



N.C. CENTER FOR  
PUBLIC POLICY  
RESEARCH

# From The Center Out

The Newsletter of the North Carolina Center for Public Policy Research

Your source for nonpartisan research and analysis on state policy issues

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## THE CENTER'S GUIDE TO THE LEGISLATURE GOES ONLINE

In April, the N.C. Center for Public Policy Research released *Article II: A Citizen's Guide to the 2011-2012 North Carolina Legislature*. This is the first time the guide is available online and via Internet-capable handheld devices. The Center has published a guide to the legislature since 1977.

This citizens' guide contains profiles and photos of each of the 170 members of the General Assembly; business and home addresses; telephone and fax numbers; counties in their districts; the number of terms they have served in the legislature; and their educational and occupational backgrounds. For members who served in the 2009-2010 session, the guide lists five bills they introduced in that session and their votes on 12 bills of statewide interest. It also includes past rankings of each returning legislator's attendance, roll call voting participation, and effectiveness. The effectiveness rankings are based on surveys of all legislators, registered lobbyists based in North Carolina, and the capital news media.

*Article II* also contains important information for citizens, lobbyists, and reporters, including each legislator's political party affiliation, home county, current legislative office address and telephone number, e-mail address at the General Assembly, legislative seat number, and all committee assignments. The guide shows seating charts in the House and Senate, committee meeting schedules, and deadlines for introducing various kinds of bills and resolutions. It also includes demographic and occupational trends for the General Assembly since 1989. Finally, the new guide also includes rankings of the most influential lobbyists in the legislature. Here are some of the highlights of our analysis of how this legislature differs from past legislatures.

### **New Republican Majority and 42 Freshmen Change the Face of the Legislature**

Republicans took full control of both the House and Senate for the first time since 1870. In the 2011 Senate, the Republicans now hold 31 of the 50 seats, compared to 20 last session. In the 2011 House, Republicans hold 67 of the 120 seats, compared to 52 in the last session. This year, there also is one unaffiliated member of the House, Bert Jones (U-Rockingham), who chose to join the Republican caucus, bringing their voting majority to 68.

The 2011 legislature has 42 freshmen – 15 Senators and 27 Representatives. This is the largest class of first-term legislators since 2003. Among the first-term legislators are four women, four African Americans, 32 Republicans, and one unaffiliated Representative. The average age of the first-term legislators is 54 years, compared to the average age of 60 for non-freshmen.

“This large group of newcomers to the legislature is younger, and they received important responsibilities as Committee Chairs faster than usual,” says Ran Coble, executive director at the Center. “And, because of their numbers, they are having an impact on the tenor of the legislature. They are likely to determine the outcome of many policy debates in the future.”

### **Nine Freshman Senators Are Co-Chairs of Legislative Committees This Year**

Nine freshmen in the Senate were chosen as Co-Chairs of standing committees this year. It is unusual for freshmen to be appointed as committee chairmen. By contrast, in 2009 no freshman chaired any standing committee in either chamber of the General Assembly.

### **Profiles of Three Freshman Legislators**

The House Republican freshmen elected Rep. Mike Hager (R-Rutherford) of Rutherfordton as their leader. The 48-year-old native of Waverly, Indiana has lived in Rutherford County, NC for 16 years. A former engineering manager for Duke Energy, he is now a homebuilder. His first bill in the General Assembly proposed specifying what forms of identification are acceptable when required by law enforcement or other governmental officials, such as elections workers. The bill passed the House and is pending action in the Senate in 2012. Hager writes, “During my campaign I promised five items: (1) stop federally-mandated health care; (2) institute a voter ID system; (3) reduce illegal immigration; (4) refuse to vote for any tax increases; and (5) remove the cap on charter schools. I will do as I promised my voters.”

Another freshman legislator is Rep. Rayne Brown (R-Davidson), who lives in Lexington. The 60-year-old has had a career in social work, most recently as a medical social worker with Care Services Home Help Professionals. She gave up that job to serve in the legislature. She ran on a pledge to block a controversial annexation by the city of Lexington. The first bill she introduced would block that annexation. It passed the House and awaits consideration by the Senate in 2012. Says Brown, “I want to help the cities – I’m not their enemy – but not this way through forced annexations. Forced annexations just breed ill will.”

Sen. Eric Mansfield (D-Cumberland) is a freshman Democrat who is an ear, nose, and throat doctor. The 46-year-old Louisiana native grew up in Columbus, Georgia. He attended college on a ROTC scholarship and earned his M.D. before becoming a battalion medical officer in the 82<sup>nd</sup> Airborne. Mansfield was deployed to Kosovo during the NATO bombing campaign against Serbian forces in the former Yugoslavia. Following his military service, he opened Cape Fear Otolaryngology in Fayetteville. After a Fayetteville man posed as a doctor in a local hospital emergency room, Mansfield introduced his first bill to make the unauthorized practice of medicine a felony. It was ratified and signed into law by the Governor.

### **Some Freshmen Have Ties to the Tea Party Movement**

The self-identified TEA (Taxed Enough Already) Party movement is a confederation of groups that choose to affiliate with a national umbrella organization named Tea Party Patriots, Inc. The umbrella organization is incorporated in the state of Georgia and operates as a 501(c)(4) nonprofit. Such nonprofits can lobby for legislation and be involved in political campaigns but are not eligible for tax-deductible charitable contributions in the same way that 501(c)(3) charitable nonprofits are. Eighty-one groups in North Carolina have chosen to be a part of the Tea Party Patriots national organization. While the national organization does not endorse or give campaign contributions to North Carolina legislative candidates, some of the affiliated groups operating in North Carolina do.

For example, one of the 81 groups in North Carolina is called the Independence Caucus, or iCaucus. This group operates across several states, and it endorsed nine North Carolina candidates in the 2010 elections. To obtain the iCaucus endorsement, candidates had to seek the assistance of the organization and then go through a vetting process that included interviews with the group. Three iCaucus’ candidates were elected to the N.C. General Assembly as part of the freshman class: Rep. Glen Bradley (R-Franklin), Rep. Tim Moffitt (R-Buncombe), and Sen. Jim Davis (R-Macon).

In a video blog interview with members of another Tea Party-affiliated group, Triangle Conservatives Unite, Rep. Bradley says, “I have pretty much no political background. I’ve been a constitutionalist all my life, which means that I’ve been angry at both parties, quite frankly.” The 37-year old Bradley owns a computer networking and point-of-sale services business. His first bill in the General Assembly was the N.C. Farmers Freedom Protection Act, which would make foodstuffs and other products produced for consumption inside the state exempt from federal laws and regulations. Bradley’s bill was referred to the House Agriculture Committee.

### **One in Seven New Lawmakers Were County Commissioners or County Managers**

According to the N.C. Association of County Commissioners, six of the 42 freshmen in the legislature previously served as county commissioners or county managers. One of these is Rep. Bert Jones, elected as an unaffiliated candidate from Rockingham County. “I was a Republican for close to 30 years,” says Jones. “I am conservative; I haven’t changed my mind about that. After my commissioner term ran out, I decided as a private citizen that I would be unaffiliated. I wasn’t really thinking about running for state office.” His first bill in the legislature would require that parties be rotated in ballots. His bill has passed the House and is pending action in the Senate in 2012.

Another newcomer who served as a county commissioner is Rep. John Torbett (R-Gaston). He says, “No matter what party you are from, when you go home and see your people out of work, it’s going to break your heart. The primary issue is still focused on the economy and getting people those job opportunities.” His first bill would require that public universities, community colleges, and private colleges file a report to U.S. Immigration and Customs Enforcement if a student who is not a U.S. citizen is absent for 10 school days or more. The bill was referred to the House Education Committee.

### **A Surprising Finding: Nearly One in Five Legislators Was First Appointed, Not Elected, to Office**

When a vacancy occurs in the General Assembly – by death, resignation, or other causes before a term expires – the Governor is required by law to fill the unexpired part of the term with the person recommended by the local executive committee of the same political party as the person leaving office. Twenty-nine members (17 percent) of the 2011 General Assembly first came to the legislature by appointment. This compares to 23 appointed legislators in 2001 and 20 in 1991.

### **Average Age of Legislators Remains High, Number of Retirees Growing**

Despite the large number of younger freshman legislators this session, the trend continues for the legislature to have more members 65 and older. Legislators aged 65 and older comprised 54 of the 170 members (32 percent) at the beginning of the session this year. This is up from 46 in the 1999 session and 37 in the 1989 session. The average age of the members of the 2011 General Assembly was 58 on opening day, just one year younger than the average age for 2009. In 1999, the average age was 57, and in 1989 it was 54.

The five elder statesmen in North Carolina’s legislature are Sen. Charlie Dannelly, 86 (D-Mecklenburg), Rep. Dewey Hill, 85 (D-Columbus), Sen. Harris Blake, 81 (R-Moore), Rep. Mickey Michaux, 80 (D-Durham), and Sen. Bill Purcell, 80 (D-Scotland).

The number of retirees serving in the General Assembly has been edging upward over the last 20 years. In 1989, the 28 retired legislators comprised 16 percent of the body. By 1999, retirees made up 22 percent of the legislature, and this year, 40 legislators, or 23.5 percent, are retirees. The record number of retirees in the legislature was 51 (30 percent) in 2007.

### **How To Get Your Guide**

*Article II: A Citizen’s Guide to the 2011-2012 N.C. Legislature* is available free to Center \$100 E-Members Plus and \$300 Regular Members Plus. It is also available separately to anyone as an online subscription for \$40. The online subscription includes updates to the citizens’ guide throughout the two-year legislative session plus two other 2012 publications from the Center – the online biennial *Rankings of Effectiveness, Attendance, and Roll Call Participation for the Members of 2011 General Assembly* and the *Rankings of the Most Influential Lobbyists in the 2011-12 General Assembly*. These rankings are scheduled for release in April and August of 2012. To order, visit the Center’s Website at [www.nccppr.org](http://www.nccppr.org). If you have any questions about ordering, contact Tammy Bromley at (919) 832-2839 or [tbromley@nccppr.org](mailto:tbromley@nccppr.org).

## Other Legislative Trends Noted by the Center

- The number of legislators who are lawyers has rebounded. In 1971, 68 of 170 legislators were lawyers. This number declined to 32 lawyers in 1995, but the current legislature has 39 lawyers.
- In addition to law, the leading occupational backgrounds for legislators are business and sales (36 legislators), education (23), and real estate (21).
- A large majority of the freshmen are white males, so the total numbers of women and African Americans serving in the legislature decreased this session. The 2011 legislature has 38 women, compared to 43 last session, which was an all-time high. Similarly, 25 African Americans now serve in the 2011 General Assembly, compared to 30 last session.
- Rank-and-file legislators in North Carolina receive \$13,951 in annual salary, \$559 per month for expenses, and \$104 per diem for days the legislature is in session. The salary was last increased in 1994. They also are reimbursed 29 cents per mile for weekly travel to and from Raleigh.
- Legislative leaders such as the President Pro Tem of the Senate, Speaker of the House, and Majority and Minority Leaders receive salaries ranging from \$17,048 to \$38,151. Their salaries are higher because they spend more time in Raleigh than rank-and-file legislators.

### Sen. Richard Y. Stevens

Republican, 17th District  
 County of Residence: Wake  
 Terms Served: 2003, 2005, 2007, 2009, 2011  
 Date of Birth: 12/12/1948  
 Age: 62  
 Counties in District: Wake (part)

### Search Legislator Reports

Name/Keywords:


Chamber:

### Where He/She Stands: Votes in the 2009-2010 General Assembly

Bill Number	Issue	House Vote	Senate Vote	His/Her Vote
H 2	Ban Smoking in Certain Public Places (Rat.)	62-56	30-18	Y
H 80	Ban Video Sweepstakes Parlors (Rat.)	86-27	47-1	Y
H 88	Healthy Youth Act/Sex Education (Rat.)	60-55	25-21	PN
H 748	State Compliance with U.S. Supreme Court Decision in Citizens United (Rat.)	57-47	28-18	N
H 961	Ethics, Campaign Finance, and Open Government Reforms (Rat.)	105-0	37-1	Y
H 1973	Various Economic Development Tax Incentives (Rat.)	72-31	31-17	Y
S 202	2009 State Budget Act (Rat.)	65-52	27-18	PN
S 287	State Health Plan Changes (Rat.)	60-56	29-19	N
S 461	Racial Justice Act (Rat.)	61-54	25-18	PN
S 526	School Violence/Bullying Prevention Act (Rat.)	58-57	28-22	N
S 897	2010 State Budget Act (Rat.)	66-50	28-15	Y
S 1015	Homeowner and Homebuyer Protection Act (Rat.)	89-26	32-16	Y

### Legislative Session Contact Information

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### Education

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 M.P.A. UNC-CH 1978

### Occupation

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### Legislative Committees

Appropriations/Base Budget (Co-Chair), Select Committee on UNC Board of Governors (Co-Chair), Commerce, Education/Higher Education, Finance, Judiciary I, Pensions & Retirement and Aging, State and Local Government, and Transportation.

### Rankings of Effectiveness, Attendance, and Roll Call Voting Participation for the North Carolina General Assembly

Effectiveness (how they are done)

2009	2007	2005	2003
13	17	22	25

Attendance (how they are done)

2009	2007	2005	2003
50	1 (tie)	1 (tie)	23 (tie)

Roll Call Voting Participation (how they are done)

2009	2007	2005	2003
1 (tie)	1 (tie)	21	9 (tie)

## 2011 LEGISLATURE PASSES 3 BILLS RECOMMENDED BY CENTER RESEARCH

The 2011 N.C. General Assembly passed three bills recommended by the Center based on our research on student financial aid and on issues affecting the elderly. The legislature also backtracked on one of our 2010 accomplishments.

**1. Consolidating Student Financial Aid and Loan Forgiveness Programs and Helping Parents and Students** – In 2009, we found 14 different state programs that use financial aid to address work force shortages in such fields as teaching and nursing. Students receiving loans under these programs have their loans forgiven if they work in the needed occupations in North Carolina. However, parents and students find it difficult and confusing to apply for 14 different programs, so the Center recommended consolidation of the programs. The 2010 legislature created a Working Group on the Consolidation and Simplification of State Student Financial Aid Programs. That group recommended consolidating 12 of the 14 programs that we identified into one program. Senators Richard Stevens (R-Wake) and Don Vaughan (D-Guilford) sponsored successful legislation in the 2011 General Assembly to accomplish this. In Session Law 2011-74 (Senate Bill 137), they created the Forgivable Education Loans for Service Program and Fund. This will be easier to administer and much simpler for parents and students.

**2. Helping Parents Save for College** – In that same research on state policies on student financial aid, we suggested ways to improve the state's 529 College Savings Plan. Families who are saving for a child's college education in a Parental Savings Trust Fund or 529 College Savings Plan currently receive a deduction on their state income taxes, but this was scheduled to expire in January. Our research prompted a successful effort by bill sponsor Sen. Fletcher Hartsell (R-Cabarrus) to repeal the sunset provision and make the 529 Plan more attractive to parents. In 2006, mutual fund evaluator Morningstar Inc. rated North Carolina's 529 Plan as one of the worst in the country, and our state then ranked only 44<sup>th</sup> in people's use of our savings plan. But with changes advocated by the Center and others, CNN's Money Magazine now ranks the state's 529 Plan as one of the top 3 in the country. Because of our key role in the successful 2011 legislation, we were invited to the ceremony where the Governor signed the bill into law (Session Law 2011-106, Senate Bill 247).

**3. Reducing Fraud Committed Against the Elderly** – In 2010, the Center released research showing that fraud committed against the elderly is on the rise. We made four recommendations to prevent and reduce fraud against the elderly and testified before the Legislative Study Commission on Aging in January 2011. In response, Sen. Stan Bingham (R-Davidson) successfully sponsored legislation (Session Law 2011-189, Senate Bill 449) which creates a Task Force on Fraud Against Older Adults within the Consumer Protection Division of the Attorney General's office. That task force is charged to study all our recommendations and to make an interim report by Nov. 1, 2011 and a final report with draft legislation by Oct. 1, 2012.



Center policy analyst Sam Watts talks with Gov. Beverly Perdue at the signing ceremony for Senate Bill 247, which helps parents save for college.



The Center's Aisander Duda (back row on the right) attends Gov. Perdue's signing ceremony for the legislation creating a Task Force on Fraud Against Older Adults. The bill's sponsor, Sen. Stan Bingham (R-Davidson), is to Perdue's right.

**4. Making Federal Loans Available to Students in All of N.C.'s Community Colleges** – The Center won and lost and then won and partly lost again in a battle to require all community colleges to make federal loan programs available to their students. Three years ago, we were shocked to find that 38 of North Carolina's 58 community colleges did not make federal loan programs available to their students. In April 2010, we testified before the legislature's Joint Select Study Committee on State-Funded Student Financial Aid and recommended requiring all community colleges to participate. The 2010 legislature agreed and passed a law that required all 58 community colleges to make federal loan programs available to their students, effective in 2011.

However, in 2011, the legislature passed House Bill 7 which would have allowed all community colleges to opt out of offering federal loans to their students. Center director Ran Coble testified against the bill, but it passed on a party-line vote, with Republicans in favor and Democrats opposed.

The Center then wrote Gov. Beverly Perdue and asked her to veto the bill, saying that these loans are the cheapest (4½% interest vs. 16% interest for student who pay tuition with their credit cards) and safest way to borrow money for college and that 177,000 more North Carolinians would be able to obtain a community college education if the 2010 requirement stood. On April 13<sup>th</sup>, the Governor vetoed the bill.

However, the legislature then came back with a highly questionable tactic of dividing what had been a statewide bill into four local bills. A governor cannot veto local bills. House Bills 15, 58, 134, and 541 name 7, 4, 5, and 10 community colleges respectively (a total of 26 schools) and allow them to opt out of offering federal student loans. The Center would welcome talks with anyone who might consider a legal challenge to these measures in court. Regardless, at least 12 new schools will make federal loan programs available to their students.

## PREVIEW OF COMING ATTRACTIONS

*Insight* editor Mebane Rash is preparing the next parts of our evaluation of the state's efforts in mental health reform. Here are three pieces of research we'll be releasing soon.

### **Evaluation of the New State Policy To Buy Bed Space in Local Hospitals for Short-Term Inpatient Psychiatric Care** *by John Quinterno, Policy Analyst*

North Carolina's ongoing reform of its mental health system is driven by a vision of providing comprehensive services locally. Attaining this, however, will require communities to have local hospital beds dedicated to short-term inpatient psychiatric care. The state's three-way contracts between the N.C. Department of Health and Human Services, the local mental health management entities, and local hospitals are an attempt to fill this gap. The Center is assessing the project's progress and effectiveness.

### **What Can We Learn from the Experience of the N.C. Mental Health Study Commission?**

*by Alison Gray, Attorney*

This article will review the history of the former Mental Health Study Commission, its record in policymaking, statutory background, and its role as a national model for other states. It will explain why it was abandoned during the 2001 mental health reform legislation. It will assess whether the characteristics that made this commission work so well – inclusion of stakeholders, independent staffing, and long-range planning – would be helpful to the new Joint Legislative Oversight Committee on Health and Human Services that will now oversee implementation of mental health reform.

### **The Privatization of Mental Health Services in North Carolina** *by Christine Kushner, Policy Analyst*

One outcome of mental health reform was the privatization of providers. This article will assess the pros and cons of the privatization of mental health services in North Carolina. Policymakers will be interviewed to determine whether they think privatization has worked. The article also will explore the consequences of privatization from the demise of the Community Support Program to the implementation of large providers called Critical Access Behavioral Health Agencies. Close attention will be paid to the impact of privatization on rural areas of the state.

## SUMMARY OF THE JANUARY 26 - JUNE 18, 2011 LEGISLATIVE SESSION

### A. THE REPUBLICANS' "FIRST 100 DAYS" AGENDA: FROM THE FIRST OF THE SESSION ON JAN. 26<sup>TH</sup>

- |  |  |
|--|--|
| 1. Exempting N.C. from the President's Health Care Reform Act  | HB 2: vetoed by Governor   |
| 2. Keeping NC's "right-to-work"/anti-union laws  | No action required   |
| 3. Reducing regulations on small businesses  | The state budget allows small businesses to exempt the first \$50,000 of their income from taxation, making about 200,000 more businesses eligible for this tax deduction. |
| 4. Funding education in the classroom, not administration  | The state budget cuts 1/3 of staff at the Dept. of Public Instruction, cuts central administration by 16%, and assistant principals by 21%.                                |
| 5. Eliminating the cap on the number of charter schools allowed (100) in N.C.  | S.L. 2011-164 (SB 8) removes the cap.  |
| 6. Requiring a valid photo ID in order to vote   | HB 351 passed but was vetoed by the Governor.  |
| 7. Passing a constitutional amendment to prevent government from using eminent domain powers for economic development purposes | SB 37: To be taken up in special session in Sept.  |
| 8. Ending "pay to play" politics and restoring honesty and integrity to state government                                       | HB 139 has passed the House and is pending in the Senate.  |

### B. THE STATE BUDGET (Session Law 2011-145, HB 200): \$19.7 BILLION BUDGET FOR FY 2011-12

- Allows the 1¢ temporary sales tax, which produced \$1.2 billion a year, to expire on July 1, 2011
- Cuts \$1.4 billion in spending
- Raises more than \$100 million in revenue through fee increases, many of which are in court fees
- Five Democrats in the House – Representatives William Brisson (D-Bladen), James Crawford (D-Granville), Dewey Hill (D-Columbus), Bill Owens (D-Pasquotank), and Tim Spear (D-Washington) – joined Republicans in overriding the Governor's veto of the budget.

**Education:** Cuts preschool programs Smart Start and More at 4 by 20% each; 80% of parents in More at 4 will be required to pay a fee; Judge Howard Manning Jr. has ruled against this co-payment provision

Cuts public schools by 5.8%, with local school districts told to cut an additional \$124 million; also shifts responsibility for school bus replacement from the state to local governments

Cuts community colleges by 10.7%, or \$51 million, and increases tuition by \$10 per credit hour

Cuts University of North Carolina System by 15.6%, or \$414 million, with tuition having been increased by 39% in the last 3 years by either the legislature or UNC Board of Governors; financial aid also was reduced, so 6,000 students who previously qualified won't receive aid this year

Cuts funding for WUNC Public TV network by 12% for next year and cuts all funding in 2<sup>nd</sup> year of biennium

### **Health and Human Services:**

- Cuts the Dept. of Health and Human Services by \$465 million
- Cuts Medicaid by \$340 million by reducing rates paid to health care providers (\$60 million), reducing services such as dental treatment and physical therapy, and telling Community Care of NC to find \$90 million in savings
- Cuts Mental Health community services funds by \$27 million
- Abolishes the Health and Wellness Trust Fund, which receives 25% of NC's share of the national tobacco settlement (\$33 million)

### **Environment and Natural Resources:**

- Cuts 12%, or \$74.9 million
- Cuts Clean Water Management Trust Fund by 89% from \$100 million to \$11.25 million
- Cuts Natural Heritage Trust Fund by \$8 million
- Cuts the Parks and Recreation Trust Fund by \$8.4 million
- Abolishes the Division of Environmental Health
- Transfers Forestry Division and Division of Soil and Water Conservation to Dept. of Agriculture and Consumer Services
- Cuts state parks by 25% with new fees required in order to camp, swim, or picnic

**Losing jobs or creating jobs?** Governor Perdue and Democratic legislators say the state budget will lead to a loss of 30,000 jobs in this fiscal year, including the jobs lost at the local level after school districts implement the additional \$124 million cut mandated in the budget. Republican legislators say the budget cuts 18,000 government jobs but will create 17,000 private sector jobs in a year by letting the temporary sales tax expire and cutting taxes on small businesses.

## **C. OTHER SIGNIFICANT LEGISLATION THAT PASSED**

### **1. Education**

- a. S.L. 2011-395 (HB 344) gives an individual income tax credit to parents of children with disabilities.
- b. S.L. 2011-8 (HB 48) eliminates statewide standardized testing in the public schools except for tests required by federal law or as a condition of a federal grant.

### **2. Environment**

- a. Senate Bill 781, the Regulatory Reform Act, would make it more difficult for executive agencies to pass new rules. Would require agencies to review every rule every year and require an economic impact report if a rule has more than a \$500,000 impact in a year. Would also ban state environmental rules that are more strict than federal rules. Gov. Perdue vetoed the bill on June 30<sup>th</sup>, and it awaits a House override vote in the July session. The Senate already has voted to override.
- b. Senate Bill 709, the Energy Jobs Act, would pave the way toward offshore and onshore drilling for natural gas. Would also require a study of "fracking" – the use of pressurized water and chemicals to extract natural gas from shale. Also directs the Governor to enter into a compact with Virginia and South Carolina. Gov. Perdue vetoed the bill on June 30<sup>th</sup>, and it awaits a House override vote in the July session. The Senate already has voted to override.
- c. Session Law 2011-387 (SB 110) allows the construction of up to four terminal groins, or seawalls, overturning a 25-year ban on walls to block ocean waves along the coast.
- d. Session Law 2011-397 (SB 183) allows outdoor advertisers to expand the area around billboards that could be cleared of trees.

### 3. **Elections and Voting**

- a. House Bill 351 would require all voters to show a photo ID in order to vote. Supporters say it would curb fraud. Opponents say it would suppress voter turnout among African Americans, students, and the elderly. Governor Perdue vetoed the bill on June 23<sup>rd</sup>, and it awaits override votes in the July session.
- b. Senate Bill 47 would
  - Shorten the early voting period by a week,
  - Abolish being able to register and vote on the same day during the early voting period
  - Ban straight ticket voting
  - Repeal publicly-financed elections for State Treasurer, Insurance Commissioner, and Superintendent of Public Instruction
  - Allow corporations to make contributions to political party headquartersNorth Carolina had the biggest increase in voter turnout of any state in the U.S. from 2004 to 2008, largely because of these measures. More people voted early in 2008 than voted on Election Day. This bill may be taken up in the July legislative session.
- c. House Bill 139 would end the “pay to play” practice of awarding government contracts worth more than \$25,000 to those who had made campaign contributions. This bill also may be taken up in the July session.
- d. House Bill 710 would (1) move the Campaign Finance Division from the State Board of Elections to the State Ethics Commission and (2) move the responsibility for registering and regulating lobbyists from the Secretary of State to the Ethics Commission. The bill was first inserted into the state budget bill and then removed. The bill may be considered in the July session.

### 4. **The Justice Reinvestment Act** (Session Law 2011-192, HB 642): Rewrites the state’s sentencing laws and implements the recommendations of a year-long study group composed of North Carolina lawmakers, the Pew Center on the States, the Council of State Governments’ Justice Center, and the federal Bureau of Justice Assistance. It is designed to save the state from having to build and staff more prisons by:

- Requiring stronger supervision of prisoners on probation after they’re released from prison,
- Extending supervision of more felons on probation,
- Creating a habitual felon statute to punish repeat offenders of breaking and entering crimes more severely,
- Diverting first-time drug offenders to drug treatment, and
- Shifting misdemeanor offenders from state prisons to county jails.

### 5. **Anti-Abortion Bills**

- a. House Bill 854 would require a 24-hour waiting period before a woman could have an abortion. It would also require the doctor or other medical professional to tell the woman about the medical risks, that the father is liable for child support, and that medical assistance for prenatal care and child care may be available. The woman also must be shown an ultrasound image and heart-tone monitoring of the fetus. Governor Perdue vetoed the bill on June 27<sup>th</sup>, saying doctors should be able to advise their patients without politicians looking over their shoulders. The bill awaits override votes in the July session.
- b. The state budget also eliminates state funds for abortions.

### 6. **Gun Laws**: Session Law 2011-268 (HB 650) expands the number of places where people with permits could carry concealed weapons – including state parks and highway rest stops. Also expands the “castle doctrine,” which already allowed homeowners to shoot intruders, now to allow defending yourself in your car or at work.

## 7. Pro-Business Bills

- a. Session Law 2011-283 (HB 542) gives drug manufacturers more protection against lawsuits. Would also cap attorneys' fees at \$10,000 in smaller cases. Would also allow juries to hear evidence about how much of a plaintiff's actual medical expenses had been paid by insurance.
- b. Session Law 2011-287 (HB 709) amends Workers Compensation laws by:
  - Capping future payments for most disabled workers at 500 weeks. Before, there was no cap.
  - Setting out a process that employers must follow in gaining access to an injured worker's doctors
  - Extending temporary partial disability payments from 300 to 500 weeks
  - Increasing survivors' death benefits and payments for burial expenses
- c. Senate Bill 33 would limit medical malpractice lawsuits that could be brought by patients by:
  - Giving more protection from lawsuits to doctors in a medical emergency anywhere in a hospital.
  - Imposing a \$500,000 cap on the amount that could be received in almost all cases from non-economic damages. Plaintiffs could still sue for economic damages and punitive damages.Governor Perdue vetoed the bill on June 24<sup>th</sup>, saying it did not adequately protect those who are catastrophically injured. The Senate already has voted to override. The bill awaits a House override vote in the July session.
- d. Senate Bill 532 would transfer the Employment Security Division to the Dept. of Commerce and alter unemployment benefit requirements. Governor Perdue vetoed the bill, saying it violated state and federal laws on eligibility requirements. However, she signed Executive Order #95 approving the transfer of ESC to Commerce. The Senate already has voted to override. The bill awaits a House override vote in the July session.
- e. House Bill 383 would have tied (1) an extension of unemployment insurance benefits for 47,000 people whose benefits ran out in April to (2) a 13% budget reduction before a state budget had been enacted in June. Gov. Perdue vetoed the bill on April 16<sup>th</sup> saying she would sign a bill that was limited to extension of the unemployment benefits. Negotiations went nowhere for months. On June 3<sup>rd</sup>, the Governor signed Executive Order #93 implementing an extension of unemployment benefits, which are paid with federal funds.

8. **Changes in Involuntary Annexation Laws**: Session Law 2011-396 (HB 845) provides that if at least 60% of the property owners within a land parcel proposed to be annexed by a municipality sign a petition opposing annexation, the annexation is terminated. The residents won't receive public services such as water, sewers, and police protection, but they won't pay city taxes either. The bill also provides remedies for a city's failure to provide services if annexed.

## D. THE JULY REDISTRICTING SESSION

1. Legislators come back to Raleigh in July for a special session on redistricting. Legislators will enact new maps for:
  - a. **13 Congressional Districts**: The early maps appear to shift the current 13-member congressional delegation, with 7 Democrats and 6 Republicans, to a map that could produce 10 Republicans and 3 Democrats. The Democratic incumbents most endangered by the new maps are Congressmen Mike McIntyre (7<sup>th</sup> District), Larry Kissell (8<sup>th</sup>), Heath Shuler (11<sup>th</sup>), and Brad Miller (13<sup>th</sup>).
  - b. **170 Legislative Districts - 50 Senate and 120 House Districts**: The early maps appear to shift political clout to urban areas and to Republicans. Urban Wake, Mecklenburg, Guilford, and Forsyth counties would likely each gain state Senate seats. Wake and Mecklenburg would gain 2 House seats, and Union County (east of Mecklenburg) also would gain a seat.

Republican political analyst John Davis says 30 of the proposed 50 Senate districts gave Republican Presidential nominee John McCain more than 50% of their vote in 2008. The proposed legislative maps also would put at least 10 Senators into districts with other incumbents, usually with a Republican advantage. The maps would put 28 House incumbents into districts with other incumbents. Putting two incumbents in one district is called “double bunking.”

The Senate plan also would create 9 districts where African Americans are the majority of voters. The House plan would create 23 such majority-minority districts. Democrats say the proposed plans put Democratic lawmakers in the same districts to run against each other and pack black voters into majority-minority districts to help create more adjoining, largely white Republican districts.

**2. The 3 constraints on any redistricting map:**

- a. A U.S. Supreme Court standard of “one person, one vote” means all districts must have about the same number of people in each district.
  - b. A redistricting plan cannot dilute the voting rights of minorities under the Equal Protection Clause of the 14<sup>th</sup> Amendment to the U.S. Constitution and the federal Voting Rights Act, which covers 40 N.C. counties but which, practically speaking, affects all districts. And, the U.S. Justice Department has to pre-clear all changes before the new redistricting plans go into effect. Republicans may try to go around the Justice Department and get approval by a federal court instead.
  - c. A state Supreme Court decision requires the legislature to follow county lines in drawing districts as much as possible.
3. The Governor cannot veto a redistricting bill.
4. After the 2000 Census, 18 states faced suits over redistricting plans in state courts, 21 states faced suits in federal courts, and 9 had suits in both.

**5. Other issues that may be taken up in the July session:**

- a. Attempts to override previous gubernatorial vetoes, particularly the following:
  - Senate Bill 33 would limit medical malpractice lawsuits that could be brought by patients against doctors working under emergency conditions in a hospital and would limit the amount of money that juries could award the most severely injured patients.
  - Senate Bill 496 sets out requirements for health care providers under the Medicaid and Health Choice programs.
  - Senate Bill 532 transfers the Employment Security Commission to the N.C. Dept. of Commerce and expands the reasons that a person can be disqualified from receiving unemployment benefits.
  - Senate Bill 709 paves the way toward offshore and onshore drilling for natural gas and directs Gov. Perdue to enter into a compact with Virginia and South Carolina on exploring offshore energy resources.
  - Senate Bill 727 prohibits automatic dues deductions from paychecks for members of the N.C. Association of Educators.
  - Senate Bill 781 limits new state agency rules and would require agencies to review every rule every year and require an economic impact statement on proposed rules. Would also ban state environmental rules that are more strict than federal rules.
- b. Election law bills, such as House Bill 710, which would (1) move the Campaign Finance Division from the State Board of Elections to the State Ethics Commission and (2) move the responsibility for registering and regulating lobbyists from the Secretary of State to the Ethics Commission.
- c. Bills that have passed the House and Senate and are in Conference Committee.
- d. Repeal or changes to the Racial Justice Act: Senate Bill 9 would repeal the 2009 law giving judges the discretion to commute the sentences of death row inmates to life in prison without parole if there is clear evidence that racial prejudice played a role in their convictions. Different versions of the bill have passed both the Senate and House, but the bill now awaits consideration in a Senate committee.
- e. Bills making appointments to various state boards and commissions.

## **E. THE SEPTEMBER SESSION ON STATE CONSTITUTIONAL AMENDMENTS**

Legislators also plan to come back to Raleigh in the fall and consider various bills that are proposed to amend the State Constitution. Such bills require a three-fifths vote in the legislature (30 of 50 in the Senate and 72 of 120 in the House) plus majority approval by the voters in a public referendum. Any amendments approved by the legislature would likely be scheduled for a public vote in the November 2012 elections. It is no secret that Republican legislators hope to rally their Republican voter base by putting amendments such as a ban on gay marriage on the ballot. The Governor cannot veto bills proposing Constitutional amendments. The most likely of these bills to be taken up by the legislature are probably the first four below:

1. “Defense of Marriage Act”: would ban gay marriage (SB 106 and HB 777)
2. Prevent government from using eminent domain powers for economic development purposes (SB 37 and HB 8)
3. Limit legislative leaders (the Speaker of the House and President Pro Tempore of the Senate) to 2 or 3 two-year terms (SB 140 and HB 61)
4. Term Limits: Would limit all legislators to 4 consecutive two-year terms (HB 158)
5. Gubernatorial Team Ticket: Would have the Governor and Lieutenant Governor run as a team like the U.S. President and Vice President (SB 139)
6. Taxpayer Bill of Rights: Would limit growth in state budget to a formula based on inflation and population growth (HB 188)
7. Require a 3/5 vote by the legislature to raise taxes (HB 784)
8. Guarantee the right to vote by secret ballot for employee representation by a labor organization (HB 800)
9. Make access to government records and meetings a constitutional right through a “Sunshine Amendment” (initially introduced as HB 87)
10. Replace the current system of electing judges and implement appointment of judges by a nominating commission and the Governor, with subsequent retention elections (SB 458)

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March 15, 2011 – July 23, 2011

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