



## INTRODUCTION



### HOUSE BUDGET PASSES HOUSE

After a long week of committee debate, amendments galore, and hours of fiery floor speeches on both Wednesday and Thursday last week, the House has passed their version of the budget, 72-41. Senate Bill 105, 2021 Appropriations Act, will now go over to the Senate where the bill will receive a nonconcurrency vote. From there, conferees from both chambers will be appointed and work on the final proposed budget will begin. Republican leadership has promised there will be trilateral negotiations in preparing the final version between the Republican-led House and Senate, and our Democratic Governor. This was in response to House Democrats, who were clear this week that they needed a seat at the table in crafting the budget if Republicans expect their support.

That said, nine Democrats did break with their caucus and voted in favor of the measure this week. Those Democrat 'yes' votes were: Reps. Cecil Brockman (Guilford), Brian Farkas (Pitt), Charles Graham (Robeson), Howard Hunter (Gates, Hertford, Pasquotank), Marvin Lucas (Cumberland), Garland Pierce (Hoke, Scotland), William Richardson (Cumberland), Shelly Willingham (Edgecombe, Martin), and Michael Wray (Halifax, Northampton). While the House budget passed with a veto-proof majority, there is no guarantee that this many Democrats, or any at all, will split from their caucus and vote to override if a final budget proposal is vetoed by Governor Cooper. That would be a first since the Governor has taken office, and there is immense pressure to pass a budget this year. The state has not had a comprehensive budget in over two fiscal years and would need one to spend billions of dollars in federal aid and an unprecedented state surplus of over \$6.5 billion.

With more money to spend than ever and various needs unmet by the 2018 budget our state continues to operate under, the heat is on to finally get a budget bill passed. Although some may see things differently, most agree that the budget is the most important legislation that they work on during session and not having a budget again would be a terrible failure by all concerned. Senate leader Berger would also like to see a budget, but has signaled he is okay with packing up and going home before agreeing to a budget that he perceives to be worse than the existing budget. This adds just another layer of complexity to the already complicated dynamic between the Republican-led

### NORTH CAROLINA SECURITY AND LOW VOLTAGE ASSOCIATION



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chambers with different spending priorities and the Democratic Governor who has an entirely different viewpoint on spending and is unafraid of vetoing a bill. Please see the end of this legislative report for more specific items that are relevant to your group in the House budget.

#### REDISTRICTING / CENSUS DATA

On Thursday, the Census Bureau released the long-awaited data integral to the state's redistricting process. The 2020 Census revealed that North Carolina's population increased 9.5% in the last decade, and is now home to more than 10.4 million residents. North Carolina was ranked the 15th fastest growing state in the nation. Because of this growth, North Carolina will be gaining a 14th seat in the U.S. House of Representatives. Wake County saw a 25.4% increase since 2010 and now surpasses Mecklenburg County as the most populous county in our state with 1,129,410 residents. It's worth noting that Mecklenburg and Wake County both have over 1.1 million residents, and are over double the size of any other county in this state. The numbers showed that 78% of North Carolina's population growth occurred in the six-county region of the Triangle or the six-county region of Charlotte over the past decade.

The Joint Redistricting Committee officially adopted criteria for drawing legislative and congressional districts for the next decade. The committee made history by adopting redistricting criteria that will not use partisan data. The committee also opted to use several other traditional, non-partisan redistricting criteria like seeking to keep municipalities whole, avoiding splitting precincts, and keeping districts compact, to limit partisan considerations. "North Carolina has been the epicenter of redistricting lawsuits for decades," said Sen. Daniel, who co-chairs the Senate Redistricting Committee, in a statement. "It's time to put the last 30 years of litigation behind us and begin a new era of nonpartisan map drawing." Democratic committee members criticized the rules as too vague, and questioned if the maps using this criterion would hold up to legal challenges, which both sides fully expect.

The adopted criteria would forbid legislators from using past election results, party registration data, or data on race in the drawing of the new maps. Democrats pushed to use race data in at least a post-draw analysis, but came up short. They emphasized that just because racial data won't be loaded into the computer doesn't mean race and politics won't be considered in the redraw by the members who are intimately familiar with their districts and where their supporters live. "Just because you say you're not looking at it doesn't mean that you're not looking at it," Senate Democratic Leader Dan Blue said. Republicans maintained that the goal is to draw fair districts that comply with all state and federal laws, and court precedents laid out from previous litigation. They also reminded the committee that Democrats themselves praised this process when it was used in the 2019 redraw, and it has only improved from there. You can view the adopted criteria [here](#).

#### REP. JERRY CARTER

Rep. Jerry Carter, a veteran and longtime Baptist pastor, passed away recently from complications due to a rare gastrointestinal disease. Rep. Carter was serving his second term representing Rockingham County. He was well admired by members of the House, and will be missed. Speaker Moore said in a statement: "I am heartbroken and devastated by the sudden loss of my friend and colleague Representative Jerry Carter. Representative Carter was an extraordinary legislator and a devoted husband to his wife, who he loved dearly. He was the chaplain of the NC State Highway Patrol and was a man of deep faith and faithful prayer. He was the founder and pastor of Reidsville Baptist Church, and he was deeply passionate about serving Rockingham County and his

constituents back home. We will feel Jerry's loss deeply at the NC General Assembly, and my prayers are with Jerry's family as they grieve this great loss in the days ahead." The Rockingham County GOP has appointed county commissioner and former chief of police Reece Pyrtle to serve the remainder of Rep. Carter's term.

#### THIS WEEK AT THE LEGISLATURE

The General Assembly will continue their negotiations about the budget and redistricting next week. Conferees will be appointed to work on the final budget and will begin closed-door negotiations, and the Joint Redistricting Committee will continue to meet to layout the process for redrawing maps moving forward.

### BILL UPDATES

HOUSE BILL 536, Law Enforcement Duty to Intervene, was amended in the Senate Judiciary Committee including to: (1) require the NC Criminal Justice Education and Training Standards Commission and the NC Sheriffs' Education and Training Standards Commission to search the National Decertification Index maintained by the International Association of Directors of Law Enforcement Standards and Training using the name of every applicant for certification or applicant for lateral transfer, and any other identifying information necessary, and use any record of conviction uncovered to determine if the applicant has any record that would disqualify the applicant for certification; and (2) require a certified individual, or any individual who has received a conditional offer of employment, who has been notified that the individual will not be called to testify at trial based on bias, interest, or lack of credibility to report to and provide a copy of the notification to the Criminal Justice Standards Division or the Justice Officers' Standards Division, as appropriate, within 30 days of receiving the notification. **The bill as amended was approved by the Senate Judiciary Committee and will next be considered by the Senate Rules Committee.**

HOUSE BILL 805, Prevent Rioting and Civil Disorder, was amended in the Senate Judiciary Committee to revise the punishments for rioting or inciting rioting to make it:

- a Class H felony for any person to brandish any dangerous weapon or use a dangerous substance in the course of a riot (was, for any person to possess any dangerous weapon or substance, and did not specify that the offense must happen in the course of the riot);
- a Class F felony to willfully engage in a riot where in the course of the riot, the person causes property damage of more than \$1,500 or serious bodily injury;
- a Class E felony to willfully engage in a riot where in the course of the riot, the person causes a death; and
- a Class D felony to willfully incite or urge another to engage in a riot and such inciting or urging causes a death (previously, required that such inciting or urging be a contributing cause of a riot in which a death results).

**The bill as amended was approved by the Senate Judiciary Committee and will next be considered by the Senate Rules Committee.**

HOUSE BILL 911, Regulatory Reform 2.0, was amended on the House floor to establish a 10-member House Select Study Committee on Developmental Permitting and Fees to create a list of all permits issued by the Department of Environmental Quality that regulate public or private development and make seven described determinations from that list, in addition to addressing any other issues that the Committee deems appropriate. Determinations required include: (1) how the permits interact with international, federal, and State law; (2) if administration could be better streamlined; and (3) if supplemental fees are necessary to cover the costs related to incomplete or inaccurate permit applications. The bill would require the Committee to hold one meeting in each of the three regions of the State and to report to the NCGA within 10 days of the convening of the 2022 Regular Session, at which time the Committee terminates. **After further amendment on the House floor, the bill was approved by the House and has been sent to the Senate for consideration.**

SENATE BILL 688, Sports Wagering. This bill to allow sports wagering in North Carolina is moving forward in the Senate. Although many are surprised that this bill is moving, the Senate does seem set on approving the law. It is not clear what sort of reception the bill will receive in the House? The bill was amended in the Senate Commerce and Insurance Committee to: (1) limit the authority of the operator to suspend or terminate a player's account by requiring that the reason for suspending or terminating the player's account not be in violation of state and federal law, rather than requiring that the reason not be on the basis of a registered player's actual or believed sex, gender identity, race, religion, national origin, sexual orientation, or other lawfully protected characteristic; and (2) allow the NC State Lottery Commission to accept and issue applications for licensure in order that licensees may begin operations on January 1, 2022. **The bill as amended was approved by the Senate Commerce and Insurance Committee and will next be considered by the Senate Rules Committee.**

## BUDGET

Besides a handful of people in Raleigh who work in and around the legislature, many North Carolinians probably do not know that our State is operating under a budget from 2018. There are some good things (we have saved some money) and bad things (failure of our legislative process) about this but at the beginning of the legislative session it appeared that all parties – the Senate, the House and the Governor – were all willing to negotiate a deal. Now that we are 2 months past the budget time frame the parties are not quite as optimistic about a budget, but all three will work toward a solution. Governor Cooper's hand is a bit weakened as his veto power is not as clear with some Democrats in the House and Senate voting with the Republican majority on their respective budget bills. That does not mean that those same Democrats would not vote to uphold a veto, but it is certainly making the discussions interesting. Another factor to consider is that the budget includes spending from some of the Federal stimulus money that NC has received and all agree that those funds are needed. Hopefully we will see true negotiation over competing priorities and we will see a final, approved budget soon for the 2021-2023 biennium.

Many of the disagreements between the Senate budget proposal and the House budget proposal are a matter of degree. For example, the Senate raises state employee's salaries, but the House raises them more, the House budget includes tax breaks, but the Senate reduces them more, the Senate included a variety of policy language and the House did too! The Governor favors the House version but would like even more spending on programs he feels are important and less tax

cuts and in fact has announced that since our revenues are higher than expected that he would support his spending plan with the Republican tax plan. There is a great deal of money in the budget for a wide variety of interests: broadband expansion, educational programs, COVID funding for rural areas, testing and treatment, pay increases for providers of direct care services, capital building funds for the university and community college systems and of course money for groups in legislators districts that they support.

We will do a more specific review of the budget once one is finalized; however, below are the major provisions relevant to your association:

The House budget would:

- provide \$10 million in each of next two years for a new competitive grant program to support students in crisis, school safety training, and safety equipment in schools and direct the Superintendent of Public Instruction to establish the School Safety Grants Program to improve safety in public school units by providing grants for (i) services for students in crisis, (ii) school safety training, and (iii) safety equipment in schools;
- direct the Community Colleges System Office, the System Office to establish a program to expand outreach and advertising efforts to raise awareness for parents and students regarding the career and technical education (CTE) programs and high-quality work-based learning experiences offered in high-demand fields and careers through partnerships with community colleges, businesses, and public schools throughout the State. The System Office would partner with local school administrative units and public schools, as necessary. The System Office would report by April 1, 2022, and a final report by April 1, 2023, to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee on activities related to outreach and marketing and any data related to student outcomes, such as students entering CTE and work-based learning programs as a result of those activities;
- provide \$120.5 million from the funds under the American Rescue Plan Act to the State Small Business Credit Initiative;
- enact the North Carolina Small Business Retirement Savings Program to, among other items, provide a process to facilitate voluntary enrollment into the Program for covered employers, covered employees, and self-employed persons and allow a covered employer to withhold payroll deductions from a covered employee's paycheck for the express purpose of making a covered employee contribution to the Program funds, and include protection from liability for covered employers;
- direct the Department of Labor to use the funds allocated to create, implement, operate, and support the Be Pro Be Proud initiative, a three-year mobile statewide workforce development pilot program. The program would (1) focus on generating student, parent, and educator interest in technical professions within the construction, manufacturing, transportation, and utility industries by emphasizing the high-tech, high-wage potential of these student career paths and (2) support progress towards North Carolina's postsecondary attainment goals to increase postsecondary degrees and certificates in the skilled trade professions;
- direct the Department of Public Safety, Division of Emergency Management to use almost \$4.5 million for the 2021-2022 fiscal year to contract with a vendor to implement a statewide panic alarm application and \$220,000 in each of the next two years to manage the application once implemented. By December 1, 2021, the Division would implement and maintain a statewide panic alarm application that meets requirements and is available

to all employees of public secondary schools, in collaboration with the Department of Public Instruction, Division of School Operations, and the Centers for Safer Schools. When implementing and maintaining the statewide panic alarm application, the Division would consider results from the School Panic Alarm Pilot Program conducted in the 2017-2018 fiscal year and the recommendations of the May 2018 report entitled "Panic Alarm Solution for North Carolina K-12 49 Public Schools."

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