



Bulletin #06-02

Thursday, May 18, 2006

COUNTY OFFICIALS STORM LEGISLATURE SEEKING MEDICAID RELIEF

Approximately 300 county commissioners and other county officials swept through both legislative buildings on Wednesday, buttonholing members of the General Assembly seeking relief from the burden of state-imposed Medicaid service costs. Bills introduced in both the House and Senate would accomplish the Association's top priority legislative goal.

H1968, introduced by Representatives Edd Nye (Bladen), Tom Wright (New Hanover), Bob England (Rutherford) and Bill Owens (Pasquotank), would target funds made available because of switching certain pharmacy expenses from State Medicaid and Federal Medicare to relief for counties. Approximately \$65 million would be divided so as to cap county costs and target relief to counties with higher percentages of Medicaid-eligible populations. The primary introducers of H1968 were members of the Medicaid subcommittee of the House Select Committee on Health Care. The subcommittee voted to recommend the relief for counties contained in H1968. Similar legislation, **S1209**, has been introduced by Sen. Bill Purcell (Scotland). The Senate proposal would allocate funds similar to the allocation in the House bill and would create a Legislative Study Commission on the Elimination of County Financial Participation in Medicaid Services to "study and recommend a permanent financing strategy."

As county officials crisscrossed the halls of the Legislative Building and the Legislative Office Building, both H1968 and S1209 were the major topics of conversation. **THE CONVERSATION NEEDS TO CONTINUE!**

IN THE SENATE, IT'S THE BUDGET

Senate Appropriations leaders this week announced an ambitious timetable to complete action on a Senate Budget proposal before Memorial Day Weekend. Announcing the intention to achieve agreement between the House and Senate on amendments to the budget before the beginning of the fiscal year, the Appropriations chairs pushed subcommittee chairs and members to assemble recommendations this week. Action by the Senate would represent the first step in a three-part process. After Senate action, the House will put together its own set of budget amendments. Finally, House and Senate conferees will negotiate a final Conference Report.

IN THE HOUSE, IT'S THE ETHICS

While the Senate moved toward action on a budget proposal, the House acted on proposals to strengthen ethics laws affecting lobbying of executive branch officials as well as legislators. Action was triggered by revelations of questionable campaign fundraising as well as alleged improper relationships between lobbyists and campaigns. On Tuesday, the House gave final approval to a proposal (**H1844**) to impose reporting requirements and other restrictions on those seeking to influence executive branch decision makers. A proposal to strengthen requirements applicable to legislative decision-making (**H1843**) was given second reading approval on Wednesday and was expected to gain final approval on Thursday. Both bills will then be considered by the Senate.

BILL DEADLINES SPARK FLURRY OF ACTIVITY ON BOTH SIDES

Early bill introduction deadlines established by the 2005 Adjournment Resolution set in motion a rush to introduce legislation in the first two weeks of the session. In seven legislative days, 420 bills were introduced in the House and 426 in the Senate. The rush of introductions is expected to continue with deadlines for introduction of local bills and budget bills set for next week.