



Bulletin #13-01
Friday, Feb. 1, 2013

Counties set legislative priorities for 2013-14

Staying out of road construction funding and reinstating the full share of lottery proceeds for school construction are the top two legislative priorities for counties for the 2013-14 Legislative Biennium. Sixty [legislative proposals](#) were approved by counties at the North Carolina Association of County Commissioners' bi-annual Legislative Goals Conference, which was held Jan. 24-25 in Durham County. Counties also voted on their top five priorities. Opposing unfunded mandates and shifts of state responsibilities to counties, ensuring adequate mental health funding and preserving the existing local revenue base rounded out the top five legislative proposals. Representatives from 88 counties attended the conference, and more than 90 counties participated in the process by either attending the conference, submitting a goal or being represented on one of the NCACC's seven steering committees that first vetted the proposals. The NCACC's legislative proposals are available on the NCACC website, and the NCACC has also prepared an optional sample resolution that counties may wish to adopt in support of the county legislative agenda. This resolution can also be found on the NCACC website, and counties may modify it as they deem appropriate.

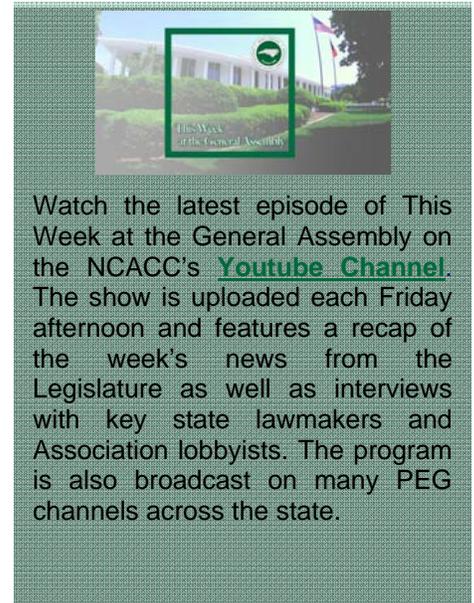
Legislature kicks into high gear

It didn't take long for the House and Senate to begin hearing substantial legislation. Bills were introduced in both chambers on the session's first day to deal with two issues that Legislative leadership has promised quick action: the state's Unemployment Insurance debt to the federal government and the Medicaid adult care group home issue that may cause many citizens to lose their residency in an adultcare facility.

H4 (UI Fund Solvency & Program Changes) takes steps to address the state's UI debt and includes several changes that impact counties directly. The current UI reimbursement system for non-profit agencies would be applied to all public agencies, including counties, cities, state agencies, and public authorities. Counties would not be required to pay federal UI taxes, nor be assessed administrative fees for system management costs but would have to establish a UI account and contribute to the account 1% of the quarterly taxable wages paid employees, beginning with the 2013-14 fiscal year. Taxable wages are capped at \$20,900 per employee, with the total county contribution of \$209 per employee per year, until the 1% balance is met. The first quarterly payment would be made in October 2013, for the July-September 2013 third quarter of taxable wages. Beginning with the 2014 claims benefit payment, claims paid on behalf of former county employees would be debited against the county's UI account. The 2013 claims payment would be billed as usual next January, requiring double UI expenses in FY 2014. The proposal provides for a transition period, and counties would have until January 2015 to ensure that individual UI accounts contain the required 1 percent taxable wages balance. The bill passed the House Finance Committee on Thursday.

H5 (Temporary Funding Extension for Group Homes) directs the Department of Health and Human Services to provide temporary, short-term financial assistance to group homes on behalf of residents who lose eligibility for Medicaid covered personal care services (PCS) after the state implemented changes in PCS eligibility criteria in 2012. Group homes were inadvertently excluded from receiving any of the temporary funds set aside to help in transition payments. Once that fund is exhausted, no more payments will be made, and the payments will expire June 30, 2013, regardless of the availability of funds. A group home cannot receive the payments while a resident is appealing the decision. The bill passed the House on Thursday and has been sent to the Senate.

House, Senate set local bill deadlines



Watch the latest episode of This Week at the General Assembly on the NCACC's [Youtube Channel](#). The show is uploaded each Friday afternoon and features a recap of the week's news from the Legislature as well as interviews with key state lawmakers and Association lobbyists. The program is also broadcast on many PEG channels across the state.

The House and Senate have established their bill deadlines for the 2013 Long Session. For the House, local bills must be submitted to bill drafting by 4 p.m. on Wednesday, March 20 and filed in the House by Wednesday, April 3. For the Senate, local bills must be submitted to bill drafting by 4 p.m. on Tuesday, March 5, and filed in the Senate no later than Wednesday, March 13 by 3 p.m. County officials interested in pursuing local legislation are urged to act quickly to ensure that their requests are eligible for the long session.

County Commissioner selected to fill open House seat

McDowell County Commissioner Josh Dobson has been selected to the N.C. House of Representatives to replace Rep. Mitch Gillespie, who resigned earlier this year to take a post with the N.C. Department of Environment and Natural Resources. Dobson is in his first term as a McDowell County Commissioner. He brings to 25 the number of former county commissioners who are now serving in either the House or Senate, including nine who will be freshmen in 2013 – Reps. Carl Ford (Rowan), Valerie Foushee (Orange), Nathan Ramsey (Buncombe), Rick Catlin (New Hanover), Ted Davis (New Hanover), Michele D. Presnell (Yancey), George Graham (Lenoir) and Debra Conrad (Forsyth) and Sen. Trudy Wade (Guilford).

NCACC Legislative Bulletin Schedule

The Legislative Bulletin will be communicated electronically to county officials, legislators and other interested recipients every Friday during the Legislative Session. If you would prefer to have the bulletin mailed to you, please send your name and mailing address to communications@ncacc.org. Additionally, as events warrant, the Association sends e-mail alerts to the Legislative Bulletin e-mail list.

You can also receive instantaneous updates by following us on Twitter to receive our updates on your phone or other portable device. Check out our Web page from time to time at www.twitter.com/NCACC. You can also become our fan on Facebook at www.facebook.com/ncacc1908.

Bills of Interest

Bill: HB8

Sponsors: McGrady (R117); Stam (R37); Lewis (R53); Goodman (D66)

Title: EMINENT DOMAIN

Comments: This bill proposes a constitutional amendment, which would be voted on Nov. 4, 2014, that would prohibit a unit of government from using eminent domain to take property and give it to another party for economic development. It would also give either side the authority to ask for a trial by jury to determine compensation for land seized through eminent domain. A similar bill passed the House in 2007 and 2011, but stalled in the Senate both times.

Bill: HB11

Sponsors: Warren, H. (R77); Cleveland (R14); Hager (R112)

Title: SPECIAL ELECTION DATES

Comments: This bill would take away a county's authority to hold a special election, such as a school bond referendum, on a date that does not coincide with either an established primary or general election date or a municipal general election date. An election that is related to public health or public safety, including a bond referendum for financing of health and sanitation systems, is excluded from this restriction, provided that the governing body adopts a resolution stating the need for the special election to be held separately.

Bill: HB30

Sponsors: Stevens, S. (R90); Starnes (R87)

Title: REPEAL COMBINED M.V. REGISTRATION/TAX SYSTEM

Comments: This bill would stop the ongoing initiative to combine motor vehicle registration with property taxes. The House and Senate both voted unanimously in 2005 to support this initiative, which will improve counties' ability to collect property taxes on motor vehicles. Currently, N.C. collects property taxes on motor vehicles after the registration has been renewed, resulting in a statewide collection rate of less than 90 percent. Combining the payment of taxes with the registration renewal is expected to increase tax collection by as much as \$50 million per year for counties.

- Johanna Reese, Government Relations Director
- David F. Thompson, Executive Director



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