncombe County, Democratic Leader
Clark Jenkins, Bertie, Chowan, Edgecombe, Hertford, Martin, Northampton, Tyrrell, and Washington counties; Floyd McKissick, Durham and Granville counties; Gladys Robinson, Guilford County, Deputy Democratic Leaders
Josh Stein, Wake County, Democratic Whip
Eleanor Kinnaird, Chatham and Orange counties, Democratic Caucus Secretary
Dan Blue, Wake County, and Dan Clodfelter, Mecklenburg County, Democratic Caucus Co-Chairs
Sarah Lang, Principal Clerk
Philip King, Sergeant-at-Arms
Lee Settle, Reading Clerk

² These statistics reflect Senate membership as of the end of the 2013 session and take into account the resignation or death of any members and the appointment of replacement members.

Statistical Comparison

The 2013 long session convened on January 30 and adjourned July 18. A total of 1,752 bills were introduced during the 2013 legislative session, slightly more than 1,721 filings during the 2011 long session³. Of the bills introduced, 442, or 25% of the bills introduced, were ratified. The session also saw Governor McCrory's first legislative vetoes.

Table 1-3 compares the 2013 session with other odd-year sessions of the past ten years.

Table 1-3. Statistical Comparisons of Recent Odd-Year Sessions

	2003	2005	2007	2009	2011	2013
Date convened	January 29	January 26	January 24	January 28	January 26	January 30
Date adjourned	July 20	Sept. 2	August 2	August 11	June 18	July 26
Senate legislative days	102	126	111	112	87	103
House legislative days	102	125	113	114	87	103
Senate bills introduced	1028	1184	1573	1109	785	726
House bills introduced	1340	1800	2072	1658	936	1022
Total bills introduced	2368	2984	3645	2767	1721	1748
Session Laws Enacted	433	463	551	577	396	442*
Vetoes	1	2	1	1	15	2

*This total includes bills enacted during the 2013 organizational session and veto override session.

Major Legislation Enacted in 2013

The 2013 General Assembly enacted a number of significant pieces of legislation, a few of which are listed below. Please note that two significant pieces of legislation passed by the General Assembly are discussed in the Governor's Veto section of this document.

Abortion

Legislation introduced in 2013 concerning abortion was controversial not only for the bills' content but for the procedure that moved the bills as well. The first bill that drew attention was House Bill 695. On July 2, while the House was absent for the July 4th holiday, the Senate held session, then recessed for a Judiciary 1 Committee that met just after adjournment. The Committee took up House Bill 695, which contained provisions prohibiting the application of foreign law, and added provisions from other bills that regulated abortion. Following recess, the bill was added to the Senate calendar and passed second reading. The actions on the bill quickly caught the attention of the media and pro-choice advocates responded by organizing supporters, with hundreds of bill opponents gathering in the Senate gallery and rotunda for the next day's vote on third reading. The handling of the bill was criticized not only by Democrats, but also by the Governor⁴. Although

³ According to analysis of statistics compiled by the General Assembly library, available at <http://www.ncleg.net/library/Documents/Legislative%20statistics.pdf>.

⁴ McCrory was quoted as saying, "When the Democrats were in power, this is the way they did business. It was not right then and it is not right now. ... Regardless of what party is in charge or what important issue is

portions of the new version of the bill were taken from measures passed by the House of Representatives, it was unclear what the House would do with the bill. Governor McCrory stated that he would veto the Senate's version of the act unless significant changes were made to the act before it was approved by the House. The House held a public hearing on House Bill 695, but the bill was sent to the House Ways and Means committee and not taken up by the House. The day after the public hearing, instead of considering the Senate's version of the abortion bill, the House added their abortion provisions to Senate Bill 353, which contained provisions related to motorcycle safety. The bill then passed second and third reading the next day. Adding the abortion provisions to a bill containing unrelated content on an accelerated time table once again invoked protests and frustration with the legislative process. Attorney General Roy Cooper was also vocal in his opposition to the bill. The Senate concurred with the House's version of the bill on July 25, the day before session concluded.

Before sending the bill back over to the Senate, the House modified the Senate's provisions to address concerns expressed by the Governor and the Department of Health and Human Services. S.L. 2013-366 (Senate Bill 353), does the following: allows any health care provider to opt out of participating in abortion procedures; prohibits health plans offered on the exchange established under the federal Affordable Care Act, as well as those offered by cities and counties to their employees, from offering coverage for abortion; prohibits abortion if the person performing the abortion knows, or has an objective reason to know, that the sex of the unborn child is a significant reason why the woman is seeking the abortion; requires the doctor performing the abortion to be present during the entire procedure, or present in the same room as the patient when administering the first drug given to induce an abortion; and requires the Department of Health and Human Services to amend the rules for certifying abortion clinics, allowing (but not requiring) the application of ambulatory surgical center licensure requirements. The majority of these changes take effect October 1, 2013. The act also includes changes to G.S. 20-154, increasing penalties for vehicle accidents due to unsafe lane changes/turns that result in specified amounts of property damage or result in serious bodily injury to a motorcycle operator or passenger.

Application of Foreign Law

The only bill to become law without the Governor's signature was S.L. 2013-416 (House Bill 522), which prohibits the application of foreign laws in family law matters. The act prohibits applying foreign law in a legal proceeding concerning divorce, child custody or support, alimony, or equitable distribution if applying the foreign law would violate a fundamental constitutional right of one or more of the parties. The act also requires any contract provisions that require applying foreign law to be interpreted in a way that preserves the fundamental constitutional rights of any natural person who is party to the contract. The act becomes effective September 1, 2013.

Charlotte Airport

Perhaps the most hotly contested local issue of 2013 was control of the Charlotte Airport. The first act passed governing control of the Charlotte Douglas International Airport (airport) was S.L. 2013-272 (Senate Bill 81). That act took ownership and operation of the airport away from the City of Charlotte and gave it to a new 11 member Charlotte Douglas International Airport Authority. The changes were to be effective when the act became law, July 18, 2013. The controversial act split the Mecklenburg County delegation, with Senators voting two in favor and three against the bill; on the House side six members of the delegation voted in favor of the bill and five opposed the bill. Immediately after the bill's passage, the City of Charlotte sued and a stay was issued. As talks between the parties continued, a second bill concerning the airport appeared. In the waning hours of session, legislators gave approval to S.L. 2013-358 (Senate Bill 380). This act repeals S.L. 2013-272 and establishes the 13 member Charlotte Douglas

International Airport Commission with the power to operate and control the airport on behalf of Charlotte. The Commission's powers include exercising, on behalf of the City of Charlotte, the City's powers concerning airports. The act also established an Oversight Committee to monitor the Commission's actions for two years. The changes made by the act remained controversial, with the Mecklenburg delegation vote remaining split (6-5 in favor of the bill in the House and 2-2 in the Senate).

Durham 751 South Development

S.L. 2013-386 (Senate Bill 315) makes way for a controversial development in Durham. The act would require Durham to annex and provide water and sewer services to an area that will house the "751 South" project, consisting of a mix of residential and commercial development. Illustrating the controversial nature of this bill affecting a local government, the act was opposed by the House's entire Durham delegation and split the Durham delegation vote in the Senate.

Eugenics Compensation

Legislators have filed many bills since 2006 seeking to compensate victims of the state's eugenics program with little success. This session finally resulted in a funded compensation program in S.L. 2013-360 (Senate Bill 402), the Appropriations Act of 2013. Section 6.18 of the act creates the Eugenics Asexualization and Sterilization Compensation Program to provide monetary compensation to those that were asexualized or sterilized involuntarily under the authority of the Eugenics Board of North Carolina. Individuals must be alive on June 30, 2013, in order to make a claim (claim must be submitted by June 30, 2014) and qualified recipients receive a lump sum, calculated as \$10 million divided by the total number of qualified recipients, with payment made on June 30, 2015. Compensation is to be paid from the new Eugenic Sterilization Compensation Fund. The act also establishes the Office of Justice for Sterilization Victims to assist individuals in determining whether the individual qualifies for compensation and in filing a claim. The Office is also allowed to advocate for the claimant before the Industrial Commission and assist with any appeal of an adverse decision.

Firearms

S.L. 2013-369 (House Bill 937) expands upon where concealed carry permit holders may have guns to include: on school grounds so long as they are in a closed compartment within the person's locked vehicle or in a locked container affixed to the person's vehicle; in establishments that serve alcohol; and at parades and funeral processions. The bill also adds judges, magistrates, clerks of court, and registers of deeds, who hold a concealed carry permit, to those that may carry a concealed weapon in certain locations, including courthouses, law enforcement or correctional facilities, and state offices.

The bill expands the sentencing enhancement that applies to individuals who commit a felony by using, or displaying deadly weapon, so that the enhancement applies to all felonies (was, only Class A through E felonies). The act adds 12 months to Class H or I sentences, 36 months to Class F or G sentences, and 72 months (was, 60 months) to Class A through E sentences. The bill also creates a new armed habitual felon status offense, increasing the punishment for a defendant committing a firearm-related felony who has already been convicted of at least one felony in which the person used or displayed a firearm. The act also makes it legal to hunt with silencers.

There are additional changes concerning handgun purchase permits, local government authority to regulate handguns, whether permit information is public records, and mental health reporting requirements. You can find more on this legislation on the criminal law and procedure page of the legislative summaries website.

Jordan Lake Cleanup

Continuing a conflict that has gone on for several years, S.L. 2013-395 (Senate Bill 515) delays the implementation of the session laws and rules governing the cleanup of Jordan Lake for three years. The Appropriations Act (S.L. 2013-360) also includes a provision providing \$1,350,000 for 2013-14 and \$300,000 for 2014-15 to carry out a Jordan Lake Water Quality Improvement Demonstration Project. The project lasts for twenty-four months and is intended to prevent and reduce harmful algal blooms and excessive chlorophyll as well providing other nutrient mitigation measures. The project requires the Department of Environment and Natural Resources to enter into a contract with a third party to deploy floating arrays of in-lake, long-distance circulators to reduce or prevent the impacts of excessive nutrient loads. The third party's circulators must meet several specific criteria.

Private School Scholarships

The past few sessions have included attempts to create a private school scholarship program. This session the program was finally passed in S.L. 2013-360 (Senate Bill 402), the Appropriations Act of 2013. Section 8.29 of the act creates a new scholarship grants program to provide scholarships in order for a student to attend a nonpublic school. Grants are in the amount of \$4,200 per year for students in households with an income level that does not exceed the amount required for the student to qualify for the federal free or reduced lunch program, and no more than 90% of the required tuition and fees (in an amount not to exceed \$4,200 per year) for students residing in a household with an income that exceeds the amount required to qualify for the federal free or reduced price lunch program. The provisions are effective beginning with the 2014-15 school year.

Racial Justice Act Repeal

S.L. 2013-154 (Senate Bill 306) codifies the law that prohibits regulatory boards from sanctioning health care professionals for assisting in executions and excludes administration of lethal injection from the practice of medicine. The act amends the laws on administering lethal injections, including the timing of the execution, and the method of execution. The act also creates reporting requirements on personnel need to carry out death sentences, and on the status of pending postconviction capital cases.

The act also repeals the Racial Justice Act (RJA), which was created by the General Assembly in 2009. The RJA created a process under which individuals sentenced to death could challenge the sentence by proving that race was a significant factor in the decision to seek or impose a death sentence. If a court made such a finding, the defendant was to be resentenced to life imprisonment without the possibility of parole. The RJA has been chipped away at over the last few years, but this act eliminates the Racial Justice Act entirely, including extinguishing currently pending claims.

Regulatory Reform Act

S.L. 2013-413 (House Bill 74), the Regulatory Reform Act, made a number of changes across a wide range of areas, including many changes affecting environmental law. The following represents a few of the changes made by the act.

The act creates a new requirement that agencies review their rules once every 10 years to determine whether or not the rules are necessary, eliminating rules deemed unnecessary. The agency's recommendations are then reviewed by the Rules Review Commission, which then makes its own determination that is sent to the Joint Legislative Administrative Procedure Oversight Committee. Recommendations become final after the Committee consults with the agency. Rules adopted by the Environmental Management Commission concerning surface water quality and wetlands are to be reviewed in the first year of reviews.

The act prohibits local governments from enacting an ordinance regulating a field that is also regulated by a State or federal statute enforced by an environmental agency, or that regulates a field that is also regulated by a rule adopted by an environmental agency. An exception is allowed when the ordinance is approved by a unanimous vote of the members present and voting. The Environmental Review Commission is required to study the circumstances under which local governments should be authorized to enact ordinances that (1) regulate a field that is also regulated by a State or federal statute enforced by an environmental agency or that regulate a field that is also regulated by a rule adopted by an environmental agency; and (ii) are more stringent than the statute or rule.

Under the act, any provision that conditions the purchase of agricultural products or the terms of an agreement for the purchase of agricultural products upon an agricultural producer's status as a union or nonunion employer or entry into or refusal to enter into an agreement with a labor union or labor organization is invalid.

The act also requires lodging establishments to install carbon monoxide detectors in every enclosed space that has a fossil fuel burning heater, appliance, or fireplace as well as in any enclosed space that shares a common wall, floor, or ceiling with an enclosed space having a fossil fuel burning heater, appliance, or fireplace.

The act combines the Department of Environment and Natural Resources' Division of Water Quality and the Division of Water Resources into a new Division of Water Resources.

State Employees

S.L. 2013-382 (House Bill 834) allows the Governor to designate up to 1,500 (current cap is 1,000) state workers as exempt from the State Personnel Act. The Office of Information Technology Services, Office of State Budget and Management, and the Office of State Personnel have been added the list of departments and offices that may have exempt positions. The act also removes the cap on the number of positions within the Department of Public Safety that may be designated as exempt. The act amends the statutes governing state employee grievances as well as the appeal of disciplinary actions and grievances. Among other changes, the act moves the Office of State Personnel from under the Department of Administration to the Office of the Governor, and modifies the membership of the State Personnel Commission.

Tax Changes and State Budget

A priority for legislators this session was tax reform. Throughout the session, several versions of tax reform were introduced including Senate Bill 394, Senate Bill 677 (concerning corporate taxes), Senate Bill 669 (concerning individual income tax), and House Bill 998. In the end, approval was given during the last week and a half of session to a compromise plan contained in House Bill 998 (S.L. 2013-316). Among the act's many changes, the new tax structure sets a flat individual income tax rate of 5.8% percent in 2014 and then lowers the rate to 5.75% in 2015. The act also allows a standard deduction of \$15,000 for married taxpayers filing jointly, \$12,000 for heads of household, and \$7,500 for single and married taxpayers filing separately, and modifies the amount of the child tax credit to create a range from \$0 to \$125 according to income. The act sets a \$20,000 cap on mortgage interest and property tax deductions. On the corporate side, the act lowers the corporate income tax to 6% in 2014, and lowers it again to 5% in 2015. The act provides that further reductions may happen in subsequent years if the state meets specified revenue targets. One of the issues that caused conflict among the competing tax proposals was whether to tax services. S.L. 2013-316 expand the sales tax to cover service warranties and amusements including movies, pulling back from the wider list of services taxed in other proposals. The act also eliminates the estate tax effective January 1, 2013, and caps the motor fuel tax from October 1, 2013, through June 30, 2015, at 37 ½ cents a gallon.

The impact of the tax reform on the state's revenue projections led legislators to delay passing a budget until the tax reform was adopted. Legislators passed a continuing budget resolution, S.L. 2013-184, on June 26. The act allowed the Director of the Budget to continue to allocate funds for

expenditures for current operations by state departments, institutions, and agencies at a level not to exceed 90% of the level at which these operations were authorized in the 2012 Appropriations. The act also required implementing the budget reductions set out in the 3rd (final Senate version) and 5th editions (final House version) of Senate Bill 402 that were not in controversy. The continuing resolution was set to expire on July 31, but legislators cast their final votes to approve the \$20.6 billion budget on July 24, and it was signed into law by the Governor the next day (S.L. 2013-360). The act received criticism for its treatment of teachers, primarily for removal of extra pay for teachers with advanced degrees, and ending teacher tenure. The budget also includes \$11.35 million for a new Rural Economic Development Division, replacing the Rural Center, which came under scrutiny for its failure to ensure that grant recipients were using grant funds as intended and for paying excessive executive salaries. Other significant provisions of the act include eugenics compensation and a new school voucher program, are discussed elsewhere in this document.

Unemployment

One of the first bills passed by legislators was S.L. 2013-2 (House Bill 4). The controversial act lowered the unemployment benefit payment amount and decreased the number of weeks an individual may receive the benefits. The act caps the weekly benefit at \$350. The minimum and maximum weeks for which the benefits may be received vary depending on the state's unemployment rate, with the maximum duration ranging from 12 to 20 weeks. The act also included an increase in the amount of unemployment taxes paid by businesses in an effort to help the state pay off its federal unemployment benefit assistance debt. The act establishes the Joint Legislative Oversight Committee on Unemployment Insurance, terminating July 1, 2023, to study and review unemployment insurance matters, workforce development programs, and reemployment assistance efforts.

Voter ID/Elections Changes

VIVA/Election Reform, S.L. 2013-381 (House Bill 589) makes a number of changes to the voting and election laws, the most significant of which are: no longer allows preregistration of 16 and 17 year olds; elimination of same day registration/voting; no more straight ticket voting; changes to the process for requesting a mail in absentee ballot; shortening of early voting period; and elimination of public financing of judicial races. The most significant change, however, is requiring voters to show photo identification in order to vote. Starting with elections in 2016, a voter (with a couple of limited exceptions) will have to show one of the following forms of identification, with a photograph: state driver's license; DMV issued identification card (to be issued for free); passport; military identification card; Veterans Administration identification card; tribal enrollment card; or other state driver's license if the voter recently moved to North Carolina.

Two lawsuits have already been filed challenging this legislation. More information on the act can be found on the Elections page of Legislative Summaries page of the Legislative Reporting Service website.

The Governor's Veto

Governor McCrory exercised his veto power two times this session. The Governor vetoed House Bill 392 and House Bill 786. Both vetoes were overridden during a veto session held on September 3 and 4, 2013.

Drug Testing of Welfare Applicants

Governor McCrory's first every veto was the veto of House Bill 392, which among other things, required individuals applying for welfare benefits to undergo drug testing upon reasonable

suspicion. In an unusual move, at the same time as he vetoed the act, Governor McCrory issued an executive order which implemented portions of the act related to background check. Among the reasons for vetoing the bill, the Governor stated that, “[t]he bill is a step backward for DHHS in its efforts to assist people in combating substance abuse. ... I am concerned that the means for establishing reasonable suspicion, as outlined in the bill, are not sufficient to mandate a drug test under the Fourth Amendment.⁵” The Governor also stated “that the punitive mandates of this bill go too far in restricting future access to benefits that could have a negative impact on children and families,” and “[s]imilar efforts in other states have proven costly for taxpayers and did little to help fight drug addiction.⁶” The executive order required the Department of Health and Human Services and the State Chief Information Officer to develop a plan and recommendations to prohibit fugitive felons and individuals violating probation or parole do not receive welfare benefits and that law enforcement has access to the most up to date information. The Governor’s veto was overridden and the act is now S.L. 2013-417.

Immigration/E-Verify

House Bill 786, Reclaim NC, started out as a controversial bill concerning illegal immigration. The act’s many provisions included increasing penalties for possession, manufacture, or sale of false identification, creating a rebuttable presumption against the pretrial release of certain undocumented individuals, requiring prisoners in the county illegally to reimburse the state for the costs of their incarceration, and allowing law enforcement to conduct immigration status checks following lawful stops, detentions, or arrests when there is reasonable suspicion that the person is in the country illegally. The act also increased the length of time an employee may work without the employer having to verify the employee’s work authorization through the e-Verify system. In the last days of session, the bill was changed to convert the act’s provisions into a study, retaining only the e-Verify provisions of the act. Governor McCrory vetoed the bill citing the concern that, “This bill has been thinly disguised as a measure to help our farming community when in fact it applies to a broad spectrum of other businesses in both urban and rural areas. There is a loophole that would allow businesses to exempt a higher percentage of employees from proving they are legal U.S. citizens or residents.⁷” Governor McCrory also stated, “This legislation increases the seasonal employee 90-day exemption to nearly nine months in a calendar year, and will put our legal residents at a disadvantage in the job market. We must do everything we can to help protect jobs for North Carolinians first and foremost.⁸” His veto was overridden and the act is now S.L. 2013-418.

Unfinished Business

Puppy Mills

Recent sessions have included efforts to control puppy mills in the state. House Bill 930 did not become law, but did make it out of the House before the crossover deadline and received an endorsement from North Carolina first lady Ann McCrory. The act requires that dogs in facilities with more than 10 breeding females being kept for the purposes of selling their offspring be given food and water, daily exercise, appropriate housing that meets specified conditions, necessary

⁵ Governor’s Objections and Veto Message for House Bill 392, <http://www.ncleg.net/Sessions/2013/h392Veto/letter.pdf>.

⁶ Governor’s Objections and Veto Message for House Bill 392, <http://www.ncleg.net/Sessions/2013/h392Veto/letter.pdf>.

⁷ Governor’s Objections and Veto Message for House Bill 786, <http://www.ncleg.net/Sessions/2013/h786Veto/letter.pdf>.

⁸ Governor’s Objections and Veto Message for House Bill 786, <http://www.ncleg.net/Sessions/2013/h786Veto/letter.pdf>.

veterinary care, and humane euthanasia when needed. Failure to comply with the requirements is a Class 3 misdemeanor punishable by a fine of no less than \$25 per animal, with a violation becoming a Class 1 misdemeanor if the person has previously pled guilty to, or been found guilty of, a violation of the requirements. The act's provisions do not apply to kennels or facilities where the majority of the dogs are being bred or trained primarily for hunting, sporting, field trials or show, or are being kept primarily for purposes other than the sale of offspring as pets.

Immigration

As discussed above, the Reclaim NC Act, S.L. 2013-418 (House Bill 786), was changed to a study bill. The act requires the Department of Public Safety to study the impact of issues that had been proposed in previous versions of the bill on public safety, the economy, and illegal immigration. The Department is required to report its findings and recommendations to the Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety by March 1, 2014. It is possible that Committee may take the recommendations from the Department on these issues and put forth legislation that will be eligible in the short session.

Juvenile Age

On the last day of session, the House took up House Bill 725, Young Offenders Rehabilitation Act, and gave it a favorable vote on second reading, postponing third reading. The act increases the juvenile age for those that commit misdemeanors to include 16 and 17 year olds. These changes would mostly be effective July 1, 2019. This act also creates a 24 member Juvenile Jurisdiction Advisory Committee to develop a plan for implementing any changes in the juvenile justice system that would be required in order to extend jurisdiction in delinquency matters to include 16 and 17 year olds charged with misdemeanors.

The Legislative Institution

Legislative Ethics

S.L. 2013-146 (Senate Bill 156) makes several changes to the statutes governing investigations by the Legislative Ethics Committee (Committee). The act clarifies that the Committee may receive complaints directly and may immediately notify the legislator that a complaint has been filed against the legislator. The act gives the Committee 20 days to decide whether to commence a preliminary hearing if the complaint is received while the General Assembly is not in session (the Committee has 10 days if the General Assembly is in session). The act also allows the Committee to issue a private admonishment without holding a hearing.

House Rule Change

In an unusual move, the House of Representatives changed one of its permanent rules toward the end of session. House Resolution 1022 prohibits anyone other than a General Assembly staff member from entering a member's office space without permission from the member, or from the member's designee if the member is absent. It was revealed that this change came about after five

Democratic members entered Speaker Tillis' unoccupied office and took photos while delivering a petition objecting to abortion legislation⁹.

NCGA Ability to Intervene

S.L. 2013-393 (Senate Bill 473) creates a new statute giving the Speaker of the House and the President Pro Tempore of the Senate standing to intervene in any judicial proceeding challenging a state statute or a provision of the state Constitution. The remainder of the bill contains provisions concerning health care costs transparency and hospital bill collection.

The 2014 Session

The General Assembly is currently scheduled to return for the short session on May 14, 2014. According to the adjournment resolution (Ch. Res. 2013-23), only the following matters may be considered during the short session: (1) bills affecting the budget, as described, provided the bill is submitted to the Bill Drafting Division by May 16, 2014, and introduced in the House or filed for introduction in the Senate by May 27, 2014; (2) bills amending the NC Constitution; (3) bills and resolutions introduced in 2013 that passed the crossover deadline and were not disposed of in the other house by tabling, unfavorable committee report, indefinite postponement, or failure to pass any reading and which do not violate the receiving house's rules; (4) bills and resolutions implementing recommendations of specified commissions and committees, provided the bill is submitted to the Bill Drafting Division by May 14, 2014, and filed for introduction in the Senate or introduced in the House by May 21, 2014; (5) any noncontroversial local bill, as described, that is submitted to the Bill Drafting Division by May 21, 2014, and introduced in the House or filed for introduction in the Senate by May 28, 2014, accompanied by a certificate saying no public hearing will be required or asked for, the bill is noncontroversial, and that the bill is approved for introduction by each member of the House and Senate whose district includes the area to which the bill applies; (6) selection, appointment, or confirmation of state board and commission members; (7) any matter authorized by joint resolution; (8) a joint resolution authorizing the introduction of such a bill; (9) any bill affecting state or local pension or retirement systems, provided the bill is submitted to the Bill Drafting Division by May 21, 2014, and introduced in the House or filed for introduction in the Senate by May 28, 2014; (10) joint, House, or Senate resolutions authorized under Senate Rule 40(b) or House Rule 31; (11) bills concerning redistricting; (12) bills vetoed by the Governor, to consider overriding the veto; (13) election law bills; (14) bills to disapprove rules under GS 150B-21.3 [effective date of rules provision under Administrative Procedure Act]; and (15) a joint resolution adjourning the 2013 Regular Session, sine die. A list of the bills that made it through the crossover deadline can be found here on the North Carolina General Assembly's website: <http://www.ncleg.net/documentsites/legislativepublications/Research%20Division/Crossover/Crossover%20List%202013.pdf> .

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⁹ For more information, see, WRAL, *House changes rules in response to incursion into Speaker's office*, <http://www.wral.com/house-changes-rules-in-response-to-incursion-into-speaker-s-office/12703525/>.