



North Carolina League of Women Voters LEGISLATIVE UPDATE April 2, 2003

Introduction

Welcome to the first issue of the North Carolina League of Women Voters Legislative Update! This newsletter has been created to keep North Carolina League members up to date on issues before the state legislature, with a particular focus on topics relevant to the League. We will be covering **budget, taxes, healthcare, environment, election reform, women's issues and tort reform**. In addition to the League itself, much of our information comes from groups we are affiliated with, who spend a great deal of time monitoring issues and formulating responses to them. Information sources include: *Charlotte Observer, Covenant for Children, Independent Newspaper, NC Budget and Tax Center, NC Council of Churches, NC Health Access Coalition, NC Justice and Community Development Center* and the *NC Voters for Clean Elections*. Additionally, we receive updates from members of Congress interested in sharing the issues they are working on with us.

At the end of the newsletter is an "Action Alert" section. Here you will find issues of particular concern to the League, based mostly on the NC League's Action Agenda. We will provide basic facts on the issue, our stance and website to relevant legislative sponsors who you can contact to **make your opinion known**.

We hope to get the newsletter to you on a monthly basis. To get on the email list please send a subscribe message to: Katarinal@earthlink.net

The Legislature

As most of you no doubt know, the House spent its first week trying to elect a leader. The House is split 60-60 Democrat-Republican. On February 5, Jim Black (D) and Richard Morgan (R) were selected as co-speakers. This is the first time North Carolina does such a thing. The deal also called for equal numbers of Democrats and Republicans being selected to committees, with committee chairs being named jointly by the speakers. Most assignments have been made with many committees having at least one Republican and one Democratic chair.

Considering the powers that a speaker usually has (including the ability to indirectly kill bills), the co-speakership will probably mean that bills heard this legislative session will be fairly uncontroversial or mandatory.

Current Bills in the Legislature

1. Budget

GOVERNOR'S BUDGET PROPOSAL

The Governor's budget was released on March 5, 2002. The Governor stated that, "Three principles guided us in developing this budget. I wanted to maintain our commitment to stimulate the economy, make progress in education, and reduce the size of government." All with a "leaner, more efficient government and no tax increases." The Governor's plan relies on continuing the ½ cent temporary sales tax and an expected 3.5% economic growth.

The Governor's proposed budget would increase spending by 4.7% (\$712 million) compared with 2002-03. But compared with spending required to maintain current service levels, there is actually a reduction of approximately \$290 million. The largest spending reductions come from Medicaid, the public school system, revisions to expected increases in debt service and "management flexibility" reductions. About half the proposed expansion in spending goes to education, however 43% of the reductions also come from education.

LEGISLATURE'S BUDGET PROCESS

There was a \$119 million budget shortfall in March. Some legislative experts are forecasting that it could continue into April and May, depending on the duration of the war, energy prices, and consumer demand for goods and services. This increases pressure on the legislature to pass a budget by April 18, before they have to revise down their revenue projections.

The Joint Appropriations Subcommittees has begun meeting. Members hear presentations from legislative staff and department heads, ask questions and make statements. Health & Human Services Department Secretary Carmen Hooker Odom had a particularly draconian proposal for further budget reductions, over and above the Governor's budget. Some examples of proposed cuts include:

- Eliminate Medicaid coverage for 18, 19, and 20 year olds – savings of \$1,100,000 in 1st year; \$2,000,000 in 2nd year
- Eliminate Medicaid coverage for pregnant women with incomes between 151% and 185% of FPL – savings of \$6,315,090 in 1st year; \$11,000,000 in 2nd year

2. Tax

INCOME TAX

Short Title: S719 Phase Down Income Tax Rates

Long Title: AN ACT TO REDUCE INCOME TAX RATES.

Sponsors: Senators Forrester and Sloan.

More information: www.ncleg.net/html2003/bills/allversions/senate/s719v1.html

CIGARETTE TAX (TWO BILLS)

There is currently movement by an alliance of lawmakers, regulators, public health and religious leaders to support an increase in the state's cigarette tax by 75 cents. It is generating significant attention and two bills are already before the legislature on this issue (though both are for less than 75 cents). For general information, please go to "Cutting Through the Cigarette Tax Haze: What's really at stake and what are the options?" Rob Schofield, 3/17/03 www.ncjustice.org/PolicyBrief/PB_0317_03.pdf

Short Title: H378 Cigarette Tax Increase for Public Schools

Long title: AN ACT TO INCREASE THE CIGARETTE TAX FROM FIVE CENTS A PACK TO FORTY CENTS A PACK AND TO EARMARK THE RESULTING REVENUES FOR PUBLIC SCHOOL CLASS SIZE REDUCTION, THE MORE AT FOUR PROGRAM, TEACHER SALARIES, SCHOOL CONSTRUCTION, AND SCHOOL FUNDS TO LOW-WEALTH COUNTIES.

Sponsors: Representative Miller

More information: www.ncleg.net/html2003/bills/allversions/house/h378v1.html

Short Title: H254 Reduce Youth Smoking: Raise Tobacco Taxes.

Long title: AN ACT TO RAISE THE EXCISE TAXES ON CIGARETTES AND OTHER TOBACCO PRODUCTS TO REDUCE AND PREVENT YOUTH SMOKING IN NORTH CAROLINA AND THEREBY PROTECT THE HEALTH AND SAVE THE LIVES OF NORTH CAROLINA'S CHILDREN.

Sponsors: Representatives Weiss, Glazier, Insko, Alexander (Primary Sponsors); B. Allen, England, Goforth, Hackney, Luebke, Michaux, Miller, Nesbitt, and Ross.

More information: www.ncleg.net/html2003/bills/allversions/house/h254v1.html

ALCOHOL TAX (TWO BILLS)

Short Title: S665 Increase Alcohol Tax/Substance Abuse Services

Long Title: AN ACT TO INCREASE THE EXCISE TAX ON ALCOHOL TO FUND MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES NEEDS.

Sponsors: Senators Metcalf, Carpenter, Dannelly, Garwood, Holloman, Kinnaird, Lucas, Malone, and Queen.

More information: www.ncleg.net/html2003/bills/allversions/senate/s665v1.html

Short Title: H814 Increase Alcohol Excise Taxes

Long Title: AN ACT TO RESTORE THE PREVIOUS RATE OF EXCISE TAX ON LIQUOR; TO ALLOW FOR SALES OF HIGHER-ALCOHOL CONTENT MALT BEVERAGES; TO RAISE BEER AND WINE TAXES; AND TO DIRECT A PORTION OF THE PROCEEDS OF THESE TAX INCREASES TO SUBSTANCE ABUSE TREATMENT.

Sponsors: Representatives Luebke, Bordsen, Insko (Primary Sponsors); and Weiss.

More information: www.ncleg.net/html2003/bills/allversions/house/h378v1.html

3. Election Reform

EXTENSION OF TERMS

Short Title: H40 Session Limits/Four-Year Terms

Long title: AN ACT TO AMEND THE CONSTITUTION OF NORTH CAROLINA TO LIMIT THE LENGTH OF LEGISLATIVE SESSIONS AND PROVIDE FOR FOUR-YEAR TERMS FOR MEMBERS OF THE GENERAL ASSEMBLY.

Sponsor: Representative Owen

More information: <http://www.ncleg.net/html2003/bills/allversions/house/H40v1.html>

HELP AMERICA VOTE ACT

The House Election Law Committee unanimously passed HB842, titled Help America Vote Act Compliance. The bill is co-sponsored by the Election Law Committee chairs Mickey Michaux and Skip Stam.

More information:

<http://www.ncga.state.nc.us/html2003/bills/AllVersions/House/H842vf.html>

The bill now goes to the floor of the House and it has support of the leadership of both parties. For more information, please see:

<http://www.ncga.state.nc.us/html2003/bills/AllVersions/House/H756v1.html>

<http://www.ncga.state.nc.us/html2003/bills/AllVersions/Senate/S745vf.html>

CAMPAIGN FINANCE REFORM

Sen. Gulley introduced "**Local Campaign Finance Reform.**" It is Senate Bill 760 and the other sponsors (total of 5 Republicans, 12 Democrats) are: Austin M. Allran; Stan Bingham; John H. Carrington; Walter H. Dalton; Charlie S. Dannelly; Linda Garrou; Kay R. Hagan; Fletcher L. Hartsell, Jr.; Hamilton C. Horton, Jr.; Eleanor Kinnaird; Stephen M. Metcalf; William R. Purcell; Tony Rand; Eric M. Reeves; Larry Shaw; R. C. Soles, Jr.

It is referred to Judiciary I Committee, chaired by Dan Clodfelter.

More information: <http://www.ncleg.net/html2003/bills/allversions/senate/S760v1.html>

Senator Gulley introduced "**Voter-Owned Elections" for Council of State** (not Governor or Lt. Governor). It is Senate Bill 1009 and the other sponsors (1 GOP) are: Stan Bingham; Robert Lee Holloman; Eleanor Kinnaird; Jeanne H. Lucas; Stephen M. Metcalf; William R. Purcell; Eric M. Reeves.

More information:

<http://www.ncleg.net/html2003/bills/allversions/senate/S1009v1.html>

4. Environment

There is currently legislation on the table to improve public access to information about environmental violations and provide more deterrence for violators. The state would be required to maintain a database of chronic violators, their violations, and the penalties administered. It would also require regulators to consider the amounts of money a violator saves by refusing to comply with the law. And it would prohibit the state from doing business or contracting with violators of state or federal laws or rules.

Short Title: H849 Environmental Enforcement Accountability Act

Long Title: AN ACT TO DIRECT THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO ESTABLISH AND MAINTAIN A LIST OF CHRONIC VIOLATORS AND A DATABASE OF ENFORCEMENT ACTIONS AND TO FURTHER DISCOURAGE VIOLATIONS RELATING TO THE ENVIRONMENT.

Sponsors: Representatives Weiss and Hackney (Primary Sponsors).

More information: <http://www.ncleg.net/html2003/bills/allversions/house/h849vf.html>

5. Health Care Reform

HEALTHCARE AS A FUNDAMENTAL RIGHT

The House has introduced a bill making health care a fundamental right of state residents. This is a Constitutional amendment and will therefore be on the ballot in 2004. H 493 does not specify how health care would be provided, but it gives the General Assembly until July 2006 to develop a plan and that plan would not have to be implemented until July 2010.

Short Title: H493 Health care fundamental right

Long title: AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO RECOGNIZE THE RIGHT TO HEALTH CARE.

Sponsors: Representatives Insko, Alexander, Wright(Primary Sponsors); Luebke and Weiss.

More information: <http://www.ncleg.net/html2003/bills/allversions/house/H493v1.html>

MEDICAID REFORM

S467 would phase out the county part of nonfederal Medicaid payments over the next ten years. The bill contains an appropriation of \$49 million for FY '04-'05, the first year of the phase-in, to make up for the lost county money.

Short Title: S467 State Pays 100% Medicaid/Phase In

Long Title: AN ACT TO PROVIDE THAT THE STATE SHALL PAY ONE HUNDRED PERCENT OF THE NONFEDERAL SHARE OF MEDICAID COSTS PHASED IN OVER A TEN-YEAR PERIOD.

Sponsors: Senator Hartsell.

More information: <http://www.ncleg.net/html2003/bills/allversions/senate/s467v1.html>

6. WOMEN'S ISSUES (2 BILLS)

There are two bills currently in the Senate regarding funding shortages in conducting DNA lab tests on "rape kits" law enforcement uses to collect evidence after a rape or sexual assault occurs. The state is currently months behind in conducting the testing.

Short Title: S13 DNA Analysis/Sex Assault Kits

Long title: AN ACT TO APPROPRIATE FUNDS TO PERFORM DNA ANALYSIS ON UNTESTED SEXUAL ASSAULT KITS LOCATED IN LAW ENFORCEMENT DEPARTMENTS ACROSS NORTH CAROLINA AND TO PROVIDE THE STATE BUREAU OF INVESTIGATION CRIME LABORATORY SUFFICIENT FUNDS TO PERFORM DNA ANALYSIS OF EVIDENCE TO ASSIST LAW ENFORCEMENT AND PROSECUTORS IN CONVICTING CRIMINALS.

Sponsors: Senators Hagan; Dorsett, Garrou, Kerr, Lucas, Queen, Reeves, Shubert, Swindell, and Thomas

More information: <http://www.ncleg.net/html2003/bills/allversions/senate/S13v1.html>

Short Title: S28 Funds to Test Rape Kits

Long title: AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF JUSTICE FOR CAPITAL AND OPERATING EXPENSES TO ELIMINATE THE CURRENT BACKLOG OF UNTESTED RAPE KITS AND TO CONTINUE TO PROVIDE TESTING OF RAPE KITS ON A TIMELY BASIS, AND TO DIRECT THE STATE BUREAU OF INVESTIGATION TO SURVEY LOCAL LAW ENFORCEMENT OFFICES STATEWIDE TO DETERMINE THE MAGNITUDE OF THE BACKLOG OF UNTESTED RAPE KITS.

Sponsors: Senators Ballantine; Apodaca, Berger, Blake, Carpenter, Dalton, Garwood, Malone, Pittenger, Rucho, Shubert, Sloan, Smith, Stevens, and Weinstein.

More information: <http://www.ncleg.net/html2003/bills/allversions/senate/S28v1.html>

7. Tort Reform

The issue of malpractice lawsuits is heating up in the legislature with both sides joining the debate. A recent article in the *Independent Newspaper* gives a good overview of the debate with an emphasis on patient interests. In "Defensive Medicine," Bob Burtman states:

In North Carolina, doctors and their insurance companies are urging the legislature to pass a \$250,000 cap on "non-economic" damages in malpractice cases as a fix for spiking premiums; currently, juries can determine how much victims should receive for such damages, which include the proverbial "pain and suffering" and "emotional distress." The Bush administration is backing similar federal legislation, which passed the House last year.

For views from both sides of the debate check the rest of the article at:

<http://indyweek.com/durham/2003-03-12/burtman.html>

*****Action Item*****

Cutting health coverage for children, pregnant women and the poor

This week House budget writers proposed a plan to cut **Health Choice**, which is a plan aimed at children of working parents who make just a little too much to qualify for Medicaid but not enough to afford to buy coverage for their kids on their own.

House budget writers propose to:

1. Shift administration of the program to NC Medicaid.
2. Pay all providers Medicaid rates.

3. Provide only minimum funding so Health Choice must immediately close to new children needing coverage.
4. Cap enrollment in the program, thereby permanently denying coverage to 5,000-10,000 children.

Budget writers also proposed cuts to Medicaid which would have a total savings of about \$5.3 million this year and \$34.6 million next year. Cuts include:

1. Eliminating temporary affordable health coverage for newly working parents who have moved off of welfare and into new low-paying jobs.
2. Stop Medicaid coverage to pregnant women and infants if their family income is greater than \$13,290 (150% FPL).
3. Kick the small number of low-income 19 and 20 year olds who still get Medicaid off the program.
4. Cut money for pregnancy prevention, minority health programs, health promotion, blindness prevention, pap smears, and other preventive programs.

If you do not agree with these cuts, please send your representative the following message: **DO NOT CUT AND CRIPPLE MEDICAID AND HEALTH CHOICE IN THE HOUSE BUDGET.**

Two ways of getting your message to your representative:

1. MOST EFFECTIVE: Call your representative in the NC House (not your Senator). If you need their name and number enter your zip code at:
www.ncleg.net/GIS/Representation/Who_Represents_Me/Who_Represents_Me.html
2. Email your representatives. See explanation and link at:
www.ncchild.org/covenant/legislative_action_alert_save_services.htm

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