



Bulletin #04-10

Thursday, July 8, 2004

BUDGET – NOT QUITE YET

Negotiations between House and Senate budget conferees continued this week. With passage of the July 1 date, on which the state's fiscal year begins, the urgency that characterized earlier budget discussions has dissipated. Legislative leaders have given assurances that differences related to funding for education initiatives proposed by Gov. Michael Easley ("More at Four," third grade class size) have been resolved in the governor's favor. Among issues still in contention are funding for day care subsidies and rest home rate increases.

SIGNS

No, not billboards, but rather signs that the General Assembly is near adjournment. There are four telltale indications that adjournment is imminent:

1. Fund-raisers. Members of the General Assembly are prohibited from holding fund-raisers while the legislature is in session. Thus, scheduling such campaign activities suggests at least an expectation that adjournment will have occurred prior to the fund-raiser. At least one such expression of optimism – in the form of an invitation – has been received.
2. Committee boxes. At some point late in every legislative session, members who chair committees that do not deal directly with money – i.e., those other than Finance and Appropriations committees – are told by legislative leaders to "clear your boxes and close down." In the Senate, this means simply no longer scheduling meetings. In the House, because rules call for all House bills to be reported one way or another, the order means committee meetings need to take final action on bills left "in the box."
3. Technical Corrections. Annually, one of the last bills considered prior to adjournment is a "technical corrections" bill to fix statutory inconsistencies and minor errors in legislation approved earlier in the session. In 2003, the General Assembly adjourned without taking action on the technical corrections proposed. As of this writing, there is a technical corrections bill, but it remains in committee awaiting quick action when the General Assembly leadership decides it is time.
4. Study Bill. As with the technical corrections bill, a compendium of studies to be conducted between sessions is one of the last bills considered each session. And, like the technical corrections bill, the study bill was left on the table when the General Assembly concluded its 2003 session. Thus far in 2004, a study bill has not surfaced.

So, what do these signs tell us? Our reading is that, while some legislators might have hoped for adjournment this week and scheduled fund-raisers, the reality is that the General Assembly will be in Raleigh at least one more week.

BILLS OF INTEREST

CORRECTIONS AND LAW ENFORCEMENT

Updates

[H918](#) “To increase the fee for service of process in civil cases and to earmark the increase to ensure timely service of process.” Rep. Wayne Goodwin (Richmond). (Bulletin [#03-12](#), April 17, 2003; Bulletin [#03-16](#), May 15, 2003; Bulletin [#03-26](#), July 24, 2003; Bulletin [#04-09](#), July 1, 2004). The House voted to concur in Senate changes to this bill July 1. It has been sent to the governor for signature.

[H1665](#) “To require the dispositional hearing of a juvenile who is in residential treatment be held in the county in which the juvenile is receiving treatment.” Rep. Philip Frye (Avery). (Bulletin [#04-05](#), June 3, 2004; Bulletin [#04-09](#), July 1, 2004). The House voted to approve this bill on second and third reading July 1. It has been referred to the Senate Judiciary Committee No. 2.

GENERAL GOVERNMENT

Updates

[S1159](#) “To modify the membership of the Advisory Commission on Military Affairs.” Sen. Cecil Hargett (Onslow). (Bulletin [#04-03](#), May 20, 2004; Bulletin [#04-07](#), June 17, 2004; Bulletin [#04-09](#), July 1, 2004). This bill has been signed by the governor and enacted as **SL 2004-49**.

PERSONNEL

Updates

[S1312](#) “To authorize participation in 457 plans by local governmental employees.” Sen. Katie Dorsett (Guilford). (Bulletin [#04-06](#), June 10, 2004; Bulletin [#04-09](#), July 1, 2004). This bill was withdrawn from committee July 1.

[H1513](#) “To increase the maximum death benefit payable from the Local Governmental Employees’ Retirement System.” Rep. Larry Bell (Sampson). (Bulletin [#04-03](#), May 20, 2004; Bulletin [#04-06](#), June 10, 2004). This bill was favorably reported in the House on July 1. It was approved on second and third reading July 7.

[H1624](#) “To increase the contributory death benefit for retired members of the Teachers’ and State Employees’ Retirement System, the Local Governmental Employees’ Retirement System, the Legislative Retirement System, and the Consolidated Judicial Retirement System.” Rep. Larry Bell (Sampson). (Bulletin [#04-04](#), May 27, 2004). This bill was favorably reported in the House on July 1.

**PLANNING, DEVELOPMENT AND LAND USE
Updates**

S933 “To require state and local government agencies that acquire land for wetlands mitigation to reimburse the county in which the land is located for its lost taxes due to the acquisition.” Sen. Cecil Hargett (Onslow). (Bulletin #03-11, April 10, 2003; Bulletin [#04-07](#), June 17, 2004; Bulletin [#04-08](#), June 24, 2004; Bulletin [#04-09](#), July 1, 2004). This bill was favorably reported in the House on July 1.

**TAXATION AND FINANCE
Updates**

H1420 “To extend to local governments acting jointly the same setoff debt collection procedures currently allowed to local governments acting alone.” Rep. Stephen LaRoque (Lenoir). (Bulletin [#04-03](#), May 20, 2004; Bulletin [#04-05](#), June 3, 2004; Bulletin [#04-09](#), July 1, 2004). This bill was approved by the Senate on second and third reading July 6. It has been referred to the House Rules Committee for a recommendation on concurrence in Senate changes to the bill.

S277 “To exempt from property tax educational property held by a nonprofit entity for a public or private university or community college located in North Carolina.” Sen. Tony Rand (Cumberland). (Bulletin [#03-06](#), March 6, 2003; Bulletin [#03-16](#), May 15, 2003; Bulletin [#03-17](#), May 22, 2003; Bulletin [#04-09](#), July 1, 2004). This bill was re-referred to the House Rules Committee on July 1.

James B. Blackburn, III, General Counsel
C. Ronald Aycock, Executive Director

Note: Legislative bill numbers link to the most recent version of the bill that has action on it on the floor. Subcommittee and other amendments are not included.