



NORTH CAROLINA GROUND WATER ASSOCIATION

LEGISLATIVE REPORT

MAY 4, 2007



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INTRODUCTION

The House bill filing deadline has passed and almost 270 bills were filed on the last eligible day. In total, between the House and the Senate, over 3,400 bills have been filed this session and the House still has a few days to go before it reaches its deadline for appropriations bills. We do not expect many bills to be filed during this period as the House has already been working on their budget proposal and has released portions of the budget to the various subcommittees. We expect the House to approve the budget next week and then the budget goes to the Senate where it is expected to take about a month for the Senate to complete its budget negotiations. The two sides will then meet to discuss the differences in their budget proposals and those discussions typically go on behind closed doors and outside the view of lobbyists and the public.

The next looming deadline is the crossover deadline which will eliminate most bills from consideration. There will be a huge rush of activity between now and May 17th to try to move bills through either the House or the Senate to keep them eligible for the remainder of this year and possibly also next year. The crossover deadline does not apply to appropriations or finance bills.

The North Carolina State Board of Elections has announced that it will hold hearings regarding Representative Thomas Wright in the middle of May to determine whether to pursue criminal charges. Former Representative Michael Decker was sentenced to four years in federal court for his role in accepting a bribe for changing his political party affiliation to allow Speaker Black to remain in his position as speaker. It is clear that the new ethics rules developed as a result of these scandals requiring more disclosure by lobbyists, lobbyist PACs, and other political parties have changed the process and have made a difference in this session. There are fewer receptions and dinners for legislators and it appears that legislators are spending less time with lobbyists. We will continue to see how these changes affect the legislative process as the Ethics Commission makes rulings and considers gray areas in the law.

If you would like a copy of any of the legislation introduced or considered by this year's General Assembly, you may receive one copy of as many bills as you are interested in, free of charge, by calling the General Assembly's Printed Bills office at 919/733-5648. They will need to know if it is a House bill or Senate bill and the bill number. (For example, Senate Bill 8). Copies are also available on the General Assembly's World Wide Web site: <http://www.ncleg.net>.



BILLS OF INTEREST

HOUSE BILL 1394, Study Increasing Glass/Plastic Recycling, would authorize the Legislative Research Commission to study ways to increase recycling of glass and plastic containers. **Introduced by Representatives Tolson, Wray, Crawford, and Farmer-Butterfield and referred to the House Rules Committee.**

HOUSE BILL 1410, Section 529 Plan – Tax Deduction. This bill is identical to Senate Bill 1141, summarized in the April 5th Legislative Report. **Introduced by Representative Holliman and referred to the House Finance Committee.**

HOUSE BILL 1439, Misdemeanor/Not Produce Public Records, would make it a Class 2 misdemeanor for a custodian of public records to fail to provide copies of or fail to allow the inspection of public records. **Introduced by Representative Cleveland and referred to the House Judiciary I Committee.**

HOUSE BILL 1444, Beneficiaries on Motor Vehicles Titles. This bill is identical to Senate Bill 925, summarized in the April 5th Legislative Report. **Introduced by Representatives Carney, Allen, Dickson, and Ross and referred to the House Judiciary II Committee.**

HOUSE BILL 1494, Hospital Visitation/Patient Choice, would allow a patient over the age of 18 at a hospital, long-term care hospital, psychiatric facility, rehabilitation facility, nursing home, or other health care facility to designate, either orally or in writing, the names of persons who are not the patient's family members but who the patient wishes to have the same visitation rights as family members. The patient could rescind the designation at any time and the designation and rescission would be documented in the patient's medical record. **Introduced by Representative Alexander and referred to the House Health Committee.**

HOUSE BILL 1510, Study Online and Mail Issuance of Drivers Licenses, would authorize the Joint Legislative Transportation Oversight Committee to study issuing drivers licenses online and by mail. **Introduced by Representative Moore and referred to the House Transportation Committee.**

HOUSE BILL 1523, Whitakers Water & Sewer Funds, would provide over \$670,000 to the Town of Whitakers for improvements to the Town's water and sewer services. **Introduced by Representative Bryant and referred to the House Appropriations Committee.**

HOUSE BILL 1525, Increase Penalty/Fraud in Application, would increase the penalty for using a false name, address, or other false information on a driver's license application from a Class 1 misdemeanor to a Class I felony. Possessing, producing, or conveying a document used to apply for a driver's license knowing the document is fictitious would also be a Class I felony. **Introduced by Representative Bryant and referred to the House Judiciary I Committee.**



HOUSE BILL 1531, Clarify Small Business Health Insurance Credit, would clarify that a small business that pays at least 50% of the premium for a health benefit plan sold by a small employer carrier is eligible for a tax credit. **Introduced by Representative Holliman and referred to the House Insurance Committee.**

HOUSE BILL 1532, Support Green Industry/Funds, would provide \$250,000 in each of the next two years to the Department of Agriculture and Consumer Services for marketing to promote the nursery, greenhouse, Christmas tree, turfgrass, and sod industries, including a consumer website. **Introduced by Representative Hill and referred to the House Appropriations Committee.**

HOUSE BILL 1549, Clarify Laws Governing Execution of Judgments, would provide that real or personal property required to satisfy a judgment is subject to execution even if the property is encumbered; however, the property would be subject to all encumbrances in effect before the judgment under which the execution sale is held. **Introduced by Representatives McGee and Stam and referred to the House Judiciary II Committee.**

HOUSE BILL 1556, 2007 Speaker's Appointments. This bill is the appointments bill which will be completed at the end of session and will include the appointments for both the Speaker Pro Tempore of the Senate and the Speaker of the House to a variety of different boards and commissions throughout the state. **Introduced by Representative Owens and referred to the House Rules Committee.**

HOUSE BILL 1562, Unattended Children in Vehicles, would make it a Class 2 misdemeanor for a person to leave a child 8 years old or younger in a motor vehicle without being supervised by a person at least 14 years old if: (1) the conditions within or in the immediate vicinity of the motor vehicle present a risk to the child's health or safety; or (2) the engine of the motor vehicle is running or the keys are left inside the vehicle. A second or subsequent offense would be a Class 1 misdemeanor and the court could order a person convicted of the offense to complete a class on the dangers of leaving young children unattended in motor vehicles. **Introduced by Representative Underhill and referred to the House Children, Youth, and Families Committee.**

HOUSE BILL 1564, Repeal Estate and Gift Taxes, would repeal the estate and gift taxes and would direct the Revenue Laws Study Commission and the State and Local Fiscal Modernization Study Commission to study applying the sales and use taxes to services. The Commission would make recommendations on expanding the sales and use tax base to offset the loss in revenue. **Introduced by Representatives Carney and Barnhart and referred to the House Rules Committee.**

HOUSE BILL 1569, Charitable Entity Exemption Standard, would require that a charitable or similar organization spend at least 65% of its gross receipts on the organization's purpose in order to be classified as tax-exempt. Religious organizations would be exempt from the requirement. **Introduced by Representative Blust and referred to the House Judiciary I Committee.**



HOUSE BILL 1601, Uninsured and Underinsured Motorist Coverage, would set the minimum limits of uninsured and underinsured motorist coverage as \$75,000 for personal injury to a single person, \$150,000 for personal injury to more than one person, and \$50,000 for injury to property. No insured would be allowed to reject uninsured or underinsured motorist coverage as is currently allowed under law. **Introduced by Representative Faison and referred to the House Insurance Committee.**

HOUSE BILL 1605, Sales Tax Refund Reform Act/Reduce Corporate Rate, would reduce the corporate income tax rate for C Corporations from 6.9% to 6.4%. The bill would also cap the sales tax refund allowed for nonprofit entities in a 12-month period to 100% of the first \$1 million requested and 25% of the amount requested over \$1 million. **Introduced by Representative Folwell and referred to the House Finance Committee.**

HOUSE BILL 1606, Drivers License Changes/Older Drivers, would amend the renewal periods for drivers licenses as follows: drivers between the ages of 18 and 65 - 8 years; drivers between the ages of 65 and 75 - 5 years; drivers between the ages of 75 and 85 - 2 years; and drivers over the age of 85 - 1 year. Drivers over 75 years old would be required to pass a road test before receiving a renewed license. **Introduced by Representative Killian and referred to the House Transportation Committee.**

HOUSE BILL 1622, Workers Comp/Reduce Threshold to One Worker, would reduce the threshold number of employees whose employment falls under the Workers Compensation Act from three to one. **Introduced by Representative Goodwin and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1633, Superintendent Appointive. This bill is identical to Senate Bill 1347, summarized in the April 5th Legislative Report. **Introduced by Representative Carney and referred to the House Rules Committee.**

HOUSE BILL 1635, Sales Tax Holiday Changes, would move the sales tax holiday to the third Friday through Sunday in August and would include school instructional materials less than \$300 in the list of items that are exempt from sales tax during the sales tax holiday. **Introduced by Representative Weiss and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1639, Resell Ticket Via Internet/Ticket Price. This bill is substantially similar to Senate Bill 1407, summarized in the April 5th Legislative Report. **Introduced by Representative Glazier and referred to the House Judiciary II Committee.**



HOUSE BILL 1645, National Popular Vote Interstate Compact, would establish North Carolina as a member of the agreement among states to elect the president by a national popular vote instead of by the electoral college. **Introduced by Representative Goodwin and referred to the House Election Law and Campaign Finance Reform.**

HOUSE BILL 1664, Study Automatic 401(k)s, would authorize the Legislative Research Commission to study ways to encourage businesses to establish automatic 401(k) programs for their employees. **Introduced by Representative Weiss and referred to the House Pensions and Retirement Committee.**

HOUSE BILL 1673, Litter Prevention and Control Legislative Research Commission Study, would authorize the Legislative Research Commission to study how to prevent, control, and reduce litter. **Introduced by Representative Allen and referred to the House Rules Committee.**

HOUSE BILL 1699, Option to Stop Junk Mail, would establish the North Carolina Junk Mail Opt-Out List Act to allow postal customers to reject unsolicited commercial mailings. Junk mail would be defined as any printed matter sent by mail for the purpose of encouraging the purchase or rental of, or investment in, property, goods, or services. Political and charitable organizations would be exempt from the requirements. A violation of the Act would be considered a deceptive trade practice. **Introduced by Representative Fisher and referred to the House Judiciary I Committee.**

HOUSE BILL 1704, Allow Prepaid Gas Purchase Ordinance, would allow cities and counties to adopt ordinances requiring that all retail businesses selling gasoline, diesel, or other motor fuel require full payment in advance. **Introduced by Representative Love and referred to the House Transportation Committee.**

HOUSE BILL 1709, Increase/Index State Minimum Wage, would increase the state minimum wage to \$7.25 per hour beginning January 1, 2008 and would provide for subsequent cost-of-living increases on January 1st of each successive year based upon the consumer price index. **Introduced by Representative Adams and referred to the House Commerce, Small Business, and Entrepreneurship Committee.**

HOUSE BILL 1711, Establish Paid Sick Days, would require that all employees who work in North Carolina be entitled to at least seven paid sick days during a 12-month period which could be used for the employee's child, spouse, parent, parent of a spouse, or for their own physical or mental illness. The bill specifically allows sick leave for the psychological, physical, or legal effects of domestic violence. Employers who have paid time off leave policies providing paid leave in excess of 20 days per year could continue that policy unaltered. **Introduced by Representative Adams and referred to the House State Personnel Committee.**



HOUSE BILL 1719, Health Insurance Pilot/Piedmont Triad, would establish a pilot program that would allow the Chamber of Commerce in twelve Piedmont Triad counties to provide group health insurance covering business entities that are members of the Chamber. The Commissioner of Insurance would monitor the pilot and would report on its continuation or expansion to the General Assembly. **Introduced by Representative Hurley and referred to the House Insurance Committee.**

HOUSE BILL 1777, Recovery of Certain I.T. Equipment. This bill is identical to Senate Bill 1525, summarized in the April 17th Legislative Report. **Introduced by Representative Gibson and referred to the House Science and Technology Committee.**

HOUSE BILL 1831, Beneficiaries on Motor Vehicle Titles. This bill is identical to Senate Bill 925, summarized in the April 5th Legislative Report. **Introduced by Representative Harrison and referred to the House Transportation Committee.**

BILL UPDATES

HOUSE BILL 259, Prohibit Smoking in Public & Work Places. This bill was modified to prohibit smoking in all enclosed restaurants and hotels, but would create an exception for businesses with a mixed beverage permit that admits only persons 21 years of age or older. The bill was also modified to allow local governments to enact more stringent smoking regulations. **The bill was approved in committee but was rejected on the House floor by a vote of 55-61 which makes it ineligible for further consideration.**

— Colleen Kochanek
NCGWA Legislative Counsel
Smith Moore LLP
colleen.kochanek@smithmoorelaw.com
www.smithmoorelaw.com