Reforming the Tax Code
Untangling Red Tape
Debating Gun Rights
Modernizing Elections
Education spending
...the facts

The Gavel Falls
What *really* happened last year in Raleigh
Recapping the 2013 Session

After a highly productive (and some would say contentious) legislative long session, the North Carolina General Assembly concluded its business on July 26 after passing many substantive reforms designed to improve North Carolina’s public schools, rebuild our economy and restore our place as a leader in job growth and prosperity.

“We have worked tirelessly over the course of six months to enact reforms critical to providing greater opportunities to our state’s citizens,” said House Speaker Thom Tillis. “We lived within our means to provide a fiscally responsible and economically sustainable budget, enacted a comprehensive tax reform plan to bring financial relief to all North Carolinians, and eliminated burdensome regulations to promote economic development in our state.” Among other actions this session, the General Assembly:

- Implemented comprehensive tax reform that will provide major tax relief to all North Carolina families and make our state more attractive to job-creating businesses. For years, North Carolina had the highest taxes in the Southeast. The General Assembly passed a tax reform plan that simplifies the state’s 1930s Depression-era tax code, cuts personal and corporate income tax rates, eliminates the death tax and ends dozens of loopholes for special interests. The reforms will make our economy competitive and immediately move North Carolina from the bottom of national rankings to the 17th best business tax climate in America (see page 4).

- Approved bipartisan legislation to spur our economy by tapping into North Carolina’s abundant energy resources. The Domestic Energy Jobs Act is a comprehensive energy bill that paves the way for a flourishing onshore and offshore energy sector (see page 27).

- Improved our investment in North Carolina’s transportation infrastructure. Changes to the Highway Trust Fund will allow us to accelerate transportation projects across the state, in every region and in our local communities – a move that is expected to create at least 260 projects and more than 240,000 jobs over the next 10 years (see page 46).

- Passed major education reforms to strengthen student literacy, improve graduation rates, reward effective teachers and give parents tools to make better informed decisions about their children’s education. The legislature increased accountability in the classroom by employing teachers through contracts that are renewed based on job performance. And the legislature continued its commitment to implementing a pay for excellence system by including $10.2 million to fund annual pay raises for the most effective teachers (see pages 28-33).

- Passed sweeping changes to the state’s burdensome regulatory environment. The Regulatory Reform Act of 2013 will get rid of red tape that chokes off economic growth and raises prices. It will make our state a more attractive place to do business (see pages 18-19).

- Passed major health care reform legislation to improve medical billing fairness and transparency, reduce health care costs and help consumers make better-informed decisions about their treatment (see page 45).

- Reformed our broken unemployment insurance program, setting a pathway for repaying North Carolina’s $2.5 billion debt to the federal government – brought about by years of mismanagement. Under the plan, we’ll be out of debt by 2016 – freeing up capital and providing certainty for businesses to create jobs. The changes will make North Carolina’s unemployment system solvent and remove one of the biggest impediments to job creation and economic growth (see pages 34-35).

- Passed a hugely popular, commonsense provision that requires North Carolinians to show a photo ID when they vote. Polls show that nearly three-quarters of North Carolina residents support requiring voters to show photo identification before voting. The action brought North Carolina in line with the majority of other states that already require voter ID (see pages 10-14).

- Protected the Second Amendment rights of North Carolinians. The Senate passed legislation to expand the number of places that people with a concealed carry permit can carry firearms to protect themselves and their families – while also strengthening safety measures for the public and penalties for criminals who violate our gun laws (see pages 38-39).

- Ensured justice for more than 100 North Carolina families whose loved ones’ lives were brutally taken, by passing a bill to end the de-facto moratorium on the death penalty (The “RJA”) in North Carolina (see pages 36-37).

On the cover: detail of the Speaker’s Gavel and Bell. The gavel was turned from the wood of the Longleaf Pine, the state tree. The bell was presented to the House of Representatives by Robert Simpson on May 10, 1935 and originally adorned the frigate USS Constitution (“Old Ironsides”) when she was commissioned in 1797. According to the official House Journal for that day, the brass bell “was stolen from Old Ironsides by George Washington’s lackey, buried on Schuyler’s Hill and unearthed when the foundation was being dug for the Washington Memorial.” The bell is traditionally rung to mark the conclusion of the session each year.
Laws of the state of North Carolina, known as General Statutes, are made by the General Assembly. The North Carolina General Assembly conducts its business in the Legislative Building, located in the state’s capital of Raleigh.

The General Assembly is a “bicameral” legislature, meaning that it’s made up of two bodies: the House of Representatives, which has 120 members, and the Senate, which has 50 members. Each legislator individually represents either a Senatorial District or a House District, and elections are held every two years for each member of the General Assembly. Members come to Raleigh from all kinds of different backgrounds and professions. The minimum age to be a state Representative is 21, and to be a Senator, it’s 25. There are no term limits for members of the legislature.

The General Assembly meets over a two year period, called a “Biennium.” Its regular session, also called the “long session,” begins in January of each odd-numbered year and usually lasts for around six months. After the legislature adjourns for the summer, it reconvenes again the following even-numbered year, usually in the Spring, for what’s called the “short session.” The short session normally only lasts for a few months.

The North Carolina General Assembly is a part-time legislature, unlike states like California and New York, whose legislatures are in session essentially all year long. Regular members of the General Assembly (as opposed to leadership positions) are each paid just $13,951 per year. Each is assigned a legislative assistant (called an L.A.) to help them with their work. Audio of the floor proceedings is broadcast live whenever the House and Senate are in session.

The Senate and the House of Representatives meet in their respective chambers on Monday evenings and during the day on Tuesday, Wednesday, and Thursday. When the bodies are not deliberating in their respective chambers, committee meetings are held in the morning and late afternoons. The lion’s share of the legislature’s work is done in committee meetings, and many committees continue their work throughout the year, even when the NC General Assembly is not in session.

(continued on page 42)
On July 23, 2013, Governor McCrory signed into law landmark legislation that cuts income tax rates for all North Carolina’s taxpayers — and replaces the existing complicated system with a single Flat Tax. With the already lower state sales tax rates passed last session, it’s estimated that last year’s tax reform efforts will save North Carolina taxpayers $4.75 billion over the next five years.

North Carolina’s outdated and burdensome tax code has been cited as a drag on our state’s potential for economic growth. Our unemployment rate is the fifth-highest in the nation, and state income taxes are higher than in any other surrounding state. In the 2013 session, the General Assembly enacted a simpler tax code with lower rates to help us be more competitive in the service-based economy of the 21st century. Our previous state tax code dated from the Depression-era 1930s, when agriculture and manufacturing were North Carolina’s primary industries.

Tax Reform is a significant piece of a bold economic revitalization program which the legislature began last session, when it enacted a historic $1 billion tax cut. Its work continued last year by tackling the state’s massive Unemployment Insurance Debt and passing far-reaching Regulatory Reform law. These efforts, among many others, are designed to free up capital and spur job creation.

Last year’s landmark Tax Reform law accomplishes several big things, and starting this year, the tax code will change in some very important ways.

**Personal Taxes**

The new Tax Reform Law replaces the old tiered system of personal income tax rates (of 6.0%, 7.0% or 7.75%) with a Flat Tax, lowering the rate for all individual taxpayers to 5.75% this year.

The new law continues to protect our most vulnerable citizens by retaining for them an effective personal income tax rate of 0% and increasing the child credit for families with incomes below $40,000. The new law also more than doubles the size of the standard deduction, aimed at helping lower and middle income earners. For instance, for a married couple filing jointly, this will exempt the first $15,000 of income from their tax bill; for someone filing as the head of a household, the first $12,000 of income will be exempt from tax. And for single filers, the first $7,500 of their income will be exempt.

Previously, personal income was taxed starting with the very first dollar earned.

The new law continues to allow taxpayers to deduct local property taxes, mortgage interest payments and charitable contributions — but caps the mortgage interest and property tax deductions at a combined $20,000. There remains no cap on the charitable contributions that North Carolina’s taxpayers may deduct.

**Broaden the base**

Tax reform efforts have reduced the overall sales tax rate and the new law expands the tax base. This is accomplished by adding a limited number of transactions that would now be subject to the sales tax, including warranties, service contracts, the delivery, installation or repair of tangible personal goods and as you may have heard about, movie tickets. The limited expansion in sales tax would apply only to certain industries already set up to collect these taxes. The new law protects senior citizens and working families by keeping existing exemptions for food, Social Security and medication.

**Business Taxes**

The new tax law reduces the Corporate Income Tax from the current rate of 6.9% to 6% in 2014. It’s reduced then again to 5% in 2015, and the Corporate Income Tax may fall as low as even 3% by 2017 — that is, if the state achieves its specified revenue targets. Although the new law does not change the Franchise Tax, it was referred to the Revenue Laws Committee for further study. (A franchise tax is not a tax on income — it is an additional tax on any corporation that conducts business). North Carolina’s corporate income tax rate peaked in 1991 at 7.75%, and from 1997 to 2000, the rate was successively reduced to the present rate of 6.9%.

By following the lead of other states that have decreased their corporate tax rates, North Carolina can become even more competitive in terms of our economic development, business investment, and job creation.

Corporations have the ability to shift their tax burden to other groups: shareholders, in the form of reduced dividends; employees, in the form of lower wages for fewer employees; and customers, in the form of higher prices and diminished choice. It can also amount to double taxation for individuals already paying taxes on their own personal incomes as well.

Another problem that states with high corporate tax
rates encounter is that multi-state corporations are able to shift their income sources to affiliates in other states with lower rates, resulting in a loss of vital revenue to fund important state programs, like education.

Some might say that the lowering of the corporate tax rate results in a loss of revenue, forcing the state to look for other sources to make up the difference. But tax reform sponsors counter that this is based on a static economic model that does not account for the changes in behavior induced by a change in income taxation structures.

A more dynamic model takes into account the “growth dividend” by including the positive side-effects that always accompany a lower tax environment. “People and businesses make decisions and move assets and resources based on their ability to thrive and profit over the long term,” said Rep. Tim Moffitt, one of the primary co-sponsors of the Tax Reform law last year. “Lowering the tax rate will help to stem out-migration of businesses to neighboring states and encourage a greater in-migration of businesses looking for a more business-friendly and profitable economic environment,” he said. “Lowering these rates is also very encouraging to existing businesses that wish to further expand and thrive.”

The benefits to the overall economic health of the state do not happen overnight, and the short-term losses in revenues must be considered carefully. “It has to be done in a methodical, maybe multiyear process so that we do not destabilize what … still continues to be a fragile economy,” observed Speaker Thom Tillis. The tax reductions in the current bill are seen as a prudent short-term step on the path to greater economic freedom in our state. The long-term goal is to reduce both corporate and individual income taxes to zero and is part of a “broaden the base and lower the rate” strategy.

The new Tax Reform Plan is a major step in transitioning North Carolina from a reliance on the unstable Income Tax to a more predictable, consumption-based revenue system — and state government will collect taxes when money is spent and not when it is earned.

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**Married with no children earning $60k saves $434**

Recycling is a growing industry in North Carolina, employing more than 15,000 people across the state. It includes countless businesses which use recycled materials in the manufacture of a wide range of products.

These forward-thinking companies are developing new and innovative technologies to recycle plastic, including the development of new types of degradable and biodegradable plastic materials designed to decompose in landfills or when they are exposed to soil, water, and other natural elements over time. This has great benefits for our environment.

But there are problems. Incompatible with traditional hydrocarbon plastic recycling, these degradable and biodegradable plastics pose harm to the quality and integrity of traditional hydrocarbon recycled plastic products that are designed for durable, long-term uses.

A new law makes it possible for consumers to identify and segregate these two very different types of plastics. Consumer recycling is critical to the ability of our state’s recycling industry to obtain a sufficient quantity of high-quality recycled hydrocarbon plastics for the manufacture of plastic goods like carpet, textiles, bottles, automotive parts, and construction materials. As a result of current inadequate labeling standards, our state’s plastic recycling industries suffer significant costs to their operations, the loss of material, and serious quality control concerns.

Using the law’s new labeling requirement, consumers’ recycling efforts will be enhanced, providing us with the ability to differentiate between degradable (or biodegradable) plastics and the traditional hydrocarbon recyclable plastics that we use each day.
On April 10, 2013, the North Carolina House of Representatives unanimously passed House Joint Resolution 190 honoring the memory of Ruth Bell Graham (who died in 2007) and naming her surviving husband, the Reverend Billy Graham, North Carolina’s Favorite Son. The resolution cites the couple’s long history in North Carolina as well as their legacy of philanthropy and leadership affecting millions of people all over the world.

Prior to receiving North Carolina’s highest distinction, the Reverend Graham had been named one of the “Ten Most Admired Men in the World” for the fifty-sixth time since 1948 by the Gallup Poll — more than any other individual in the world. This honor places him at the head of the overall list of those most admired by Americans for the past five decades. By his side, Mrs. Graham played a huge role in her husband’s success, as stated in the Resolution, through “…her partnership with her husband in marriage and ministry.” Together they worked to help millions of people. Here is a part of their remarkable story.

**Companion in Ministry**

The memory of Ruth Bell Graham must include the significant role she played in many peoples’ lives, both at home in Western North Carolina and throughout our country. Mrs. Graham was born in 1920, the daughter of Dr. and Mrs. Nelson Bell, in Qingjiang, Kiangsu, China where her parents were serving as medical missionaries at the Presbyterian Hospital. Four decades later, in 1966, Mrs. Graham championed the cause of children in Western North Carolina by co-founding the Ruth and Billy Graham Children’s Health Center in Asheville, North Carolina, with which she was actively involved until her death.

Moreover, Ruth was a gifted evangelist in her own right, but her ministry was far more private, counseling individually at Crusades, writing many books and co-authoring, with her husband, many more. Also, she was a philanthropist and a poet and shared the gospel with her widening circle of friends — including Lady Bird Johnson, the Nixons, and the Bush family. She was a regular contributor to magazines and newspaper columns. Additionally, she was an artist, and often single-handedly raised her five children while her husband was away on extended international crusades. To guard her children from the life of fame, she created a safe and private home on 200 acres in North Carolina’s mountains.

**Family Life**

Born on November 7, 1918 in Charlotte, William F. Graham is of Scottish descent, the son of William Franklin and Morrow Coffey Graham. The Grahams were dairy farmers, and young Billy was reared on their farm approximately four miles from the current location of the Billy Graham Library in Charlotte. The Grahams attended the local Associate Reformed Presbyterian Church.

In 1933, when Prohibition ended, Graham’s father forced him and his sister Katherine to drink beer until they became sick — and both avoided alcohol and drugs for the rest of their lives, according to his autobiography. Because he was “too worldly,” Graham was declined membership in a local youth group and was persuaded to visit Mordecai Ham, an evangelist. During Ham’s revival meetings in Charlotte, Graham was converted in 1934 at the age of 16.

Graduating from Sharon High School in 1936, Graham then attended Bob Jones College, located then in Cleveland, Tennessee, but he found it too legalistic in both coursework and rules. So he transferred to the Florida Bible Institute (now Trinity College) where he graduated in 1940. He earned his Bachelor of Arts degree from Wheaton College in Wheaton, Illinois in 1943, the same year he married the former Ruth McCue Bell.

Born from Presbyterian parents, Ruth’s missionary childhood in China ended when she went with her parents on fur-
lough to Montreat, North Carolina, a quiet scenic village near Asheville. She finished high school there and then enrolled in Wheaton College where she met, “The Preacher,” a nickname given her future husband by their classmates.

Reverend Graham was ordained to the ministry in the Southern Baptist Convention in 1939, became pastor of two churches in Illinois, and then served as President of the three Northwestern Schools, also in Illinois. Now heard on more than 700 stations around the world, the weekly “Hour of Decision” radio program was launched in 1950 in Minneapolis, Minnesota, when he also founded the Billy Graham Evangelistic Association. Through these media, nearly 215 million people around the world have heard Reverend Graham preach the good news of Jesus Christ.

Often left alone with her children as her husband travelled, Ruth convinced Billy to move from Illinois to Montreat to be near her parents, where Billy and Ruth raised five children: Virginia, Anne Morrow, Ruth Bell, William Franklin III, and Nelson Edman. The Grahams have also been blessed with 19 grandchildren and many great-grandchildren.

**Prolific Authors**


(continued on page 45)
Agriculture is North Carolina’s number-one industry. With nearly 50,000 small family farms on more than eight million acres of land (comprising 25% of the state’s land area), farming and agribusiness generate over ten billion dollars in economic activity, providing thousands of jobs for North Carolinians and putting food, clothing and other valuable farm products — from corn to cotton to Christmas trees — in the homes of millions of families all across the United States.

According to Professor Mike Walden of NC State’s College of Agriculture and Life Sciences, after secondary markets are factored in, agriculture and agribusiness account for almost one-fifth of our state’s total income and 20% of our jobs. Nearly $80 billion of North Carolina’s $440 billion gross domestic product is contributed by food, fiber, and forestry industries, accounting for 642,000 of the state’s 3.8 million employees. Several laws affecting our state’s robust agricultural sector have been signed into law this session.

The Farm Act of 2013 provides North Carolina’s farmers and agribusiness operators with a number of statutory reforms that will make it easier to do business in the state; some are long-overdue changes that the farming community has been seeking for decades. Among some of the more significant provisions:

The new law gives North Carolina farmers certain liability protections when selling their products to retailers and wholesalers. This measure is designed for farmers who have been certified by the U.S. Department for Agriculture for Good Agricultural Practices and Good Handling Practices (environmental and operational conditions necessary for the production of safe, wholesome fruits and vegetables) and who have a spotless food safety record for three years running.

Also under the new law, fruit and vegetable growers are entitled to a presumption of innocence by the courts in any dispute regarding their business, something called a “rebuttable presumption” (the court must presume that a farmer is innocent of negligence, and is acting in good faith). In cases involving simple mistakes, the law now encourages resolution through education and training, rather than with financial penalties. Injured parties will still be given the opportunity to provide evidence of intentional or negligent harm in their complaints.

The Farm Act will now allow farmers to use their buildings for other non-farm related activities — without incurring the liability that comes with not being in compliance with strict building codes. Typically, when barns and other farm buildings are first constructed, they’re exempt from restrictive building codes; the new law maintains this “farm building status,” so a farmer can now more affordably rent out a barn for weddings, receptions, or for other types of activity.

People who operate animal exhibitions, petting zoos or other animal-based educational programs will now have an easier time getting the insurance coverage they need to conduct business. For years, farm animal businesses have been experiencing skyrocketing insurance rates which have had an adverse affect on their trade; the three-day “Got To Be NC” Festival wasn’t able to afford a petting zoo for the first time ever last year, for example. And concerns over lawsuits have made it harder for agricultural education organizations, such as Future Farmers of America, to use animals in their work. The new law exempts operators from liability for the risks of farm-animal activities.

The law now allows retailers to advertise eggs for sale in the same manner as other products, (excluding any items on sale or subject to a promotion). Currently, eggs must be advertised with the quality and size and weight displayed at least half as high as the tallest letter in the word “eggs” (or the tallest figure in the price, whichever is larger). The prohibition on retailers displaying more than 400 square feet of nursery stock in their own parking lots has also been repealed.

The Farm Act changes setback distances and burn times for debris, stumps, brush, and other materials used in ground clearing activities. These setbacks are decreased from 1,000 feet to 500 feet from structures. The time period for when...
The law exempts forestry operations from needing temporary driveway permits (issued by the Department of Transportation) if the operator has completed an educational course on timbering access and has also obtained a safety certification. The Department of Transportation does not currently have a written process for granting temporary driveway permits to forestry or silviculture operations.

“Our farmers are North Carolina’s best natural resource and we want to ensure that they, their farms and consumers are protected — while freeing up the industry to become more efficient and effective,” commented Governor Pat McCrory. The legislation was passed by the General Assembly nearly unanimously and was signed into law by Governor Pat McCrory on July 17 at a ceremony attended by Agriculture Commissioner Steve Troxler outside the Old Capitol Building in Raleigh.

Senate Bill 386 adds an eleventh member to the ten-member North Carolina Board of Agriculture to bring expertise in pork farming to the board. The Board of Agriculture is a governing board within the state Department of Agriculture whose members are appointed by the Governor. The Board is a policy-making and rule-making body that adopts regulations for programs administered by the Department. The members of the board represent a range of industry specialties including tobacco farming, cotton growing, fruit or vegetable farming, dairy farming, poultry, peanut growing, marketing, forestry, the nursery business, general farming, and now, pork farming.

Senate Bill 377 allows the governor, by executive order, to temporarily suspend routine weight inspections of trucks used to transport livestock, poultry, or crops from designated counties in an emergency area if there exists an imminent threat of severe economic loss of livestock or poultry or widespread or severe damage to crops ready to be harvested.

Senate Bill 505 clarifies that the exemption from zoning for a ‘bona fide’ farm includes grain storage facilities: a public or private grain warehouse or warehouse operation where grain is held 10 days or longer and includes, but is not limited to, all buildings, elevators, equipment, and warehouses consisting of one or more warehouse sections and considered a single delivery point with the capability to receive, load out, weigh, dry, and store grain. North Carolina has four thousand farms with eighty-two million bushels of grain storage capacity.

House Bill 821 renames the Piedmont Triad Farmers Market in memory of Senator Robert G. Shaw in recognition of his dedicated leadership in the North Carolina General Assembly and his commitment to the citizens of this State, the Piedmont Triad region, and Guilford County. Senator Shaw was a member of the Guilford County Board of County Commissioners from 1968 to 1976, during which time he served as chair and vice-chair, and was a member of the North Carolina Senate for nine terms, from 1985 until 2002. In 1980, Senator Shaw was awarded North Carolina’s highest honor, the Order of the Long Leaf Pine, in recognition of his extraordinary service to the people and the State of North Carolina. During that same year, he also received the Legislator of the Year Award from the North Carolina Wildlife Federation. Senator Shaw was a strong supporter of the Piedmont Triad Farmers Market, located in Colfax, North Carolina.

House Resolution 85 was adopted in the House to honor the memory of those who have contributed to the state’s agricultural education program and the Future Farmers of America organization while observing national Future Farmers of America Week and North Carolina Agricultural Education and Future Farmers of America Day. Agricultural education programs and Future Farmers of America organizations are dedicated to making a positive difference in the lives of their members by developing their potential for premier leadership, personal growth, and career success through agricultural education. Agricultural education is a 12-month educational program providing summer agriculture and agribusiness experiences and leadership training through 23 different career and technical education classes.

Tobacco Facts

- Agriculture is the largest industry in North Carolina.
- Tobacco is among the top revenue crops in North Carolina.
- North Carolina leads the nation in total tobacco production.
- In 2012, the farm product value for leaf tobacco was nearly $770 million.
- Economists estimate that when the multiplier effect is considered, that value is greater than $2 billion every year.
- More than 2,000 farmers have contracts to market tobacco.
- There are 175,000 acres of planted tobacco in NC.
- Most farms producing tobacco are less than 100 acres.
- Production is approximately 2,300 pounds per acre.
- Tobacco farming is important to agri-business sales; production cost per acre is greater than $3,700 — that’s ten times greater than for an acre of wheat.
- Every tobacco grower is a diversified family farm with various crops such as corn, soybeans, small grains, cotton, sweet potatoes, and other produce as major rotational crops.
- Tobacco is one of our nation’s few surplus trade items.
- Tobacco production means good jobs in manufacturing, processing, and transportation.
- Tobacco is the nation’s leading tax-generating agricultural commodity. In 2012 alone, tobacco production contributed nearly $70 billion in direct taxes to the government (and this figure doesn’t include income taxes, payroll taxes, sales taxes, estate taxes, property taxes, or duty taxes). For perspective, the taxes generated from NC tobacco is nearly the equivalent of the sales value of all the other agricultural crops and livestock produced and sold in the state annually.
W hen it comes to politics, the state of North Carolina has a colorful history: stories of graft, corruption and vote buying are legendary here in the Tarheel State. Over the years, crooked party bosses have managed to resurrect dead voters, over-zealous community organizers have padded the rolls with the mentally handicapped and the criminally insane, and lucky prison inmates have had their time magically reduced after agreeing to vote the right way. Remarkably, even some non-citizens are registered to vote here.

Perhaps not coincidentally, North Carolina also has some of the loosest election laws in the nation: all it took to vote was to show up and give a trusting poll worker a name and address. And not necessarily the correct one. Last year, in an investigative story on voter fraud by WLOS-TV, a news reporter went undercover and was happily given a ballot after checking in at the polls using the name of an elderly African-American lady who happened to be deceased. The reporter was a white guy — and, it turns out, very much alive. The State Bureau of Investigation nabbed a city councilwoman who was forging signatures on absentee ballots, and some enterprising young folks have even managed to cast votes in two different states at the same time. A watchdog group presented the state Board of Elections with a list of nearly 30,000 names of dead people who are still registered to vote in the state. The list goes on: between 2008 and 2012, nearly 500 cases of voter fraud were referred for criminal prosecution in North Carolina.

For as long as anyone can remember, election officials here haven’t bothered to ask for identification at the polls. That’s because checking someone’s ID — even one that’s offered voluntarily — hasn’t been allowed by Board of Elections officials. Many new voters say they find this strange, and many long-time voters find it an affront to the integrity of their most basic civil right. Sneaky political operatives might tell you (with a wink and a nod) that’s just the way it’s always been done here in North Carolina.

Same-day registration — the process of both registering to vote and casting a vote at the very same time — further compounds these problems by preventing election officials from being able to properly document and verify a voter’s eligibility. Only ten states offer same-day registration, and Montana voters will likely repeal its same-day registration due to concerns about rampant election fraud. In most other states, voters must register by a deadline, usually between 10 and 30 days before an election.

In a typical election, roughly half of all provisional ballots are invalidated because local election boards can’t verify that the voter even exists. In last year’s race for Lieutenant Governor, more than 28,000 ballots were invalidated — meaning that 28,000 people whom nobody could prove actually even existed attempted to cast a vote (Dan Forest eventually won the race by a mere 6,858 votes). This problem is further complicated by the fact that the counting of provisional ballots can be a highly partisan affair; the election canvass is conducted at the county level and is overseen by a 2-to-1 majority of the ruling party. What could possibly go wrong?

One thing is clear, however: most people now strongly believe that presenting an ID to vote is a good idea whose time has come. Three separate surveys in North Carolina last year showed overwhelming support for Voter ID: an Elon University poll showed 72% support, a Civitas Institute poll showed 67% support, and a SurveyUSA poll showed 75% support. Several national polls conducted before the 2012 elections found support for photo ID consistently high: The Washington Post gauged it at 74%, a CBS News/New York Times poll had it at 70%, the Pew Research Center at 77%, and Rasmussen put it at 71%.

This overwhelming support for Voter ID breaks across all political, regional, income, racial, age and gender lines as well: A July 2013 McClatchy-Marist poll (parent company of the Raleigh News & Observer) found that 72% of registered Democrats, 99% of registered Republicans, and 87% of Independents support
Voter ID: 82% of whites support Voter ID and 83% of non-whites support it; 81% of college graduates support Voter ID and 85% of folks without college degrees support it. Even most folks who identify politically as “liberal or very liberal” support changing the law to require voters to show ID — 65% of them said so.

Some apologists will tell you that since instances of fraud are relatively scarce (500 cases out of more than 6 million registered voters in North Carolina) — the need for Voter ID is nothing more than “a solution looking for a problem.” On the contrary, it’s the lack of evidence that highlights yet another fraud-related problem: the shortage of tools for detecting fraud. Without Voter ID laws, we can’t even detect — let alone deter — voter fraud. And believe it or not, county election boards aren’t even required to report suspected fraud.

With passage of the Voter Information Verification Act (VIVA) into law last summer, North Carolina will eventually be brought back into line with the rest of the country (the free Voter ID requirement goes into effect in 2016). Thirty-three other states have passed laws that require identification to vote, and legislation is pending in a total of 30 other states, including new voter ID proposals in twelve.

Getting a free valid ID also offers a great number of benefits beyond just voting. Because having identification is one of the most basic requirements of modern life, those without it are often forced to rely on others for the most basic things. “People who currently lack a photo ID will be brought more fully into daily life,” said one observer during the lengthy hearing on the voter ID bill. “We require an ID for many activities, be it buying cold medicine or cashing a check. Those opposed to requiring the commonsense requirement for a government-issued photo ID to vote like to talk about voter disenfranchisement. What they never mention is by helping these folks get a free valid government photo ID, they will be helping them get more fully integrated into society.”

“While some will try to make this seem to be controversial, the simple reality is that requiring voters to provide a photo ID when they vote is a common sense idea,” said Governor Pat McCrory. “This new law brings our state in line with a healthy majority of other states throughout the country. This common sense safeguard is common-place.”

In addition to requiring a free Voter ID by 2016, the new law makes a host of other reforms which will modernize our system of elections to bring them more in line with the mainstream. We look at them below by order of effective date and then answer some questions regarding obtaining a free ID, pending court challenges to the legislation.

### July 2013

**Taxpayer Funding of Political Parties and Political Candidates.** The new law has ended taxpayer-funding of political campaigns. North Carolina now joins the 37 other states that do not use taxpayer money to fund political candidates. Specifically, the reforms repeal: 1) the Political Party Financing (check-off) Fund. Political parties will no longer be automatically subsidized by taxpayers and must rely on individual contributions; 2) taxpayer financing of judicial races. Judicial elections for state Supreme Court and the Court of Appeals are no longer paid for with taxpayer dollars; and c) Taxpayer financing for three Council of State races (Auditor, Superintendent of Public Instruction, and Commissioner of Insurance) was ended as of July.

### August 2013

**Voter List Maintenance.** In order to improve the integrity of voter rolls, the State Board of Elections is now authorized to exchange data with other states in order to weed out those individuals who are registered to vote here and in another state.

### September 2013

**Pre-Registration.** The new law ends the unnecessary program of pre-registering 16- and 17-year old children in high school. Pre-registration of children who cannot vote gives state employees the opportunity to exert a biased political influence on a captive audience outside

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![Support for requiring Photo ID to vote in elections](image.png)
the presence of their parents. Teachers should focus on educating kids, not indoctrinating them. Students can always register to vote if they meet all qualifications; for example, if they will be 18 by Election Day, they can register at 17. Only five states allow minor children to register before they turn 18, and with the new law, North Carolina joins the 45 other states that do not offer “pre-registration” for children not eligible to actually vote in the next election.

October 2013

Purging the Voter Rolls. The State Board of Elections is now authorized to accept notices from more sources to remove ineligible voters, including those who are deceased, based on data from the Department of Health and Human Services and funeral operators.

“Bundling” by Lobbyists. Under the new law, lobbyists are prohibited from delivering even a single campaign contribution to a candidate. Registered lobbyists may not collect or pass along any campaign donation to a legislative or executive branch candidate, including donations from their client’s PAC (Political Action Committee).

Voter Education. Over the next few years, state and county election boards are ordered to educate the public on key provisions of the law by using registration cards, websites, printed voter guides, at individual voting sites, and through public service announcements in print, radio, television, and social media. For example, notices of elections published by county boards of elections for the 2014 primary and general elections are to include a brief statement that photo identification will be required to vote in person beginning in 2016. And as a deterrent, the state board is required to include a prominent statement on all election forms that submitting false declarations is a Class I felony.

January 2014

Free ID and other Vital Documents. Registered voters who attest to the fact that they don’t have acceptable identification may apply for a free non-driver’s “Special ID Card” from the Division of Motor Vehicles. To apply for a DMV-issued ID, voters must provide proof of age and identity, Social Security number, and residence. County Register of Deeds offices will waive all fees for someone to obtain a copy of their birth certificate and marriage license for the purpose of obtaining Voter ID.

Same Day Registration. Voters can no longer register to vote on the same day as when the election occurs, but will have to register at least 25 days before election day. Only ten states allow voters to register and then immediately cast a ballot during early voting.

“Wet Ink.” Voter registration forms must be physically signed by the person. Electronic signatures or those generated by computer software, will not be valid. Until now, party operatives skirted the law by using systems that allowed voters to sign ballots remotely through portable electronic devices like smartphones.

Special Elections. Special elections, such as those for local referendums, can no longer be held at odd times of the year. They must now be held on the same day as another state, county or municipal general election.

Candidate Petitions. The number of statewide petition signatures a candidate needs in order to be placed on the ballot.

“I start work every day at 9am and I don’t get home until 6 at night. Early Voting was never convenient for working people like me. Now it will be.”

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<td>Old System</td>
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Graphic based on actual 2012 General Election Early Voting locations with Sunday hours. Under the new law, the total number of total Early Voting hours will remain the same but will be distributed over fewer days, allowing for expanded hours at each location. Example assumes the number of Early Voting sites does not change.
is lowered. The intra-party registered voters threshold is lowered from 10% to 5%, and the outside-party petition signers threshold is lowered from 10,000 to 8,000. A candidate can qualify by satisfying whichever requirement is greater.

Registration Drives. Taxpayer-funded statewide voter registration drives in high schools will be ended, and groups conducting voter registration drives will no longer be allowed to pay employees based on commission — that is, by the number of completed registration forms they submit. Paying employees by completed registration forms is a proven incentive for fraud, and anyone paid based on the number of forms submitted will be guilty of a Class 2 misdemeanor.

Poll Watchers. Parties will be able to appoint ten additional unpaid poll watchers from any precinct in the county and assign up to three in any individual precinct. These poll watchers no longer have to be residents of the precincts where they are assigned.

Contribution Limits. Limits on financial contributions will be raised for the first time in decades from $4,000 per election to $5,000 for state and local candidates (and PACs) and from $1,000 per election to $5,000 for judicial races (these amounts could increase in later years with inflation). Previously, a candidate’s immediate family members were exempted from this limit and now only a candidate’s spouse will be exempted.

Disclosure for Media Ads. Reporting requirements for outside groups spending money on print, radio or television ads are changed from the May primary to September 7th of the election year. Sponsors will no longer have to explicitly state a pro or con position on a ballot issue, for example. And it will no longer be required that mailers and print ads by outside groups include a list of its top five donors.

HQ Building Funds. The new law mandates that any money donated to a political party or campaign can only be used for that purpose and prohibits the use of these funds for anything other than fixtures, personnel compensation, travel, or fundraising expenses. Money raised to buy a building will not be allowed to be diverted to a candidate.

**Fundraiser Raffles and Bake Sales.** Candidates and PACs will be able to hold raffles and bake sales to raise money. Receipts and expenditures on raffles or bake sales by candidates and PACs will be accounted for on campaign finance reports, and ticket purchases will be considered contributions.

**Stand By Your Ad.** The requirement that candidates add the identifying tagline at the end of a TV or radio ad (“I’m John Doe and I approve this message.”) will be removed. Candidates will have to include a small photo for at least two seconds in television ads, but no similar acknowledgment was required in radio ads or those produced by parties or independent groups. This makes disclosures more uniform.

**Judicial Instant Runoffs.** Filling certain judicial vacancies by the instant runoff method of voting is eliminated. If a vacancy occurs on the Supreme Court, Court of Appeals, or Superior Court more than 60 days before the general election, the judges of the next highest court will designate special polling places (for the elderly or disabled) by a unanimous vote instead of by special request.

**Senate Vacancies.** If a U.S. Senator leaves office before the end of the term, the governor will have to fill the seat with a person of the same party as the outgoing senator (as opposed to anyone of his or her choosing).

**Candidate Withdrawal.** The new law will prevent “last-minute” candidate dropouts — a nifty trick that’s been used over the years which allows establishment candidates to run unopposed and longtime incumbents to pick their successors. In 2008, for example, Insurance Commissioner Jim Long (who had served for over twenty years) didn’t announce his retirement until filing week. Wayne Goodwin, his assistant, filed papers to run, and he narrowly beat another Democrat who filed at the last minute. Goodwin won the general election too, but the new law won’t let any other candidates pull the same stunt. The new law requires candidates to drop out of a race at least three days before the end of filing.

**Board of Elections Term-Limits.** Members of the State Board of Elections will be limited to serving no more than two consecutive four-year terms, as is the case for the office of Governor.

**May 2014**

**Photo ID Phase-In.** Starting in May of 2014, a registered voter will be allowed to present a photo ID at a polling place, although at that point they won’t be required to do so. Election officials will inform voters that starting in 2016, a photo ID will be required at the polls to vote. Voters who don’t have proper identification at that time will be asked to sign an acknowledgement and given a list of acceptable forms of identification and instructions on how to obtain it.

Voters may also complete an online survey to inform the State Board of Elections that they do not have acceptable photo ID. County boards of elections will contact these voters to ensure they can obtain proper photo ID before 2016.

**Improved Early Voting.** To better accommodate the schedules of working people, Early Voting locations will open earlier in the morning and close later in the evening — and there will be more of them. The new law keeps the same total number of early voting hours we have now, but they aren’t spread as thin (from 17 days to 10), so the hours of operation will be extended at each location.

Starting in May of 2014, every early voting location will be required to operate a uniform number of days and hours — meaning that if one site is open, they must all be open. This prevents sneaky politicians from influencing the outcome of a county-wide election by only opening a few strategic polling locations in a city.

County boards will also no longer be able to pull a fast one by arbitrarily keeping certain polling locations open an extra hour — only the State Board of Elections may extend the closing time for polls. However, anyone already in line at closing time will be allowed to vote, as is the case now.

(continued on page 14)
The requirement to obtain a free Voter ID doesn’t go into effect until 2016

No More Straight-Ticket Voting.
Straight-ticket party-line voting is eliminated, shifting the emphasis of elections away from purely partisan politics and providing greater opportunity to vote for individual candidates (“Vote the person, not the party”). Straight ticket voting tends to discourage engagement in the political process, and getting rid of it will better ensure that voters are casting a knowledgeable and well-considered vote. With the new law, North Carolina will join the 36 other states that ask voters to cast a ballot for a candidate — rather than for a political party.

Ironically, the elimination of straight-ticket party-line voting might actually make it simpler to vote for President, Vice President and the various judicial races. North Carolina was the only straight-ticket state that did not include those offices — meaning that some voters who “pulled straight ticket” may have inadvertently failed to vote for anyone for President, Vice President, or judges.

Ballot Order. The new law helps address the bias inherent in always putting the candidates of the majority party first on the ballot — a phenomenon known as the “Ballot Order Effect.” Candidates who appear on the ballot first enjoy a certain advantage in elections. With the new law, the ballot order will be occasionally rotated to reflect changes in state leadership.

Wrong Precinct Voting. Voters must cast their ballots in the precincts where they live to be counted. Thirty-one states and the District of Columbia prohibit voters from casting provisional ballots outside the precinct where they reside.

Mail-in Absentee Voting. Requests for absentee ballots must be made on an official State Absentee Ballot Request Form. The county board of elections will mail a ballot back to the voter’s residence. The voter must return the completed ballot in the envelope provided or hand-deliver it to the board of elections office or an early voting site. The absentee ballot must have the signature of the voter (or a near relative or legal guardian), and the signatures and addresses of two witnesses or a Notary Public, or the name, address and signature of anyone assisting a voter unable to sign for themselves.

The request form will require voters to provide one of the following: (1) their driver’s license number, 2) the last four digits of their Social Security number; or c) a copy of a HAVA ID.

The State Absentee Ballot Request Form will be available online and at county board of elections’ offices on January 1, 2014. (Acceptable HAVA IDs include: a current and valid photo identification; or a copy of one of the following documents that show the name and address of the voter: a current utility bill, bank statement, government check, paycheck, or other government document.)

Voting Challenges. To help keep elections honest and prevent fraud, a voter’s eligibility can be challenged by anyone in the entire state — as opposed to just someone from his or her own precinct. (On Primary Day or Election Day, however, both the voter and the challenger must reside in the same county.)

2016 Election Cycle

Photo ID. Presenting an acceptable government-issued photo ID will be required to vote starting in 2016. Acceptable forms of ID will include: 1) a North Carolina driver’s license, learner’s permit or provisional license; 2) a special identification card issued by the DMV for non-drivers; 3) a United States passport; 4) a military ID or veterans ID card; 5) an out-of-state driver’s license (only valid for 90 days after registering to vote in North Carolina); and 6) a tribal enrollment card issued by a North Carolina or federally-recognized Indian tribe.

Certain types of ID cards won’t be acceptable for voting. They include: 1) student IDs (from either public or private universities); 2) government employee IDs; 3) membership cards, 4) grocery store discount cards, or 5) expired IDs (not including expired military or veterans IDs, or any otherwise acceptable ID of senior voters over the age of 70, provided the otherwise proper ID was not expired as of their 70th birthday).

Certain voters will be exempt from these photo ID requirements, specifically those 1) swearing a religious objection to being photographed (the voter must then execute a declaration of that objection before an election official more than 25 days before the election, and the declaration would be incorporated into the voter’s official voter registration record); 2) those using curbside voting because of age or physical disability (although the voter must present a copy of certain acceptable kinds of documents, such as a copy of a current utility bill, bank statement, government check, paycheck, or other government document that shows the name and address of the voter); and c) those folks who are victims of a natural disaster that’s been declared within sixty days of an election.

Voters without proper photo ID on Election Day in 2016 will still be able to cast a provisional ballot, but the voter must present acceptable photo ID to the county board of elections by noon of the day before the election canvass.

Presidential Primary. If the state of South Carolina holds its presidential primary before March 15, then North Carolina will hold its primary the following Tuesday. A May primary would still be held for other candidates.

2018 Election Cycle

Paper Ballot Backups. Voting machines in all of North Carolina’s 100 counties will be required to generate individual paper ballots that reflect votes cast either by hand or through electronic means, and touch-screen voting machines will be prohibited unless they can also generate a paper ballot.

Sixty-seven North Carolina counties used paper ballots in 2012, and with the new law, North Carolina will join 17 other states that currently require the use of paper ballots in their elections.
Voter ID Laws in Other States...
WHAT DO THE COURTS SAY?

The courts have reviewed laws in other states that are similar to North Carolina’s Voter ID law and have found them to be legal. In 2008, the Supreme Court upheld the constitutionality of Indiana’s voter ID law, in a 6-3 decision written by Justice John Paul Stevens, finding that it was consistent with a legitimate state interest in safeguarding voter confidence, modernizing elections, and preventing voter fraud. Indiana’s strict photo ID law, enacted in 2005, was challenged in District Court and the 7th Circuit Court of Appeals and was upheld by both. During the trial, the plaintiffs could not produce a single witness who could claim that they were not able to comply with the law. You can learn more about the court’s reasoning in the article “How the U.S. Supreme Court analyzed and upheld Indiana’s Voter ID law in Crawford v. Marion,” by Jeanette Doran of the North Carolina Institute for Constitutional Law. In 2011, the Georgia Supreme Court found the state’s Voter ID law to be constitutional, saying that its photo ID requirement is a “minimal, reasonable, and nondiscriminatory restriction.”

On October 17, 2013, the Tennessee Supreme Court ruled unanimously to uphold the state’s Voter Identification Act, a photo ID law enacted in 2011 that requires voters to present government-issued Photo ID in order to cast a ballot in state or federal elections. In the case City of Memphis v. Hargett, the court concluded that the photo ID law was not an undue burden. Chief Justice Gary R. Wade said, “Protection of the integrity of the election process empowers the state to enact laws to prevent voter fraud before it occurs.”

The court argued that voters who don’t have a proper ID card can get one for free.

Predictably, North Carolina’s election reforms have been challenged in a lawsuit filed by the American Civil Liberties Union, the ACLU of North Carolina Legal Foundation, and the Southern Coalition for Social Justice. The suit, filed August 12, 2013, targets the provisions that reduce the early voting period, eliminate same-day registration, and prohibit out-of-precinct voting. The suit also alleges that Rosanell Eaton’s constitutional right to vote is threatened by the new law, which, starting in 2016, would require voters to show photo identification when they go to the polls. But there isn’t a single thing in the new law that will prevent Mrs. Eaton from voting. Her claim rests on the allegation that it would be less costly and time-consuming to sue the state of North Carolina than it would be to run a simple errand or even send just a few pieces of mail.

And on September 30, 2013, the United States Department of Justice filed a lawsuit claiming that the state’s new voter identification requirements and election law changes discriminate against blacks: “The clear and intended effects of these changes would detract the electorate and result in unequal access to participation in the political process on account of race,” and would “disproportionately exclude minority voters,” said United States Attorney General Eric Holder in a news conference.

The specific provisions being challenged in the federal suit are: 1) Early Voting days being shortened by seven days; 2) Same-Day Registration being eliminated; 3) Wrong Precinct Voting being disallowed; and 4) Photo ID being required in 2016.

The lawsuit seeks to accomplish three things: to 1) Have parts of the new voting law declared in violation of the Voting Rights Act and the 14th and 15th amendments to the U.S. Constitution; 2) Prevent state officials from enforcing the new laws, while authorizing federal observers to monitor elections in North Carolina; and c) Requests federal courts to require “pre-clearance” from the Justice Department before any changes to election law can take place anywhere in North Carolina. (Previously, only 40 of North Carolina’s 100 counties fell under federal pre-clearance requirements.)

Speaker of the House Thom Tillis and Senate President Pro-Tem Phil Berger issued a joint statement addressing the lawsuit: “The Obama Justice Department’s baseless claims about North Carolina’s election reform law are nothing more than an obvious attempt to quash the will of the voters and hinder a hugely popular voter ID requirement. The law was designed to improve consistency, clarity, and uniformity at the polls, and it brings North Carolina’s election system in line with a majority of other states. We are confident it protects the right of all voters, as required by both the United States and North Carolina Constitutions.”
Limiting Our State’s Debt

A new law limits the amount of debt that the General Assembly is allowed to authorize without voter approval. The measure is designed to save taxpayers both principal and interest payments and will help secure North Carolina’s excellent credit rating. Senate Bill 129 passed the legislature unanimously and was signed into law by Governor Pat McCrory on June 12, 2013.

State debt comes in two forms: general obligation bonds and something called “special indebtedness.” General obligation bonds are fully secured by the credit and taxing power of the State. General obligation bonds can only be issued after approval by the voters in a state-wide referendum; they are regarded as the best quality of debt, carrying with them the highest credit rating and lowest interest rates. The last General Obligation Bond referendum was held in 2000; all debt since then has been issued without voter approval — making special indebtedness the sole form of debt in North Carolina since 2001.

Special indebtedness is not subject to voter approval and can be authorized by a majority of politicians in the General Assembly. The debt is serviced from annual appropriations by the legislature and includes lease purchase revenue bonds, limited obligation bonds, and the most common form, Certificates of Participation (COPs). Special Indebtedness is rated lower than General Obligation bonds and typically carry higher interest rates, which increases the total cost of projects financed in this way.

Up until 2001, the state had never issued any Certificates of Participation, but from 2001 through 2009, the state issued about $3 billion worth of COPs.

“This was done without people knowing it,” said Senator Tommy Tucker, the primary sponsor of the new law. “We incurred $3 billion in debt over the last decade without voter approval; they don’t even know we’ve got $7.2 billion in General Fund debt.

They don’t have any idea we’re going to pay $706 million in principal and interest (in 2013). That’s a lot of teachers’ raises, a lot of money this debt’s incurred.”

The new law is in response to these concerns and the State Treasurer’s Debt Affordability Study of 2013. It limits the amount of Special Indebtedness that the General Assembly can authorize to 25% of the amount of general obligation bond indebtedness supported by the General Fund. The previous level was 40%.

The Curious Case of...

EUSTACE CONWAY

Eustace Conway has lived off the land for over 35 years; for the last 20, the hardy Gastonia native — who was the subject of a wonderful 2002 biography called “The Last American Man” and has been featured on the History Channel’s show “Mountain Men” and in the Wall Street Journal — has turned those skills into a thriving business nestled in the Blue Ridge Mountains. Eustace Conway’s Turtle Island Preserve teaches school and scouting groups the old ways of living in the wilderness, including how to build cabins with techniques used by the legendary frontiersman Daniel Boone.

But unlike Mr. Conway, Daniel Boone never had to deal with pesky government bureaucrats.

Last year, Mr. Conway had his Watauga County business shut down after government officials raided the picturesque campground, claiming that he was in violation of all kinds of health, safety, fire, and building codes. The county’s planning director claimed that the primitive cabins built by the campers at Turtle Island should have bathrooms, fire sprinklers, and smoke detectors.

“Does anyone sleep there? Then it has to meet the residential code,” he insisted. Local officials said that their hands were tied because the regulations were mandated by the state.

The government’s silly 78-page report also slammed Mr. Conway for his unauthorized use ofouthouses, sawdust urinals, an open-air kitchen, and his failure to use county-approved “graded-marked” lumber, which specifies where the lumber was produced. The government had required that Mr. Conway tear down all his primitive structures — including the cabins, barn, kitchen, old blacksmith shop and sawmill — and put in an expensive septic system before he could rebuild or conduct any more camping activities.

House Bill 774 protects unique entrepreneurs like Eustace Conway by exempting primitive camps and wilderness learning facilities throughout North Carolina by directing the North Carolina Building Code Council, a 17 member board appointed by the governor, to exempt some primitive structures from certain provisions of the building code.

The legislation passed unanimously and was signed into law by Governor McCrory in June.

The Taxpayer Debt Information Act

The NC General Assembly also passed House Bill 248, the Taxpayer Debt Information Act, into law. It ensures that voters understand the true cost of a bond when it appears for voter approval on a local ballot by requiring both a total estimate of the principal and the anticipated interest that the new debt would incur, allowing taxpayers to be fully informed when voting on local bond requests.

The Raleigh Digest — www.theraleighdigest.com
Helping Vets get CDLs

Many of us might not realize that commercial truck drivers are becoming increasingly difficult to find in North Carolina. According to the U.S. Department of Transportation’s Federal Motor Carrier Safety Administration, it’s a trend that’s occurring all over the country.

It’s been documented that the trucking industry has experienced a shortage of qualified drivers. In the past, this has been attributed to growth in business, drivers who retire or leave the profession, and fewer young people choosing commercial driving as a career. But in recent years, the most significant factor contributing to the shortage of qualified drivers is the result of job-hopping. High rates of turnover in the industry account for as much as 80% of the demand for commercial operators experienced by some carriers.

In response to this growing problem, a new law grants credit to veterans who are seeking to get Commercial Driver’s Licenses if they operated similar types of vehicles while serving in the military. Active duty service members are now able to get CDLs ahead of their discharge date — allowing our vets to find good-paying jobs by the time they are out of the service. The new law also helps guarantee that the public is more safely and adequately served by increasing the number of qualified professionals. A greater number of qualified drivers on the road will also drive down shipping costs, lowering prices on consumer goods.

NC Thanks our Soldiers

Under a new law, military personnel that would like to hunt, fish or trap in North Carolina — but who are not official residents of the state — can now purchase short-term or annual licenses at reduced, resident-only prices.

Senate Bill 25 provides that any active duty member of the U.S. Armed Forces outside the State of North Carolina is now considered a resident of the state for the purposes of obtaining any of the following licenses:

- Annual Resident Coastal Recreational Fishing Licenses
- Ten-Day Resident Coastal Recreational Fishing Licenses
- Resident Annual Combination Hunting and Inland Fishing Licenses
- Annual Sportsman Licenses
- Resident State Hunting Licenses
- Resident Annual Comprehensive Hunting Licenses
- Resident Big Game Hunting Licenses
- Resident State Trapping Licenses
- Resident Annual Comprehensive Inland Fishing Licenses
- Resident State Inland Fishing Licenses
- Resident 10-Day Inland Fishing Licenses
- Annual Resident Unified Sportsman/Coastal Recreational Fishing
- Annual Resident Unified Inland/Coastal Recreational Fishing

Non-resident military personnel must be active duty at the time they purchase their licenses and must comply with reporting and safety requirements.

A report released by the Department of Commerce’s Labor & Economic Analysis Division points out that the military accounts for nearly 10% of all economic activity in North Carolina. The military supports 540,000 jobs, including 340,000 in the private sector, and boosts the state’s personal income by more than $30 billion. North Carolina has the third-largest military population in the United States. Nearly 110,000 active duty military personnel are assigned to units in North Carolina.

“North Carolina has made it a priority to be one of the most military-friendly states in the Union,” said Senator Harry Brown of Onslow County, who introduced the bill. “In a small way, this bill will continue to move our state in that direction on quality-of-life issues for our active duty military.”

The “Brass to Class” Act

On July 17, House Bill 767 — the “Brass to Class” Act — was signed into law by Governor McCrory. The legislation allows public school teachers and administrators who have been honorably discharged or retired from the military a chance to get their valuable service to our country counted towards their salaries as state employees.

Educators are required to be paid from a specific salary schedule, which is approved every two years. It sets minimum pay, which is based on a teacher’s years of experience and education level.

The legislation directs the State Board of Education to establish rules for awarding credits to veterans for relevant military service experience. The new rules would include the following provisions: if the vet has already earned a Bachelor’s degree, one full year of credit would be awarded for every year of relevant full-time military experience. If the veteran hasn’t yet earned his or her Bachelor’s degree, one year of credit would be awarded for every two years of their full-time relevant experience in the United States Armed Forces.

PROTECTING VETS FROM I.D. THEFT

Thanks to Tracy Phillips, a new law will help North Carolina’s veterans avoid “identity theft” crimes by tightening up access to important documents.

Tracy was a paralegal student when she discovered, much to her surprise, that old military discharge records were available for anyone to see at the county Register of Deeds office. “The first thing that clicked off in my mind was, ‘Whoa, we have Social Security numbers on these papers.’” she said. As the daughter of a Navy veteran herself, Phillips knew what could happen if that information fell into the wrong hands. “If they can get their hands on your social security number, they really have you and can get ahold of information that you do not want to make public.”

Social Security Numbers and other vital information appear on a soldier’s DD-214 form (“Certificate of Release or Discharge from Active Duty”).

Tracy, who was studying at the Davidson County Register of Deeds office at the time, voiced her concerns to David Rickard, the Register of Deeds. He, in turn, brought the issue to his representatives in the General Assembly.

Until now, discharge papers were automatically made public after just 50 years. The new law keeps these documents private for 80 years to help ensure that soldiers don’t become the victims of identity theft.

The General Assembly passed the legislation unanimously and it was signed into law by Governor McCrory last year.

Vets are encouraged to have their DD-214s recorded with their county Register of Deeds office for safekeeping. If the original is ever lost, damaged or destroyed, certified copies can always be retrieved to serve as originals.
State regulations affect virtually every aspect of our lives, from who can legally provide nutrition advice to how toddlers are required to hang up their coats while attending private day care facilities. There are over 22,500 state regulations in North Carolina, and we have more occupational licensing boards than in any other state.

Small businesses are forced to bear the costs of complying with these regulations — which are estimated to be in the billions of dollars. Violating some complicated rule or failing to get a required license or permit can make or break growing small businesses, who consistently report that over-regulation poses a major obstacle to growth and job creation. This Gordian Knot of red tape also increases the cost of living and shackles our economic competitiveness.

Hailed by the North Carolina Chamber of Commerce, the North Carolina Retail Merchants Association, the North Carolina Home Builders Association, and a host of other organizations as “the most important business bill of the 2013 Session,” the Regulatory Reform Act of 2013 redefines the state’s rule making process, sets up a new framework for the periodic review of existing state regulations, curtails power grabs by city and county governments, and specifically reforms over 60 rules and regulations concerning business, labor, and the environment.

“This legislation touches nearly every job creator in North Carolina and removes regulatory burdens that businesses face every day as they struggle to make payroll and employ North Carolinians,” commented a group of businesses leaders in an August 2 letter to Governor McCrory.

“Whether it is repealing duplicative pernickety pavement requirements, protecting employers who hire veterans from lawsuits, allowing bed and breakfasts to serve more than one meal a day, protecting the state’s tourism industry through uniform carbon monoxide detectors, or creating a process where unnecessary administrative rules and regulations are periodically reviewed and repealed, House Bill 74 moves North Carolina forward.”

Even former Governor Beverly Perdue saw the need to tackle North Carolina’s bloated regulatory system. In 2010, she signed Executive Order #70, modifying the rulemaking process by mandating cost/benefit analyses to help reduce the costs of regulation. But because they only applied to agencies in which the governor had direct oversight, the legislature felt that the reforms didn’t go far enough; the new law amends the Administrative Procedures Act to apply this reform to all government agencies.

Improving the Rulemaking Process

The most significant change the new law brings with it is what are called “sunset provisions” — setting specific expiration dates for state regulations. Government agencies will now be required to periodically review and justify the continuation of a rule or it will automatically expire — instead of being allowed to remain on the books indefinitely (unless the rule is required to conform to or implement federal law).

Prior to this reform, there were only few ways of getting rid of unnecessary, burdensome or obsolete regulations: rely on an agency to repeal them, lobby to get them repealed, or sue in court. Up until now, the “burden of proof” to repeal a regulation had always been on the public.

The new law turns this dynamic on its head and establishes a streamlined process for the periodic review of existing rules.

Initially, the state Rules Review Commission will review every state regulation and establish a schedule for its expiration. After that time, regulations must undergo review every 10 years by the agency that created them — and if an agency fails to conduct the review by the date set in the schedule, the regulation will automatically expire. This approach will guarantee that existing regulations actually represent the will of the people — and not the dictates of special interest groups or the whims of unelected bureaucrats.

“This common sense legislation cuts government red tape, axes overly burdensome regulations, and puts job creation first here in North Carolina,” said Governor Pat McCrory. “Signing the Regulatory Reform Act into law is another step toward making North Carolina more friendly to job creators.”

Landmark legislation passed last year is the latest effort by the General Assembly to reform the state’s burdensome, outdated, and complex system of regulations. The Regulatory Reform Act of 2013 (House Bill 74) was signed into law by Governor McCrory on August 23.

Regulations are rules made by state agencies to control the conduct of the public. Violating these regulations, even unintentionally, can carry substantial financial (and even criminal) penalties, and as such, have the form and effect of law.

Over the last century, the General Assembly has delegated most of its authority to make and review these regulations to bureaucrats who are not directly accountable to voters, comprising an unprecedented (and largely hidden) growth in state government’s power.

Regulations are the stock in trade of government bureaucracies, and not surprisingly, the rulemaking system is heavily biased in favor of expanding them: it was found that only about one-tenth of one percent of proposed regulations are ever blocked. Repealing these regulations has proven to be near-impossible too, despite the fact that a great many of them are obsolete, redundant, costly, and even contradictory. Many existing regulations are decades old.

Executive Order #70
Other Reforms

Hotels will now be required to install carbon monoxide detectors in rooms that are in close proximity of gas and oil-fueled space heaters, fireplaces and other appliances. Carbon monoxide is a toxic gas that is colorless, odorless, and tasteless — making it virtually impossible for people to detect on their own. Until the passage of the new law, carbon monoxide detectors were not required in any of North Carolina’s lodging establishments.

The law was in direct response to the tragic deaths of an 11-year-old boy and an elderly couple this past summer. They passed away after being exposed to carbon monoxide from a faulty water heater that was located beneath the same hotel room they happened to be sleeping in, coincidentally, at different times.

Carbon monoxide can kill you before you become aware of it, and at lower levels of exposure, the poisonous gas causes effects that are often mistaken for the flu. The effects of carbon monoxide exposure can vary greatly from person to person depending on age, overall health and the concentration and length of exposure.

Sources of carbon monoxide include unvented kerosene and gas space heaters; leaking chimneys and furnaces; backdrafting from furnaces, gas water heaters, wood stoves, and fireplaces; gas stoves; generators and other gasoline powered equipment; automobile exhaust from attached garages; and tobacco smoke. Vehicle exhaust from attached garages or parking areas can also be a source.

The new law will also help limit unsightly “tire mountains” by mandating that scrap tire collectors — who are already required to have special permits — dispose of these old tires in processing facilities that meet strict environmental standards. In addition to being ugly, scrap tire piles can also present significant health and safety concerns, including disease-carrying pests and tire fires. Tire fires, although infrequent, are serious situations that are difficult to extinguish and expensive to clean-up.

The new law prohibits city and county governments from requiring private employers to abide by arbitrary restrictions as a condition of bidding on government contracts. In the past, some cities have attempted to pass ordinances mandating “super” minimum wages for employees of private contractors. In a survey of labor economists by the American Economic Association, 80% agreed that these misguided laws actually punish low-skilled, poorly educated workers.

The new law also stops city governments from closing fraternity and sorority houses that are on temporary probation. Prior to a change in the law, cities had the authority to shut down this type of student housing using restrictive local zoning ordinances by claiming they were unlicensed boarding houses; the reform prohibits local zoning ordinances from differentiating between fraternities and sororities that are approved by a college or university and those which are not.

College students in the North Carolina university system will also now be guaranteed the right to counsel during formal disciplinary procedures, bringing the university system in line with the legal protections already afforded to students in K-12. University students had been denied the right to legal counsel when interacting with administrators.

Small Bed & Breakfast establishments (those with eight room or less) will now be permitted to serve more than just breakfast to their guests. Larger establishments still must obtain the appropriate business licenses and comply with health and sanitation regulations consistent with their type of business.

Cities can no longer regulate or tax digital dispatch services for taxis and limousines. Digital dispatch technology provides mapping, GPS tracking, in-vehicle payment processing, scheduling tools, meter integration, and other services using smart phones and other devices.

Local governments in North Carolina will no longer be able to financially penalize private companies for the “carbon footprint” that results from their employees commute to and from work.

Private companies are now allowed to provide employment preferences to veterans who have service-related injuries. The law specifically provides that granting these preferences is in no way a violation of any state or local equal employment opportunity law.

An unnecessary and prohibitive barrier to creating jobs in the sanitary waste disposal industry has also been removed with the passage of the Regulatory Reform Act. Back in 2007, under the pretext of ecological preservation, a law was passed that severely limited this type of business activity by establishing one-mile buffer zones around any property that could be designated as a “gameland area.”

The gameland buffer zone regulations were so restrictive that no businesses applying for landfill permits were able to meet its requirements, and the availability of large-scale landfill space in North Carolina became virtually non-existent under the 2007 regulations. Nearly two-thirds of the state has been designated as gameland area.

Out-of-state waste processing companies have been interested for some time in building high-tech, sanitary landfills in Eastern North Carolina, aware that modern solid waste management is a very safe and sophisticated industry. “Waste disposal has evolved from the toxic dumps of yesteryear to today’s high-tech facilities in a relatively short time,” commented Bruce Walker of the Mackinac Center. “New waste treatment methods have decreased the number of landfills while increasing the capacity of those that remain. These factors have rendered the disposal of solid waste cleaner and less costly.”

These high-tech landfills are also creating unexpected economic benefits for the communities where they are located. Landfill-gas-to-energy projects can generate renewable energy and recycle organics into compost and many thousands of acres of landfill space has even been converted into protected wildlife habitat. The law directs large-scale landfill operators to conduct a feasibility studies on landfill waste-to-energy technology and its impact on economic development and job creation for the state.

The new law removes these overly restrictive buffer zones for locations that
did not meet its requirements, and the availability of large-scale landfill space in North Carolina became virtually non-existent under the 2007 regulations. Nearly two-thirds of the state has been designated as gameland area.

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gained their gameland area designations after July 2013.

Many state regulations, while instituted for admirable reasons, can have deleterious economic consequences. One such regulation currently requires that garbage trucks be “leak-proof,” a standard that has been shown to be impossible to meet. Truck drivers not conforming to this strict standard, which also included water accumulated by rain, were subject to heavy punitive fines for each and every violation. The new law establishes a more reasonable standard by changing “leak-proof” to “leak-resistant” and leaves the determination up to individual inspectors — striking a more reasonable balance between public health and the rights of an independent contractor to earn an honest living.

“Many people may think that regulatory costs are a business problem. Indeed, they are.... but the costs of regulation are inevitably passed on to consumers in the form of higher prices and limited product choices”

“Red Tape Rising” by James L. Gattuso and Diane Katz
On March 13, the House of Representatives held a special session in its historic Old Capitol chambers to approve Resolution 286 marking the tenth anniversary of the official return of North Carolina’s copy of the Bill of Rights. The 224 year old document was brought to the old Capitol Building in a small parade of schoolchildren led by Lieutenant Governor Dan Forest.

When the U.S. Constitution was first proposed to the original 13 states, North Carolina objected that it didn’t go far enough to protect personal freedoms. This led to the Bill of Rights — which secured those freedoms. The U.S. Constitution was then adopted by the state and ratified in 1791. President George Washington commissioned the writing of fourteen copies of the Bill of Rights, with one to be sent to every state and one to be held by the federal government. A letter of transmittal was issued from President George Washington to North Carolina governor Samuel Johnston. North Carolina’s copy was secured in the state capital building in Raleigh until the Civil War.

In violation of the 1862 order by President Abraham Lincoln outlawing looting by U.S. soldiers, North Carolina’s copy of the Bill of Rights was stolen at the close of the Civil War in April 1865 by an unknown Union soldier who was posted at the Office of the Secretary of State in Raleigh.

General Sherman’s Union Army had just burned Atlanta, marched to the sea, and was now pursuing General Joseph Johnston’s Confederate Army, which was retreating from Raleigh. After a successful two-month campaign, Sherman accepted the surrender of General Johnston and his forces on April 26, 1865.

The soldier who took the document returned to his hometown of Troy, Ohio, at war’s end, and in 1866, he sold the souvenir to Charles Shotwell, a fellow Union Veteran, for a sum of five dollars. Shotwell was proud to display the plundered document on the wall of his office at the Board of Trade Building in Indianapolis, Indiana. It was subsequently handed down through three generations of his family for the next 134 years.

The path that led to the document’s recovery began in May of 1897, when the Indianapolis News published an article on businessman Charles Shotwell and mentioned the historic document that hung on his wall. The article was reprinted in its entirety by the Raleigh News and Observer later in June. That article was read by State Supreme Court justice Walter Clark, who suspected that this document was properly the property of the people of North Carolina. Justice Clark asked Secretary of State Cyrus Thompson to follow up on the matter to determine if his suspicions were correct. Feeling the heat perhaps, Mr. Shotwell disappeared with the valuable document. He wasn’t seen again for nearly 30 years.

What followed was a 139-year battle over legal ownership, purchase price, final resting place and iconic value in a tale of intrigue, manipulation and mystery that involved high-powered antique dealers, businessmen, historians, manuscript experts, auction houses, museum officials and historical preservationists, elite attorneys, governors of three states, the U.S. Marshal’s Service, the FBI, a U.S. Attorney’s office, and Philadelphia’s National Constitution Center. The storied history of the document even includes the attempted black market sale of the stolen copy of the Bill of Rights back to the state of North Carolina — twice (on two separate occasions, 1925 and 1995). Both times, the sell-back was refused on the grounds that the document was already the property of the state.

On other occasions, the Shotwell family failed in its attempts to sell the document at a profit to private collectors and various auction houses, including Sotheby’s, due to questions about proper title.

In 2000, Wayne Pratt, a dealer in historic furniture, and Bob Matthews, a millionaire real estate broker in Nantucket and West Palm Beach, bought the document from the Shotwell heirs for $200,000 and later offered it for sale to Philadelphia’s National Constitution Center in the hopes of earning $5 million on their investment. In the course making the sale in 2002, manuscripts expert Seth Kaller of New York confirmed in
the authentication process that the copy of the Bill of Rights was definitely the one that was stolen from North Carolina.

This discovery set in motion a final sequence of events that would lead to its recovery. The president of the Constitution Center notified Pennsylvania governor Ed Rendell, who was board member of the museum, about the prospective transaction. Governor Rendell contacted North Carolina governor Mike Easley about possibly splitting the cost the ancient document. Consistent with earlier responses, Governor Easley refused to buy what already rightfully belonged to his state and instead contacted the North Carolina Attorney General Roy Cooper and the Office of the U.S. Attorney in Raleigh. Soon thereafter, the U.S. Marshal’s Service became involved and together with the FBI began planning a sting operation to rescue the long-missing historical document.

The mystery ended on the 32nd floor of a modern Philadelphia office tower — poetically, just yards from where those three government clerks copied out the original 14 documents with their quills. On March 18, 2003, when the document was offered up for sale by Mr. Pratt’s agents, North Carolina’s Bill of Rights was seized by federal authorities in a joint federal and State sting operation. The sting was designed to lure the unsuspecting sellers to Philadelphia’s National Constitution Center on the pretext of closing the sale of the document to the museum. The seller was given a check for $4 million, the transfer of funds was confirmed by the bank, and the ancient document was produced. Then, suddenly, five FBI agents entered the room and took custody of the document. The agents also served a civil seizure warrant signed by Judge Boyle. Mr. Pratt entered into a plea deal to save himself from criminal prosecution in exchange for relinquishing all claim to the document.

The original copy of the Bill of Rights, valued today at $30 million, was returned to the state of North Carolina and on March 24, 2003, was ruled beyond dispute to be the rightful property of the state of North Carolina by the Wake County Superior Court. It is now housed in the Archive Building in Raleigh.

North Carolina’s state motto, “Esse Quam Videri,” means “To Be… Rather than to Seem to Be.” Although uncommon to the modern ear, the phrase has appeared often in the writings of antiquity, most notably in an essay by the Roman philosopher Cicero and then later in a contemporary account of the Roman Republic by the great historian Sallust. Referring to Cato the Younger — who was well-known for his tenacity in fighting the entrenched corruption and arrogance of the Roman city-states — Sallust wrote of the great statesman “esse quam videri bonus malebat” (“he preferred to be good rather than to seem so”). Our state adopted these inspiring words as its motto in 1893, and they appear on the Great Seal of North Carolina, pictured here. Our state’s seal is full of wonderful graphical references as well. The two female figures facing one another are Liberty and Plenty. Liberty, standing on the left, is modeled after the Greek goddess Athena. She holds a pole topped with a liberty cap, a traditional symbol of freedom that was widely popularized during both the French and American Revolutions and which first originated as a mark of defiance by escaped Roman slaves. When a liberty cap was raised on a pole during colonial times, it was used both as a statement of defiance and a surreptitious call to arms by the rebellion. In her right hand, Liberty is holding North Carolina’s state Constitution. Plenty, seated on the right, holds at her feet a horn — a traditional symbol of abundance and nourishment that dates back to classical antiquity. Commonly found in Western art, the “horn of plenty” is overflowing with fruits, vegetables, nuts, and other goods. Plenty’s right arm extends out toward Liberty, holding grain (could it be hops?) in her right hand.

The background of the seal depicts the diverse geography of North Carolina, which spans more than five hundred miles — from the majestic mountains in the west, down through the Piedmont, and out east to the shores of the Atlantic Ocean. You can also see a triple-masted ship in the upper right corner of the seal coming into port, an emblem of our trade and commerce with the world. The prominent dates on the Great Seal are significant as well. The top one — May 20, 1775 — is the historic day of North Carolina’s “Mecklenburg Declaration of Independence,” the first document of its kind in the Colonies during the American Revolutionary War. The date on the bottom of the seal — April 12, 1776 — commemorates the passage of the Halifax Resolves, a statement that empowered North Carolina’s legislators to join in the larger rebellion against the tyranny of British rule. It was a significant milestone in the history of our nation: two months later, the Second Continental Congress issued the Declaration of Independence. And the rest, as they say, is history.
Former lawmakers were on hand February 7 as the House formally marked the 50th Anniversary of the State Legislative Building in Raleigh, where the legislature meets and conducts its official business. North Carolina is the only state in the Union which has a separate building dedicated solely to the operations of its legislature, and the North Carolina General Assembly convened its first session here on February 6, 1963.

By the late 1950s, facilities in the Old State Capitol Building — which had been used by the General Assembly since 1840 — were becoming increasingly insufficient to accommodate the needs of members of the General Assembly. In 1959, the state legislature approved the necessary funds to construct the Legislative Building.

Designed by acclaimed architect Edward Durell Stone, the “LB” — as it’s called by Members, staff, and other folks that regularly roam its hallways — sits in the center of downtown Raleigh on a vast podium of Carolina granite that’s larger than a football field. Its sleek white marble facade is trussed by a boxed colonnade that reaches up to the main roof, which looks out beyond the Old Capitol to the east. Gracing the approach to the main entrance is an awesome brown and white terrazzo mosaic of the Great Seal of the State of North Carolina, 28 feet in diameter.

On February 7, 2013, the North Carolina House unanimously passed House Joint Resolution 64, honoring Edward Durell Stone and the many others who helped conceive, construct, and build the Legislative Building. Stone is well-known for designing New York City’s Radio City Music Hall, the Museum of Modern Art, and perhaps most notably the John F. Kennedy Center for the Performing Arts in Washington, DC. The buildings are similar in their classical yet contemporary design — Mr. Stone’s signature style.

The interior of the building is even more impressive. Rising majestically from the LB’s first-level foyer is a grand 22-foot wide, 51 step red-carpeted stair-case that leads to the third level’s public galleries and rooftop gardens. The first level accommodates the tiny, cramped offices of our state legislators, and also the offices of the Principal Clerks of the House and Senate, and various other official meeting rooms.

The color scheme throughout the building is white, gold and red — with walnut furniture and green foliage. The decor is minimal, in keeping with the modern style of the time.

On the second level are the chambers of the House and Senate. A reflection on the traditional layout of the Old Capitol just a block away, the chambers are located at opposite sides of a great center rotunda. Standing guard at the entrance to each chamber is a pair of gigantic brass doors, weighing in at 1,700 pounds apiece. When the doors are opened and the legislature is in session, the Speaker of the House and the President of the Senate (the General Assembly’s two presiding officers) can face one another from their respective podiums across the rotunda.

But the building, for all its grandeur, isn’t the easiest for the public (or sometimes even the legislators themselves) to navigate. Its cavernous halls are confusing and the passageways all look somewhat the same, so it’s easy to get lost. In fact, during the discussion of the resolution honoring the building in February, Representative Leo Daughtry offered this light-hearted anecdote:

“I first came to this building in 1989 to serve in the Senate and…I looked for my office for about two hours and I couldn’t find it. And I didn’t want to ask anybody how to find my own office. When I finally found my office, then I couldn’t find the bathroom — and I still have trouble today,” he reminisced to warm and sympathetic laughter from his colleagues on the House floor.

“I still get turned around in this building,” Representative Daughtry continued. “It’s the strangest built building I’ve ever been in — but it’s served its purpose all these years. It’s sort of like serving in this body: it does strange things…but somehow it works itself out.”

The Legislative Building is the People’s House: the authority to make law in the State of North Carolina rests here.
WOMEN’S HEALTH & SAFETY

Over the last several months, there have been a number of mischaracterizations in the media regarding a new law that will bring common-sense health and safety standards to clinics which provide abortions in the state of North Carolina. Contrary to what many activists have said, the legislation does nothing to change federal law or limit a woman’s right to choose.

What are the health and safety provisions in the new law?

There are two. The first will allow the Department of Health and Human Services (DHHS) to apply the same safety and hygiene standards to abortion clinics that now cover outpatient surgery centers. These commonly-accepted health standards were put in place to safeguard patients seeking personal medical care at outpatient (or “ambulatory”) surgery care facilities. Any type of surgery carries with it the inherent risk of medical complications, and abortion-related complications can include infection, excessive bleeding, and uterine perforation. While uncommon, these complications can sometimes be significant enough to require hospitalization or further surgery.

Fortunately for everyone, the risks involved to the mother’s life during a surgical abortion are extremely low. And while statistics vary, according to the Guttmacher Institute, the chances of death associated with abortion in the United States is just one out of every 29,000 women (at 16-20 weeks pregnant) and just one out of every 11,000 women (at 21 or more weeks).

But by expanding existing safety and hygiene standards to cover all facilities that provide outpatient surgical abortions, all North Carolina’s women, rich and poor alike, can finally access sanitary facilities and share in better quality medical care.

But aren’t North Carolina’s clinics safe and clean now?

Everyone wants them to be; health risks to women only increase in those facilities which fall short of maintaining basic standards of safety and hygiene. In the last decade, under already existing regulations, over 200 citations have been issued against clinics — and more recent violations of these long-established regulations are troubling indications that future improvements need to be made.

In May, a clinic in Charlotte with past violations was temporarily shut down because it posed “an imminent threat to the health and safety of patients.” The clinic was found to be improperly administering chemical abortions and improperly examining post-abortive women before they were being discharged from surgery. Women were being told to drink a chemical used to induce abortion, when it was supposed to be administered only by injection. A clinic in Durham was temporarily shut down in June because its lack of quality-control procedures in blood banking procedures that also posed an imminent threat to patients. And most recently, a clinic in Asheville had its license temporarily suspended for violating 23 separate rules involving basic health, safety, and hygiene. The same clinic in Asheville had its license suspended for similar violations seven years ago, the last time it had been inspected.

How often are abortion clinics typically inspected?

According to the Department of Health and Human Services, the state is only able to inspect abortion clinics every 3-5 years. Currently, there are only 10 full-time DHHS staff members to monitor the safe operation of 16 clinics and nearly 300 hundred other facilities that provide these procedures across the state.

What is the other health and safety provision?

The second provision deals specifically with physician standards. The new law requires that a licensed doctor be physically present during the entire surgical procedure, something that’s not currently the case. In many busy clinics, doctors can leave women and girls unattended; sometimes these doctors don’t follow-up with their patients after the procedure has been completed. The law also directs that when a drug is used to induce an abortion (rather than surgery) the physician must be physically present at least when the first dose of medicine is administered.

But don’t these provisions restrict access?

The law specifically prohibits restrictions to patient access. From Section 4(c): “The rules shall ensure that standards for clinics certified by the Department address the on-site recovery phase of patient care at the clinic, protect patient privacy, provide quality assurance, and ensure that patients with complications receive the necessary medical attention, while not unduly restricting access.”

But I heard that this law rolls back the point at which a woman may legally get an abortion.

No. Nothing in the new law changes existing state laws regarding the point at which a woman may obtain an abortion. Women are able to legally obtain an abortion in North Carolina anytime during the first five months of pregnancy when the procedure is performed by a licensed physician in a certified hospital or clinic. After that time, an abortion is lawful if continuing the pregnancy threatens the life of the woman or would gravely impair her health. Existing law also says that the parent of a minor wanting an abortion must get her parent’s consent for it.

What else does the law do?

A few things. The new law expands the so-called “conscience provisions” to include additional kinds of healthcare workers (besides just doctors and nurses, as is the case under current law) to opt-out of participating in an abortion procedure if they have any moral, ethical, or religious objections. It also shields these healthcare workers from liability for damages and from any disciplinary actions as a consequence of opting-out.

The law also protects the privacy of women should they be involved in any related court proceedings, and it directs DHHS to make resources available on its website to women who, in the process of having an ultrasound, learn that their unborn child might have a disability or other serious abnormality.
Human trafficking is the illegal practice of buying and selling people for the purposes of their forced labor or sexual exploitation. Human trafficking affects more than 27 million people around the world and has become our nation’s fastest growing criminal enterprise, generating over $32 billion in illegal revenue every year. The vast majority of victims are women and children.

Sadly, North Carolina ranks among the worst places in the country for crimes associated with human trafficking: many of the same qualities that make our state attractive for business and commerce — easy access to seaports, a network of major interstate highways, and a large transient population — also provide the conditions that help this modern-day form of slavery to flourish.

International traffickers lure victims to our shores with the promise of marriage, jobs, schooling, and opportunities for a better life. Here in the United States, targets usually come from poor neighborhoods and homeless shelters. Many have run away or been kidnapped. So often they go unnoticed, mistaken for willing workers. Before they can be properly identified and assisted, many are forcibly relocated, never to be seen again. Traffickers provide forced labor to a wide range of industries, including personal care and beauty services, home cleaning, construction, textiles, food and beverage, commercial fishing, agriculture, and the commercial sex trade. Approximately 75-80% of human trafficking is for sex; the U.S. Department of Justice estimates that as many as 300,000 of America’s children are at risk of entering the sex-for-sale industry every year. Eighty percent of those sold into sexual slavery are under 24, and some are as young as six years old. The average age that most girls are forced into a life of prostitution is between 12-14; for boys the age is between 11-13. Most have been physically and mentally abused or neglected, suffer frequent psychological breakdowns, and have little hope of getting adequate medical treatment for diseases to which they have been exposed. Sadly, many children are forced into drug and alcohol use as a result.

But new legislation passed this session changes a number of laws pertaining to human trafficking and offers “safe harbor” to minors who become victims of the underground sex and slavery trade. The new law tightens some penalties, expands certain definitions and adds some new offenses, shifting the prosecutorial focus away from the victims and towards the demand for commercial sex — by raising penalties for people engaging in it through solicitation, pimping, trafficking or sex acts. Importantly, the new also law denies a “mistake of age” or “consent of a minor” as grounds for defense, and it widens the classification of the crimes and strengthens penalties for various chargeable offenses related to prostitution. The new law also extends certain prosecutorial protections to children aged 16 and 17, who would now instead be subject to temporary custody provisions. There were previously no such immunity protections for these minors.
A new bipartisan law will pave the way to attracting thousands of high-paying jobs to North Carolina, generating billions of dollars for our economy and establishing a robust domestic energy industry for our state. North Carolina’s onshore exploration sites have the potential of producing up to 45 trillion cubic feet of natural gas, and our offshore energy reserves — more than 64 million acres — are predicted to be mostly clean natural gas. The Southeast Energy Alliance calculates that production of offshore resources would create more than 6,700 new jobs and add more than $659 million annually to North Carolina’s economy over three decades.

“North Carolina needs the jobs, and America needs the energy. In the face of high unemployment and soaring energy prices, our reason for moving forward could not be more clear. Developing our state’s energy sector will bring good paying, new jobs to North Carolina,” said Senator Buck Newton, the bill’s primary sponsor.

The law allows the Mining and Energy Commission and the Department of Environment and Natural Resources to begin issuing permits for shale gas exploration and development beginning on March 1, 2015 but specific legislative approval by the General Assembly is required to make the permits effective. The legislation assigns royalties and revenue from onshore and offshore energy production to protect and preserve the state’s natural resources, cultural heritage, and environmental quality of life. Those revenues will also contribute to the state’s general fund, create a $10 million energy planning and management fund, and fund DENR’s oil and gas regulatory program.

Last year, the General Assembly gave the go-ahead to study how the process of hydraulic fracturing (commonly referred to as “fracking”) might be best implemented in North Carolina. However, the law prohibited the state from issuing permits in order to allow the MEC sufficient time to develop a “modern regulatory program for the management of oil and gas exploration.” That bill was initially vetoed by former Governor Beverly Perdue on July 1, 2012 but was successfully overridden the next day in both the House and Senate.

The process of fracturing occurs more than 7,000 feet beneath the earth’s surface, almost a mile and half below the water table (see illustration).
We’ve all heard the dire predictions about last year’s education budget: “They’re going to decimate the whole public education system in this state!” and “This proposed budget will set back this state 25 years!” and “Cuts near this magnitude will dramatically eviscerate the ability of this state to provide a constitutionally-sound education to all of the students of our state!”

Do those claims sound familiar? They should...they’re from over three years ago. Back in 2011, Representatives Mickey Michaux, Rick Glazier, and Ray Rapp all clucked that the sky was falling. Former Governor Beverly Perdue, for her part, warned that 20,000 teachers would be fired, class size would double, and there would be “generational damage” to North Carolina’s public schools.

But none of it happened. Not only were all our teaching positions fully funded, but according to the DPI’s own figures, North Carolina’s public schools actually added 3,198 state-funded education jobs this school year — and 7,811 total teaching jobs since the new majority took the helm at the General Assembly.

It’s unfortunate how the hyper-partisan teachers association (the largest and most organized group of paid lobbyists in the state) and their mouthpieces in the media continue to scare hard-working teachers and parents with wild claims that never seem to materialize. Let’s cut through the wild rhetoric and look at the facts.

I heard that education was cut by half a billion dollars!

Nope. The amount spent on education programs will actually increase by $400 million this year. Total spending on public schools, community colleges, and universities amounts to $11.5 billion (that’s more than half of the entire state budget) and of that, $7.9 billion will go to K-12 education. That figure is up from the $7.7 billion we spent last year on K-12 (an increase of 2.1%) and the nearly $7.3 billion spent two years ago.

Despite the spin, the bottom line is that the current state budget spends more money on public education in North Carolina than has ever been spent before.

But that isn’t enough to keep pace with inflation or student enrollment growth!

The new budget keeps pace with both inflation and the growth in the number of students: economists forecast inflation at 1.5% for the coming year and DPI projects stable growth of no more than a half percent statewide (with 75% of public school districts actually showing a decline in projected enrollment). That’s an increase of 2% — about where we are in terms of the increase in K-12 appropriations over where they were last year. So when you look at it from that perspective, by fully keeping pace with growth, K-12 essentially breaks even next school year.

I hear we rank near the bottom in how much we spend per student.

According to the most recent data compiled by the National Education Association, North Carolina taxpayers spend $8,757 on each student per year, some
thing bureaucrats call “per-pupil expenditure.” New York state spends the most at $18,616 per-pupil; New Mexico ranks in the middle of the pack at $10,203 per-pupil; and Arizona spends the least at $6,683 per-pupil. The report puts North Carolina at 45th. Sounds terrible, right?

What the partisan media doesn’t tell you is that North Carolina public schools receive among the highest percentages of their funding from state dollars, ranking 11th in the nation and 2nd in the Southeast (according to that same DPI report).

In the US, K-12 education is funded by three sources: federal dollars, state dollars, and local dollars. Here in North Carolina, the federal government provides only about 16 percent of K-12 funding, with state government picking up most of the tab at 60.1%. Local governments contribute less than a quarter of the cost of educating our children.

State, federal, and local funds combined, North Carolina spends approximately $12 billion on K-12 education every year — and that does not include the hundreds of millions of dollars spent on school buildings and the debt used to build and maintain them.

In other states, unlike in North Carolina, local governments take far more responsibility for funding public education. Although they are specifically authorized by our state constitution (in Article IX, Section 2) and by state statute to spend local resources educating our children, our county and city governments often have higher priorities.

Why is this important? It’s not really, except to say that when the media casts blame on the General Assembly for not spending enough on our children’s education, there are many other significant factors to consider. And of course, it’s easy for the media to point fingers, especially at the new majority.

Where does the money go?

According to the DPI report, of the $7.2 billion the state spent two years ago on K-12 programs, 90% of the entire amount goes to pay teachers and administrators and provide them benefits. This figure doesn’t include the tens of billions of additional dollars the state pays out to retired teachers and administrators in monthly guaranteed pension checks and lifetime healthcare benefits.

Why was teacher pay cut?

Contrary to rumors spread by liberal advocacy groups and their media cohorts, teacher pay has not been cut. Period.

You couldn’t give teachers at least a small raise?

Three years ago, the General Assembly gave teachers and other state employees their first pay raise in five years (1.2%) and this year, House and Senate leaders have joined with Governor McCrory on a phased-in plan to increase teacher pay. Initially, the plan will provide junior teachers (those with nine years or less experience) as much as a 14% increase over the next two years — the largest single teacher pay increase in decades.

Last year, a raise was not included for teachers because it wouldn’t have been financially prudent: the General Assembly had to plug a $500 million budget hole created by unexpected Medicaid cost overruns, so legislators weren’t able to do as much as they hoped. With nearly 100,000 active teachers and nearly 1,800 school administrators in North Carolina’s public schools, every 1% raise equates to an extra $180 million in spending. But thanks to conservative budgeting, an improving economy, and a better-than-anticipated revenue picture, teacher pay raises will be the top priority this year. It’s important to keep in mind that the legislature only sets the base pay for public school teachers in North Carolina; the actual pay level for teachers is determined at the local level. Local governments can always decide to pay teachers more — and sometimes they do. Brunswick County, for instance, recently gave each of its teachers a $1,000 pay bonus in addition to voting to increase supplemental pay. But more often than not, local governments seem to have other priorities than our teachers.

For example, in the City of Asheville, the unelected school board there gave its departing superintendent a payment of $175,000 — despite the fact that school board members were under no obligation to pay him anything...because he left voluntarily. That $175,000 payment could have been used to increase every teacher’s salary by an additional $875. (Note: The average North Carolina superintendent makes $156,000 a year in base salary, not including lifetime pension and healthcare, and oversees about 12,500 students).

Curiously, also in Asheville, the liberal city council there voted to give $2 million dollars to a non-profit group that runs a local art museum. That $2 million...
dollars could have been spent giving every one of Asheville’s teachers an additional $1,000 annual pay raise — every year for the next ten years.

How have the teachers pay raises compared to other state employees?

North Carolina’s teachers have done markedly better than other state employees in terms of pay raises. Over the past 20 years, base salary increases for North Carolina’s public school teachers have far outpaced other state employees — by more than 37% (see graph).

While there was no raise for teachers last year, everyone (including teachers) will see larger paychecks. Thanks to last year’s tax reform efforts, everyone’s take-home pay will increase — because every income group will be paying less in state income taxes this year.

But teachers just don’t make enough money!

The average annual salary for a North Carolina teacher is $45,947. But like with any job, you can’t just look at base salary — you really have to look at the entire compensation package. In addition to their base salary of $45,947, a teacher receives an average of $4,931 in health insurance benefits, $5,383 in state pension benefits, and $3,139 in Social Security contributions. That’s a total annual compensation package of $59,400 — for working only ten months out of the year.

How does this compare to what other people make?

When you divide a teacher’s base salary (not including benefits) of $45,947 by the total number of weeks actually spent working (44), you get an average weekly wage of $1,044. According to the most recent data from the Bureau of Labor Statistics, the average weekly wage across North Carolina is just $673.

This $673 weekly state average wage includes the relatively higher wages in Durham County ($1,225) and Mecklenburg County ($1,103). But the $1,044 average weekly wage of teachers in North Carolina is significantly higher (in most cases $400 higher) than 98 of the 100 counties in the entire state. And unlike public employees, most North Carolinians don’t have access to generous pensions and free healthcare for life.

I read that the General Assembly increased class size. Is that true?

Not exactly. The General Assembly removed the one-size-fits-all class size mandate and gave the authority to make these decisions back to the local school district, where it belongs. Local teachers, principals, and superintendents have a much better sense of where available resources should be focused. By selectively increasing class size, for instance, a superintendent might be able to hire an additional teacher if she decides that’s the best fit for her students.

This efficient targeting of resources and enhanced flexibility will help protect programs that individual districts consider more essential.

What is the average class size in North Carolina?

According to the National Center for Education Statistics, North Carolina’s average class size was 19 for elementary students and 21 for secondary students. Both are lower than the national average of 20 and 23, respectively.

Getting Back to Basics

A new law requires North Carolina’s public schools to get “Back to Basics” by teaching our elementary school children to memorize their multiplication tables and to master cursive writing by the end of the fifth grade.

Teachers believe that the discipline, logic, and creativity that are gained by learning these time-honored skills are important to creating a well-rounded child. Students remember words written on paper better than those that are typed on computer screens, and students who don’t learn to write cursive have a much harder time reading it, limiting their communication with others. And besides the practical uses of memorizing multiplication tables, multiplication is key to understanding fractions, algebra, and other abstract concepts. Other experts say that learning cursive helps a child’s brain development and motor skills, because making repetitive movements on a computer keyboard is not the same development as connecting and writing shapes by hand.

Surprisingly, these fundamental “old-school” requirements were not included in the federal government’s Common Core Standards, which North Carolina accepted several years ago. Earlier last year, members of the North Carolina House of Representatives introduced a proposal to study the impact of Common Core and to report on its findings back to the General Assembly next session.

The new law has already put these time-honored “Back to Basics” requirements back into schools starting in the 2013-2014 school year.
The media says the budget cuts 9,000 school positions.

The General Assembly authorizes a certain number of positions for each school district, and it’s up to the school district to hire people to fill those positions. Sometimes they do, but in many cases they don’t — so the positions remain vacant. Think of it this way: as a business owner, you’d like to hire 100 new employees, but your revenues don’t meet expectations so you only choose to hire 25. Can someone legitimately claim that you fired 75 people?

And under the former Perdue administration, these vacant positions continued to be funded — despite the fact that in many cases there were no actual employees working in the jobs. School boards got to keep the extra cash — nearly $300 million statewide — and spent it however they wanted, often hiding expenditures for items like cars for coaches and administrative assistants. The new budget eliminates this so-called “K-12 flex cut” for local districts to bring more transparency and accountability to the budgeting process.

For example, Granville County Public Schools recently claimed they had to eliminate 35 positions because of budget cuts — but in reality, not a single person has to be laid off. That’s because those positions were never filled in the first place. Positions are different than people.

I heard that the budget ends teacher tenure.

Ending guaranteed lifetime tenure is a way to ensure that only the best teachers are hired and retained. Tenure for public school teachers doesn’t work the same way it does in higher education, where a professor must wait ten years and then be approved by a majority of his or her academic peers. Under the tenure system, a teacher automatically received guaranteed lifetime tenure after just four years.

In order to keep their tenured status, teachers in North Carolina only needed to receive satisfactory evaluations in just one year out of three. For example, a teacher could receive failing back-to-back evaluations in years one and two — but if they could show adequate improvement in year three, the clock would be reset and their tenure would continue.

Not surprisingly, the system has been abused in many ways, stifling excellence in our classrooms. It also typically took nearly ten years to remove poor teachers from North Carolina’s public schools because of the exhaustive paperwork required, the bureaucratic entanglements, and lengthy court appeals. The teacher tenure system was so broken that only 17 of North Carolina’s 97,184 teachers could be fired in the 2012 school year.

The budget replaces this outdated tenure system with a contract system based on job performance and the best teachers will be rewarded through a merit pay system. There is $10.2 million in the budget to reward high-performing teachers with $500 bonuses. These measures will better ensure quality instruction by identifying ineffective teachers who need to be retrained or replaced.

What about these vouchers I’m hearing about? My tax money will go to send kids to private school?

Yes. The budget expands school choice in North Carolina by creating a new pilot program that awards “opportunity scholarships” to 2,000 low-income students in the 2014-15 school year. Only those children who already qualify for the Federal Free and Reduced Lunch program would be eligible for the grants.

Locally-based private scholarships have worked very well in North Carolina, and the Opportunity Scholarship Act aims at replicating these successes at the state level. For example, the Charlotte Children’s Scholarship Fund, which benefits low-income and predominantly African-American children, saw student performance in reading and math increase by six percentage points after just one year in the program.

As we’ve seen, it costs $8,757 a year to educate a child in North Carolina. Opportunity Scholarship grants for 2014-2015 will be in the amount of $4,200 — leaving $4,557 additional money back in the public school and relieving them of the burden of educating the child.

OK. What else does the education budget do?

There are a number of significant new reforms. Among some of the highlights:

The budget provides funding to implement critical school safety measures, such as resource officers, and expands the use of technology and innovation in schools. The budget also adds $23.6 million to continue funding the Excellent Public Schools Act, which will strengthen student literacy, improve graduation rates and increase accountability. Tuition for out-of-state students at our public universities has been increased in order to keep tuition more affordable for North Carolina families. And the State Board of Education is now required to work with community colleges to create specific programs in high schools (e.g. engineering, technology and other high-employment vocational fields) to better prepare young adults for the realities of the world of employment.

Although we might disagree on how to get there, we all want the best for North Carolina’s students. By moving forward together, we can give our students even more opportunities to grow and prosper so they are prepared to lead our great state to a brighter future.
Better opportunities for hearing-impaired children

Children with hearing difficulties often find themselves at a significant disadvantage in mastering reading and writing skills. The acquisition of these language skills is crucial to the achievement of overall academic success, and a new law passed by the legislature will ensure that these children get the same opportunities other children have, so they can become fully independent and productive adults.

Children who have a solid language base, regardless of whether it is spoken or signed, will become far better readers than those who do not. Proficiency in signing or speaking does not necessarily guarantee skill in reading and writing, and reading and writing must be taught using the child’s mode of communication: speech, sign language, or some combination. Children who come to school but who are not proficient in reading and writing (including children whose first language is not English and children who use Sign Language) must receive specialized instruction in order to read and write English.

Because a hearing-impaired child in North Carolina may also be classified as having a primary disability other than hearing loss for purposes of special education, he or she may not be tracked within existing Department of Public Instruction databases as having a hearing loss. This presents a challenge to effectively monitoring the child’s language development and literacy achievement.

Under this new law, an individualized team made up of parents (or a child’s legal guardian), teachers, special education teachers, principals, case managers, and other specialized professionals will assess how the child’s disability affects her or his learning ability in the classroom each and every year.

It is widely believed that school children who are deaf or hard of hearing may also be best served by interacting with their peers who communicate similarly; this new law will provide greater opportunities for hearing-impaired children to interact with more adult role models who are deaf or hard of hearing as well.

Increasing access to Vocational Education

A new law increases access to career and technical education programs across the state. “This is a great bill for education and jobs training,” said Speaker Thom Tillis. “High school students will be given more job-specific training, and their diploma designation will better prepare them for college or the workforce.”

The State Board of Education will be directed to develop new career and technical education-focused curricula. High school graduates will begin receiving diploma designations of “career ready,” “college ready,” or both. The law reforms licensing requirements, allowing specialized individuals to instruct students in the classroom regarding job-specific skills needed for future careers. The bill also directs the State Board of Community Colleges to develop strategies to prepare students for high-demand careers. High schools and community colleges will share instructors, facilities and equipment to help meet this objective.

Helping kids with...

House Bill 269 replaces 2011’s Tax Credits for Children with Disabilities program with the new Children with Disabilities Scholarship Grant Program to offer more families who have children with disabilities the opportunity to choose the learning environment that best meets their own child’s specific needs.

The bill received broad bipartisan support when it passed in both the House and Senate. HB269 was signed into law by Governor McCrory on July 29, 2013.

Over the years, traditional public schools have made some improvements to special needs education; however, not every public school has the ability to satisfy the unique needs of every child. Traditional-style schools are often unable to accommodate children with disabilities, who very often benefit from more individualized attention and personalized lesson plans. There are usually increased costs and expenses associated with caring for a child with special needs, and this program is designed to provide much-needed financial relief to these families.

The scholarship grant allows qualifying families to be reimbursed up to $3,000 per semester for approved educational expenses for special needs children entering kindergarten or first grade, or for children transferring from a public school to a non-public school or a home school. These expenses can include private school tuition, tutoring, home school special education costs, tuition at public schools (that charge tuition) and related educational services.

Eligibility for the assistance program will now be based on a family’s expenses and not their tax liability, as was the case with the prior program. With this reform, more families will have the opportunity to apply because they will not be limited strictly by their income tax status. “It makes parents who are too poor to pay income tax eligible for the same program that those who do pay income tax are currently eligible for,” said the bill’s sponsor, Speaker Pro-Tem Skip Stam.

According to Parents for Educational Freedom in North Carolina, the previous program had already made a large impact on the lives of many North Carolina families. Candy Newhouse of Whispering Pines, North Carolina, is the mother of child with disabilities who took advantage of the original tax credit program to help her 11-year old son with his special educational needs. “It’s the worst feeling in the world to say your child is going to fall through the cracks because you don’t have the money to be able to afford private education.”

“We are very concerned that this program, which has been very successful, would be eliminated or repealed during the tax-reform debate,” said Julia Adams, assistant director of government relations for The Arc of North Carolina, which advocates for people with disabilities. “That’s why it’s very important that we switch it from a tax credit to a scholarship.”

The program sets aside $3 million for the grants for each of the next two fiscal years. The Department of Public Instruction and the Special Education Assistance Authority will make sure funds are being used to provide services to the child, but parents are ultimately responsible for ensuring the quality of service.

The new program will be available beginning in the 2014 spring semester. First priority for the awarding the new scholarships will be given to those families already receiving the tax credit and for those who plan to use it on their 2013 tax return. Scholarships will be granted on a first-come, first-served basis.
MORE CHOICES FOR PARENTS

In 2011, the legislature removed the cap on the number of Charter Schools in North Carolina, and last year, Senate Bill 337 established a new state Charter School Advisory Board to help build on that success. SB337 enjoyed broad bipartisan support in both chambers and was signed into law by Governor Pat McCrory on July 25, 2013. The Advisory Board’s first meeting was on October 15, 2013.

A charter school is a publicly-funded school that is operated by a private nonprofit board. Charter schools are independent, non-religious, tuition-free public schools with operational and educational autonomy in exchange for increased financial and academic accountability. “Charter schools are public schools, serving public students with public dollars for the public’s benefit,” said Joel Medley, director of the Department of Public Instruction’s Office of Charter Schools.

Although charter schools don’t charge tuition like private schools, they do receive a share of state and county tax dollars that would otherwise go to educate the child in a traditional public school. On average, charter schools receive about 78% of the level of per-pupil dollars allocated to traditional public schools, making them less expensive to operate.

The school choice advocacy and information group Parents for Educational Freedom in North Carolina tells us that “public charter schools are finding innovative ways to teach students, including unique curriculums, extended school days, school cultures with high expectations for all students and adults, more structured and disciplined learning environments, rewarding high-quality teachers with higher pay, parent contracts, and multi-age programs.”

Charter schools are a valuable part of our state’s overall education mix, ensuring that every child has an opportunity to obtain a sound basic education.

In 1996, legislators passed a law that allowed public charter schools to operate for the first time in North Carolina, but placed a limit on public charter school growth, setting it at no more than 100. In June 2011, with 97 percent support in the legislature, the cap on charter schools was removed and enrollment caps were increased from 10 percent to 20 percent.

The state currently has 129 charter schools serving over 48,000 students, with nearly 30,000 more on waiting lists. That number of approved schools will increase by 26 come the start of the 2014-15 school year in August; the new charter schools were selected from a group of 150 applications submitted more than a year ago. In the fall of last year, an additional 176 Letters of Intent to operate a charter school in North Carolina were submitted for consideration.

Up until last year, the State Board of Education has been relying on its own advisory committee to facilitate the review and approval of these charter school applications. However, in anticipation of the rapid expansion of charter school operations, the General Assembly took the proactive step of transferring administrative functions from the Board of Education’s ad-hoc group to this new formal Charter School Advisory Board, responsible directly to the legislature and with provisions for oversight and accountability.

Redefining Homeschools

Thanks to another new law, homeschooled children will have access to a wider range of academic instruction from sources other than just their parents. Senate Bill 189 clarifies the definition of a “homeschool” to allow children to participate in group instructional settings (co-ops, 4-H, etc.) and be instructed by professional tutors and other experts who aren’t part of the immediate household (a doctor teaching biology, for example). This will give homeschooling parents yet more options and greater freedom to choose what’s best for their children.

“The results of the November (2012) elections have opened up an opportunity to revisit the law,” said the North Carolinians for Home Education in a statement. “We now have a House of Representatives, a Senate, and a Governor who seem to be homeschool-friendly. We are now evaluating our chances of getting clarifying language added to our homeschool law while avoiding more regulation.” They would shortly be proved correct.

In the past, The North Carolina Division of Non-Public Education dictated that all core subjects (such as language arts, math, science and social studies) could only be taught by parents, guardians or other members of the immediate household. And these rules hadn’t been revisited for more than 25 years.

According to this narrow mandate, no adults outside the home — including grandparents — were allowed to teach in a home school. Parents who had children with Special Needs were prohibited from having a professional instructor help their children, and co-ops (where fundamental instruction was being provided) didn’t comply with these bureaucratic regulations.

These entanglements had become a growing concern for parents, who risked losing their Home School status under this overly-strict interpretation of the law. North Carolinians for Home Education, the state’s largest homeschool advocacy group, had been claiming all along that the regulations didn’t specifically prohibit parents from seeking these instructional opportunities for their children, but it took a change in leadership at the state level to finally provide the opportunity to clarify the law. The organization began drafting legislative language to solve the problem after the 2012 elections. Their advocacy efforts proved ultimately successful and the revised definition of a homeschool was passed unanimously by both chambers of the General Assembly. It was signed into law by Governor Pat McCrory on May 30, 2013.
Why did the legislature reject federal unemployment payments last year?

This is a common misconception. The legislature did not reject federal unemployment payments — the federal government refused to grant them to the citizens of North Carolina. State governments do not have the power or the authority to either pay federal benefits or take away federal benefits.

In response to the majority’s decision to scale back overly generous state benefits (in order to accelerate the repayment of our state’s existing $2.8 billion unemployment debt to the federal government) the federal government refused to grant North Carolina a waiver from federal requirements. Had the federal government treated North Carolina the same way it did other states, the administration would have allowed us to be grandfathered in to the federal benefits program.

Speaker of the House Thom Tillis and Senate President Pro-Tem Phil Berger both implored the federal government to extend federal emergency unemployment benefits to North Carolinians until the end of last year, and to grandfather us into the program as it did for those four other states. Unfortunately, the Obama administration denied their request.

I hear 170,000 people lost unemployment benefits.

That number has no basis in fact — and like a lot of “statistics” reported these days, is nothing more than political spin. According to Assistant Secretary of Employment Security Dale Folwell, a total of only 68,259 people were eligible for federal emergency unemployment benefits in North Carolina — far too many, of course, but a far cry from the inflated number that has been repeated by so many liberal advocacy groups.

But why did the legislature slash current state benefits for the unemployed?

They didn’t. Unemployment insurance benefits for those who received them before July 1, 2013 remain unchanged. What the legislature did was scale back the maximum weekly unemployment benefit from $525 (the fifth highest in the nation and the highest of our neighboring states) to $350 a week — to be more in line with other states in the region (Alabama pays out at $265, Florida at $275, Georgia at $330, Kentucky at $415, South Carolina at $326, and Tennessee at $275). Reducing this maximum benefit will only affect higher-income earners.

Bringing North Carolina’s unemployment benefits more in line with our neighboring states will save us an additional $250 million — and allow us to pay back our debt to the federal government by the third quarter of 2015 (according to the latest projections). Even the North Carolina Justice Center, a liberal advocacy group, agrees with the need for reform: “Fiscal health will require that North Carolina pay down the existing loan balance and put in place a forward-financing system that can best support the system in good times or bad.”

Doesn’t the new law cut back how long I get my government check?

Yes. The duration of North Carolina’s state unemployment benefits is scaled back from 26 weeks to 20 weeks, adjusted twice a year. (The actual length of time will depend on the current rate of unemployment, so the duration of benefits may exceed 20 weeks). It’s estimated that this adjustment will save between $230 million and $440 million annually — and will close the current unemployment shortfall immediately.
What’s the difference between state and federal unemployment benefits?

The federal unemployment program cuts a check to an unemployed person when their state benefits run out. Traditionally, these supplemental unemployment checks were cut by the federal government for an additional 3 to 6 months beyond what state benefits provided, but now federal unemployment benefits have been extended out to a period of nearly two years (99 weeks) for everyone who applies.

This ballooning federal program has cost taxpayers more than $600 billion since 2008: according to a June 2013 Congressional Report, spending on federal extended benefits leapt from $20 million in 2005-07 to $138.6 billion in 2008-10 — that’s an astonishing 692,900 percent increase in just a few years.

Who pays into the state’s unemployment program?

Perhaps the most common misconception about unemployment insurance is that individual workers pay into the system through a deduction from their payroll checks, which is not the case. In North Carolina, unemployment insurance benefits are completely funded by private businesses — not with employee contributions, as most people think.

But doesn’t paying extended benefits to unemployed people help stimulate the economy?

More and more evidence is surfacing which shows that extending unemployment benefits (beyond providing temporary assistance) actually contributes to a higher rate of unemployment.

Studies show that those receiving extended unemployment checks actually spend less time looking for work than the unemployed who have run out of benefits. Those without benefits, or whose benefits are about to expire, have a greater incentive to seek work and spend more time looking for employment.

Why do we owe $2.8 billion to the federal government?

In the 1990s, when the economy was better, North Carolina’s Unemployment Trust Fund was badly mismanaged — at a time when the state should have been building up the trust fund. Legislators lowered employer contributions to the fund in the mid-1990s and turned the system essentially into a “pay-as-you-go” financing structure. This unsustainable policy drove the solvency position of the trust fund to unsafe levels just prior to the recession of the early 2000s.

Over many years of financial negligence, the fund became depleted — and then, in 2009, lost nearly $2 billion. Since no steps had been taken to prevent this looming catastrophe, the state had to turn to the federal government to borrow the $2.8 billion that it was obligated to pay out as unemployment benefits. Had North Carolina sustained the trust fund in line with the national average from 1990 to 2004, it would have maintained a level of $2.4 billion by that time — and today there would be no solvency issues for the current legislature to address.

But doesn’t every state borrow money for their unemployment benefits?

No. There are only 26 other states that have been borrowing money from the federal government. But the amount that North Carolina taxpayers owe to the federal government is the third highest in the nation, just behind California and New York (both of which have far higher populations). North Carolina taxpayers have made over $200 million in interest payments alone on that debt; money that could otherwise have gone to give our teachers a substantial pay increase or improve our state’s infrastructure.

Why would we pay off this $2.8 billion debt early?

Aside from bringing financial solvency to North Carolina’s broken unemployment insurance system, paying down this massive debt to the federal government by 2015 will save taxpayers and businesses over $400 million in interest payments and allow us to begin building a $1 billion reserve fund for future unemployed workers. So long as the UI debt goes unpaid, not only will interest continue to accrue, but employers will have to include higher UI taxes to their cost of doing business in the state.

But what does all this have to do with creating jobs?

Great question. New companies and small business growth account for 99% of job creation, so it’s imperative that we provide more fertile ground for them to start-up, relocate, and expand into. Businesses are far less likely to thrive when they are being shackled with increasingly higher taxes to pay off someone else’s debt (and remember — in North Carolina, unemployment insurance benefits are paid exclusively by business).

Put simply, our existing unemployment debt is adding far too much to the cost of doing business in North Carolina, forcing new companies to look elsewhere and resulting in cost-cutting measures like salary and benefit reductions, downsizing, hiring freezes and layoffs for those companies that are already here.

Comparing State Unemployment Benefits

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In 2009, the General Assembly passed the so-called “Racial Justice Act.” Its stated purpose was to allow a convicted murderer to avoid capital punishment if it could be shown that prior judgments were sought or obtained on the basis of race.

Under the RJA, lawyers were able to make their case in one of three ways: 1) if they could show that death sentences were sought more frequently on defendants of a particular race, 2) more frequently on behalf of victims of a particular race, or 3) if race was ever a factor in jury selection. Proof of racial bias in any one of these three categories was sufficient to establish an RJA violation and would get the death sentence of a convicted murderer commuted to life imprisonment.

**But isn’t that a good thing?**

No one condones racial bias in sentencing. But the RJA inserted broad language into the law which allowed a judge to commute a death sentence if the use of general statistical trends could show that race was a significant factor in prior cases in any jurisdiction across the state — despite the fact that the convicted murderer could not show that racial bias played a role in his own individual case.

Statistical percentages and historical trends took the place of the well-established requirement that only the particular facts of the defendant’s individual case were relevant to establishing racial bias in the seeking or imposing a capital punishment sentence.

**A convicted murderer didn’t have to show there was racial bias involved in his particular case?**

No. Courts have held that because the version of the law that was finally passed by the General Assembly in 2009 didn’t specifically include such a provision, a convicted murderer didn’t have to show that any racial bias existed in his particular case in order to prevail.

Evidence of intentional discrimination was not required either. In 2012, former Superior Court Judge Gregory A. Weeks reduced the life sentence of convicted murderer Marcus Robinson (the first defendant to receive such a hearing under the RJA), issuing a ruling which said that “to hold that a defendant cannot prevail under the RJA unless he proves intentional discrimination would read a requirement into the statute that the General Assembly clearly did not place there.” Judge Weeks commuted Robinson’s death sentence after he determined that the existence of racial bias had tainted jury selection processes throughout the state over a 20-year period.

**So why was the Racial Justice Act repealed?**

Well-intentioned as it may have been, the RJA was seriously flawed and widely abused. The RJA created judicial loopholes that lawyers were quick to take advantage of, clogging up the court system with frivolous, fraudulent and costly claims that allowed convicted murderers to escape justice.

Nearly every single one of North Carolina’s approximately 150 death-row inmates, regardless of their race, has appealed their death sentence under the Racial Justice Act — including white inmates convicted of murdering white victims — in order to get their death sentences reduced to life imprisonment.

The RJA set up a thicket of legal barriers which have effectively instituted a moratorium on capital punishment in North Carolina. The result, ironically, has not been greater justice — but less.

**But haven’t general statistics always been used to show racial bias?**

Not in criminal trials. Prior to enactment of the RJA in North Carolina, simple statistical racial percentages were considered to have little probative value in showing racial motive in criminal cases. No other state has allowed the use of generally-applied statistical data to commute death sentences in a particular case.

**But Kentucky passed a Racial Justice Act too, right?**

That’s correct — but Kentucky’s RJA couldn’t be more different than North Carolina’s. In Kentucky, the use of statewide statistics is very limited and a defendant must clearly prove that racial bias played a role in his own individual case. Until the RJA was repealed here, North Carolina was the only state in the union that allowed general statistical data — that was sometimes out of date or even unconnected — to commute a death sentence.

Another important distinction is that unlike Kentucky’s Racial Justice Act, North Carolina’s RJA was entirely retro-
“The Racial Justice Act was, in reality, a permanent moratorium on the death penalty in North Carolina”

active — meaning that anyone on death row, regardless of how long ago they were convicted of murder, became eligible to activate yet another appeal. And nearly every single one of North Carolina’s death-row inmates, regardless of race, has done just that. (In Kentucky, only convicted murderers who were sentenced to death after 1998, the year its law was passed, were able to appeal a death sentence.)

“It’s the retroactive feature of this bill, of course, that creates the huge financial cost and train wreck costs,” said Representative (now Speaker Pro-Tem) Paul Stam during the 2009 floor debate in the House of Representatives. “And this allows every person of the 163 currently on death row to make this claim.”

What do our state’s district attorneys think of all this?
The General Assembly repealed the RJA after careful consultation with the state’s district attorneys, and they were near unanimous in their bipartisan conclusion that the RJA has resulted in nothing more than an over-burdened court system. “What has played out so far (in North Carolina) has been thousands of hours of prosecutors’ time going back through 20 years of murder cases to try to respond to outrageous discovery demands by defendants, instead of prosecuting the cases that the citizens need prosecuted,” remarked Peg Dorer, Director of the North Carolina Conference of District Attorneys. “This is not a good use of taxpayer money or state employee time.”

And our district attorneys don’t believe they should have to be judged on the basis of what other prosecutors in other counties may have done in the past. “Ultimately, the decision about whether a criminal should die for his crime is not left up to the prosecutor, law enforcement or a judge,” he said. “It’s left up to 12 members of our community,” said Forsyth County District Attorney Jim O’Neill. Wake County District Attorney Colon Willoughby called the RJA a “Trojan Horse,” and has said “it was, in reality, a permanent moratorium on the death penalty in North Carolina.”

But shouldn’t we keep the RJA — just in case?
Bad law is bad law. And it’s important to note that the repeal of the RJA does not eliminate the extensive federal and state protections that defendants have against racial discrimination during criminal trials. And courts have already ruled that death-row inmates are entitled to relief if they can show that they were indeed the victims of real discrimination.

Both the United States Constitution (in Article V and Article XIV) and the North Carolina Constitution (in Article I) underscore these equal protection rights. District Attorneys and Assistant District Attorneys have taken an oath to uphold and support both the Constitutions of North Carolina and the United States.

Has there been a prior attempt to repeal the RJA?
Yes. In 2011, the General Assembly passed legislation that would have basically repealed the RJA, but it was vetoed by former Governor Beverly Perdue. In 2012, a law was passed that restricted the use of statistics to where the crime occurred and established that statistics alone were insufficient to prove bias.

Has anyone ever had their death sentences commuted using the RJA?
Yes. In addition to Marcus Robinson, three other convicted murderers have had their death sentences commuted to life without parole under the RJA.

Can the repeal of the RJA be used to cancel appeals already made by death row murderers?
No. The State Constitution specifically guarantees that the state cannot create laws that are applied “ex post facto,” or after the fact. The only death row inmates who would be able to claim an ex post facto exception with the RJA’s repeal would be those who committed murder after 2009 — and no murderers currently on death row fall into that category.

(For a detailed discussion of the retroactive applicability of the RJA’s repeal and potential violations of the ex post facto clauses of the State and federal Constitutions, please read H. Alan Pell’s Memorandum of Law.)

What crimes in NC carry the death sentence?
Only first-degree murder (as defined by North Carolina General Statutes Sections 14-17) and with the finding of at least 1 of 11 aggravating circumstances (as listed in NCGS Section 15A-2000(e)). North Carolina law grants wide discretion not to seek the death penalty in spite of the presence of one or more of these factors.

How many people are on death row in our state?
According to the state Department of Public Safety, there are currently 151 inmates on death row: 53% are black and 40% are white. Since 1977, when North Carolina reinstated the death penalty, there have been a total of 43 murderers executed in our state — 65% of those have been white. “That’s a new light on the claim of disproportionality,” concluded Representative Stam.

There have been no executions in the state of North Carolina since 2006.
Doesn’t the new law increase the number of places people with concealed carry permits can bring their weapons?

Yes, and that’s a good thing. Contrary to what the media wants us to know, almost every public mass shooting that has taken place in this country has occurred in a so-called “gun-free zone.” Since the implementation of the Gun-Free Schools Act of 1995, there has been a 370% increase in the rate of school shooting deaths.

Ironically, it’s misguided liberal gun control policies that continue to place innocent lives at risk. Expanding the number of places where concealed-carry holders can legally have their weapons could have saved lives, such as with the recent shootings at schools like Virginia Tech. Instead, many innocent lives have been lost because they were left unprotected and vulnerable to violent criminals.

But won’t more guns lead to more crime?

Our neighbor to the north, Virginia, has recently seen a substantial reduction in crime rates as more and more law-abiding citizens there become gun owners. As firearms sales in the state rose by 16%, major gun crimes fell 5%. And according to Professor Thomas R. Baker, who specializes in research methods and criminology theory at Virginia Commonwealth University, this provides yet more compelling evidence that more guns don’t necessarily lead to more crime. Other research backs this up.

The advocates of gun control tend to make the mistake of characterizing anyone who carries a firearm as a criminal. What they may not know is that citizens who are permitted to carry concealed handguns in North Carolina must undergo a rigorous safety training program and be schooled on our extensive firearms laws. This strengthens the ability of law-abiding citizens to defend their lives and the lives of the innocent.

National Review reports that “Guns are used defensively some 2 million times each year. Even though the police are extremely important in reducing crime, they simply can’t be there all the time, and virtually always arrive after the crime has been committed. Defending oneself with a gun is by far the safest course of action when one is confronted by a criminal.”

Where can a person with a concealed carry permit take their gun now that they couldn’t before?

Concealed carry permittees may now bring weapons to restaurants and other places that are legally allowed to serve alcohol, unless it’s prohibited by the owner of the particular establishment.

And to alleviate the confusion and inconsistencies that occur when local liberal city councils try to restrict Second Amendment Rights, the new law clarifies that permit holders may possess their firearms at public recreation areas (e.g. greenways) and public events. This will ensure equal treatment throughout the state as to how firearms laws are applied.

Additionally, concealed carry permittees are now allowed to secure their weapon in a locked vehicle (inside a separate closed container) in the parking lot of any public school or university.
How many concealed carry holders are there in NC?

There are roughly 300,000 concealed carry permit holders in North Carolina. Chances are you probably know someone who has a concealed carry permit.

What does it take to get a concealed carry permit?

In North Carolina, you must:
1. Have successfully completed an approved firearms safety and training course which involves the actual firing of handguns and instruction in the law governing the carrying of a concealed handgun and the use of deadly force;
2. Be at least 21;
3. Be a citizen of the U.S. and a resident of the state for at least 30 days immediately prior to the application;
4. Not suffer from a physical or mental infirmity that prevents the safe handling of a handgun;
5. Not be ineligible for any reason under either federal or state law to possess, receive, or own a firearm;
6. Not currently be or have ever been adjudicated or have been administratively determined to be lacking mental capacity or mentally ill;
7. Not have been dishonorably discharged from the armed forces;
8. Never been found guilty of (or have had a judgment continued or suspended sentence for) a violent misdemeanor;
9. Never have had a judgment continued or been set free on bond or personal recognizance pending trial, appeal, or sentencing for a criminal offense;
10. Not been convicted of an impaired driving offense within three years of the date the application is submitted.

Does this new law do anything to keep guns out of the hands of the mentally ill?

Yes — the law now allows gun shops to assist in identifying the mentally ill. Legal findings of mental incapacity will now be reported to the National Criminal Record Database to better protect the public.

Isn’t mixing alcohol and guns a bad idea?

It’s a terrible idea — that’s why concealed carry permittees have always been prohibited from consuming alcohol (or having any amount of alcohol present in their system at all) while they are carrying a weapon. The amended guns laws leave this important prohibition in place.

But don’t most other states ban conceal carry in bars?

Actually, only four states still ban carrying guns in places that serve alcohol.

What else does the law do?

In another measure to protect your Second Amendment rights, the new firearms law protects the privacy of law-abiding citizens by making handgun permits and concealed carry permits confidential — and no longer subject to public records requests. This will prohibit the disclosure of personal information by liberal media outlets, as happened recently with the Journal News, The New York Times, and WRAL-TV in Raleigh.

The Journal News came under fire for publishing an online map containing the names and addresses of licensed concealed carry gun owners in two New York counties. And in White Plains, NY, a home was burglarized in an attempt to steal firearms from a gun owner whose name and address had been published by the paper. WRAL used information from the handgun database to allow its readers to look up the home addresses of legal gun permit holders — essentially treating innocent, law-abiding gun owners the same as convicted sex offenders.

Does this new law do anything to punish gun crimes?

The new law increases the punishment on felons who use or even brandish a gun by adding up to 72 months to their sentences — and it also creates an “armed habitual offender” status for felons who commit multiple firearm-related crimes.

MODERNIZING
State Personnel

On August 21, 2013, Governor McCrory signed House Bill 834 into law to promote efficiency in state government by changing how public employees are managed, hired and fired. The new law represents an overhaul of the State Personnel Act, which hasn’t been updated in decades and applies to the state’s 120,000 taxpayer-funded public employees.

The changes to the Personnel Act will add 500 more positions to the list of 1,000 positions already exempted from certain provisions of the personnel act, such as the right to contest termination through a formal grievance process and protection from arbitrary firings. Some of these positions will also be subject to fewer rules in the hiring process. Exempt positions fall into one of two categories, either policy-making or managerial. These changes will provide cabinet secretaries with the flexibility to respond to business and organizational needs while reducing bureaucracy and red tape.

Any time a state employee is demoted, suspended or fired, it must be for just cause — such as a policy violation or performance issue. And the burden of proof warranting the personnel action lies with the state. Employees can appeal unfavorable personnel actions through arbitration in the Office of Administrative Hearings and even take the matter all the way to Superior Court. This can be a complicated and costly process that can take months. This modernization gives managers recourse to mediation and other methods to find an amicable up-front resolution to an employee grievance process that now averages around a year and a half.
What does the new law do?
The new law requires that county social service departments, provided they have the resources, conduct criminal background checks on applicants for both the Work First Family Assistance program and the Food and Nutrition Services (food stamps) program. Departments must now share information they learn about outstanding arrest warrants with local law enforcement officials. The law denies benefits to applicants who have an outstanding warrant for a felony charge or for a probation parole violation.

Federal law already prohibits fleeing felons and probation or parole violators from receiving public assistance benefits, and this provision gives the Department of Health and Human Services (DHHS) the authority to take the steps necessary to be in full compliance with the law.

Is a fingerprint background check required?
No. Fingerprint checks are only required for national warrant searches; fingerprints are not needed for a statewide, name-based search. The bill does allow DHHS to establish rules for when a fingerprint background check might need to be conducted — for instance when there is reason to suspect an individual has an outstanding warrant in another state.

What are the costs of the background checks?
The state Department of Justice has said that there is no additional charge for a background check through the criminal mobile data network, for which a monthly fee is already being paid.

If DHHS partners with a local sheriff’s office, a criminal background check can be obtained at no additional cost as well, as these agencies already have access to statewide criminal history information through the North Carolina Court System’s Automated Criminal Infractions System. If a county opts to request background checks through the state Department of Justice, additional nominal costs (ranging from $10 to $38) would apply.

Does this law affect the other members of an applicant’s household?
Members of the applicant’s or recipient’s household would not be affected under the new law. Federal regulations already address the eligibility and benefits of remaining household members.

What about drug testing?
The new law requires that some individuals who apply for (or receive) assistance under the Work First Program take and pass a drug test prior to receiving benefits. Only adult applicants or recipients whom the DHHS reasonably suspects are engaged in the illegal use of controlled substances will be required to undergo drug testing. Most people applying for public assistance benefits will never be required to take a drug test.

How does the law define reasonable suspicion?
Reasonable suspicion of drug use will be determined in one of the following ways: 1) through a criminal record check that reveals a conviction, arrest, or outstanding warrant relating to illegal drugs within the last three years; 2) by a doctor’s determination (or other qualified professional in substance abuse) that an individual is addicted to illegal controlled substances; or 3) by a positive drug test within the last six months.

Will children be denied benefits if their parents are found to be using drugs?
No. Children are completely exempt from any of the requirements of the new law and they will never be denied any form of public assistance (regardless of their parent’s behavior) nor will they ever be given drug tests as a condition for their receiving public assistance. In the case where a dependent child’s parent tests positive for drug use, the child’s benefits will be paid to a protective guardian appointed by the court.

What is current policy?
Currently, all adult applicants for Work First assistance are screened for potential substance abuse. Upon application, the caseworker uses screening questionnaires to assess whether the adult is at risk for substance abuse. If the adult
If it is determined the individual is in fact in need of treatment, satisfactory participation in the treatment program is mandatory to receive benefits. This treatment program consists of mandatory random drug testing as part of the individual’s follow-up or continuing care services. If the individual fails to comply, the individual will not be eligible for benefits and any current benefits will be terminated from the case.

Who pays for drug testing?

The cost of the initial drug test is borne by the State. If an individual fails the test and wishes to have a retest, the individual may take one or more additional tests at their own expense.

What happens if someone fails a drug test?

If an individual fails a drug test, there are several options: 1) accept the drug test result and wait the specified time period before reapplying; 2) take one or more additional tests if the individual believes the result is in error. The costs of the retest are borne by the individual; 3) successfully participate in or complete a qualifying substance abuse treatment program. The individual choosing this option may re-apply for benefits after 30 days. The individual must document successful completion of or participation in the program and pass a subsequent drug test, the cost of which is born by the individual.

Individuals who enroll in a substance abuse treatment program or obtain documentation that a substance abuse program is not appropriate for the individual may reapply after 30 days only once.

Who pays for substance abuse treatment?

The cost of the substance abuse treatment is the responsibility of the individual enrolling in the substance abuse treatment program. If the individual is eligible for Medicaid, Medicaid may cover the costs of substance abuse treatment for the individual.

Is there any existing case law on drug testing for public assistance?

Both Michigan and Florida have enacted state laws that established mandatory drug testing programs as a condition of receiving Temporary Assistance for Needy Families for all individuals, and those laws have been challenged in the courts on Fourth Amendment grounds. Both those states’ laws (unlike North Carolina’s new law) required drug testing of all applicants without suspicion.

In the Michigan case, the court stated that “suspicionless drug testing is unconstitutional if there is no showing of a special need, and that the special need must be grounded in public safety.”

The Michigan program was later modified to test only individuals for whom there was reasonable suspicion to believe the individuals are using illegal drugs, rather than all applicants.

The Florida case is still pending litigation, however a temporary injunction has been issued indicating that there was a likelihood of success on the merits of the case that the drug testing without suspicion is a violation of the Fourth Amendment of the United States Constitution.

The four “reasonable suspicion” provisions in North Carolina’s law were included to address the court’s concerns in both the Florida and Michigan cases.

PROTECTING KIDS

The General Assembly has passed two new laws that will help protect our children from the horrors of child abuse.

House Bill 75, known as “Kilah’s Law,” is the namesake of a three-year-old girl from Union County who suffered severe head injuries last spring that required doctors to remove part of her skull in order to reduce swelling in her brain.

Kilah’s Law increases the maximum penalty for the most serious crimes of child abuse to 33 years (from just 15). The new law also specifies that the presiding judge and the Clerk of Court must indicate that the case in question specifically involved Child Abuse on both the record of judgment and the defendant’s conviction — so anyone making inquiries regarding the defendant’s criminal record can learn of the crime. HB74 was passed unanimously in both the North Carolina House and Senate and was signed into law on April 24, 2013.

House Bill 149, known as “Caylee’s Law,” makes it a felony in North Carolina for parents or guardians to fail to report a missing child within 24 hours, if the parents or guardians were in a position to know that the child might be in danger. The legislation was named after little Caylee Anthony, a two-year-old Orlando, Florida girl who died tragically in June of 2008.

Caylee’s Law increases the penalties for the intentional concealment of the death of a child, and also for making a false report to law enforcement officials during an investigation of the disappearance of a child, and for certain other felony offenses.

The bill was introduced shortly after the high-profile trial of Casey Anthony, who failed to report her daughter missing for over a month. Ms. Anthony was found guilty of only four misdemeanor charges of providing false information to law enforcement officials about her daughter’s death, and two of those charges were later overturned on appeal.

A petition drive urging state lawmakers across the country to pass versions of “Caylee’s Law” was started by Michelle Crowder, an Oklahoma mother, immediately following the trial. “When I saw that Casey Anthony had been found ‘not guilty’ in the murder of little Caylee, and that she was only being convicted of lying to the police about her disappearance, I was sickened,” said Crowder. “I could not believe she was not being charged with child neglect or endangerment or even obstruction of justice. I’m hoping that this will be made into a federal law so that no other child’s life, disappearance, and/or death is treated in the manner that poor Caylee’s was treated,” said Crowder. “No child deserves that.”

HB149 was passed unanimously in both the North Carolina House and Senate and was signed into law on May 17, 2013.
session. When the legislature is in session, members typically return to their homes on Thursday afternoons — after the week’s session has ended — to take care of their personal affairs and to make themselves available to their constituents.

Leadership Positions

The Speaker of the House presides over the North Carolina House of Representatives. The Speaker is elected to that important post by the entire membership of the body. The position of presiding officer of the Senate, called the President of the Senate, is one of the the responsibilities of the Lieutenant Governor. The President of the Senate, for his part, has no vote except to break a tie. Dan Forest is the current Lieutenant Governor.

At the start of the 151st Biennium of the North Carolina General Assembly (the 2013-2014 Session), in a historic moment, the House of Representatives unanimously elected Thom Tillis (known as “elected by acclamation”) to serve as its Speaker.

The Speaker of the House Thom Tillis

The House and Senate also both elect a Principal Clerk, who is responsible for all the administrative functions of the body, including keeping necessary documents and maintaining official records. The Principal Clerk is a professional position, directly overseeing a non-partisan staff of roughly half a dozen assistants. The Principal Clerk works in close, daily consultation with leadership and serves as the official certifying officer for the body.

A second officer is the Reading Clerk. The Reading Clerk reads aloud those bills, resolutions, proclamations, and other documents (or parts of them) that the North Carolina Constitution requires or which the presiding officer in each chamber deems necessary to be read during the daily legislative session.

Both bodies also have a Sergeant-at-Arms staff, who serves as security guards for the legislature and the Legislative Building itself. They maintain order and decorum in the public galleries (located high above the floor of each chamber), act as doorkinders to each chamber while the bodies are in session, and are charged with enforcing specific directions of the President of the Senate and the Speaker of the House. Sergeant-at-Arms staff also assist in the setup of committee meeting rooms.

The Legislative Services Commission consists of seven legislators from each body and is the management authority for the General Assembly. The Commission, through its non-partisan staff, provides the following services to the legislature: bill drafting, legal assistance, fiscal analysis, general research, library services, administration of the legislature’s budget, clerical assistance, computer services, proofreading, printing, supplies, food service, building maintenance, and security.

The Legislative Services Commission runs the North Carolina Legislative Library, which provides reference, research, and information services to the General Assembly, legislative staff, and legislative committees, and they run the Fiscal Research Division, which provides budget and tax-related analysis and information to all members of the North Carolina General Assembly. When the General Assembly is in session, the Divi-

President Pro-Tem Phil Berger

Jion Legislative Commission on Governmental Operations, and to interim study committees that prepare recommendations for the legislature to consider.

Types of Statutes

By following proper procedures and observing Constitutional limitations, the General Assembly can make new laws and can repeal old ones. The kinds of laws which are enacted can be classified under five general categories:

Laws regulating individual conduct. These laws prohibit certain acts or require certain acts by an individual in order to promote the interests of society. These laws frequently impose a penalty for violations: a fine, imprisonment, or both. These are also known as criminal laws.

Laws providing for State services. These laws include provisions for schools, hospitals and health services, agricultural and industrial research, public recreation facilities, and many other types of services which the State may provide for its people.

Laws empowering or directing local governments to act. Cities, counties, and many other types of local governmental units are creatures of (created by) the General Assembly and are ultimately subject to State control. This control is generally exercised through the General Assembly by enabling or directing the cities and counties to act in the manner desired by the State.

Laws determining how much money will be raised by the State and for what purposes it can be spent. When the General Assembly enacts the various tax (revenue) and appropriations (spending) bills, it makes two determinations: 1) How much of the resources of the people of the State will be taken for purposes of government, and b) which state governmental services will get priority for available funds.

Amending the State Constitution. In addition to these four types of statutes, the General Assembly may propose amendments to the State Constitution. If an act to amend the Constitution is approved by at least three-fifths (72 members of the House and 30 Senators) of the
total membership of each body, the proposal is then voted on by the citizens of the entire State in a referendum on election day. If a majority of the voters approve it, the proposed amendment then becomes part of the Constitution.

Drafting of Bills

A bill is a proposed law. Anyone can propose an idea for a bill to a legislator: a private citizen, a corporation, a professional association, a special-interest advocacy group, a state agency, or even a city or county. But all bills must be sponsored by one or more legislators to be considered by the General Assembly. A bill may be drafted by any competent person, although the Legislative Services Commission’s Bill Drafting Division drafts bills at the request of the members of the General Assembly. The Office of the Attorney General has the statutory duty to draft bills at the request of the state’s many departments and agencies (called “agency bills”), and for the General Assembly in general. This means that legislators have two separate offices to which they may turn for drafts of bills. However, most every bill filed is drafted or re-drafted by the Legislative Services Commission before being introduced.

Introduction of Bills

Only a member of the General Assembly may introduce a bill – that is, present it to the General Assembly for its consideration. That legislator is called the bill’s Primary Sponsor. Up to three other legislators may join the first-position Primary Sponsor as Sponsors of the bill, but an unlimited number of members can join the Sponsors as “co-sponsors” of the bill. House rules currently set a maximum of ten bills for which a member may be a first-position Primary Sponsor. The Senate has no such limitation.

A member wishing to introduce a bill must have first filed it with the Principal Clerk’s office on the previous legislative day. There, it is stamped with an official number and logged-in electronically for tracking purposes so that legislators and the public can more easily follow its progress. When the body goes into session, the presiding officer (the Speaker of the House or President of the Senate or their designee) announces the time for the “Introduction of Bills and Resolutions.” The Reading Clerk then reads aloud the name of the bill’s sponsors, the bill’s number, and the bill’s title — at this point the bill has passed its First Reading. Typically, just the title is read aloud (as opposed to the entire bill) for the sake of brevity — as legislation often runs to many thousands of words and hundreds of pages. Before technological advances like photocopiers and the Internet, bills were read in their entirety. Today, all members receive full electronic copies of the bill.

The Path to Becoming Law

After the bill passes its First Reading, it is immediately assigned to a committee (or committees) for consideration. Committees are where the real legislative work in Raleigh occurs, as policymakers consider the merits of a bill. This is also the stage where experts, advocacy groups, and the general public can offer input.

As the committees undertake their work, they often make significant changes to the bill; these changes ultimately end up in what’s called a “proposed committee substitute” (PCS) of the original bill. Committees are also where the real power in the legislature is exercised. If a committee decides to kill a bill, the bill “dies in committee.” The bill “passes committee” if the committee votes to give the legislation a “favorable report.”

After a bill passes a committee favorably, it often will be considered by further committees, where it may be altered yet again before its next, or Second Reading. This committee process can be lengthy, sometimes taking weeks or months. The Speaker of the House and the Chairman of the Rules Committee in the Senate have enormous discretion over what committees a bill is assigned to on its path to becoming law, but bills are usually assigned to committees based on the nature of what the bill is written to do. For instance, all bills seeking to raise a tax or a fee must pass through the Finance Committee, and all bills that spend taxpayer money must go to the Appropriations Committee. The most powerful committee in terms of the process is the Rules Committee: this committee can choose to intervene at any time. There’s an old expression that it’s the Rules Committee where bills go to die (or, as it happens, be reborn).

If the committee approves the bill, it reports this to the presiding officer, who may (or may not) place it on the Calendar for consideration by the full membership of the body. Additional changes to the bill (called amendments) may be recommended by the committee or proposed by any member from the floor.

Second Reading occurs after the bill has successfully passed through this sometimes complicated maze of committees. The bill is “read for a Second Time” and is then fully debated by legislators on the floor.

When the time finally comes for consideration of the bill by the full membership of the body, the presiding officer will recognize the sponsor of the bill or the chair of the committee that recommended the bill for passage. That person explains the bill, and then any member who wishes to speak for or against the bill will be heard.

The presiding officer manages the floor debate according to well-established customs and procedures (although sometimes the Speaker of the House or the President of the Senate will designate another legislator to perform this task), recognizing in turn members who wish to speak on the matter in question (by asking “For what purpose does the gentleman (or lady) rise?”). The length and liveliness of debate usually depends on how contentious the bill is, but in reality, the vast majority of bills are not very controversial and there is virtually no debate at all, because many members have become familiar with the provisions of the bill from their committee work. During this process, legislators may offer amendments to the bill (which are voted on by the body separately). An “engrossed” bill contains all the adopted amendments and other changes that were incorporated into the bill as it makes its way through the halls of both the Senate and the House of Representatives.

When the floor debate ends, the presiding officer calls for a vote by commanding that “All in favor, will vote (or say) aye, all opposed, no.” Depending on the type of vote, members will then either vote verbally (called “viva voce,” from the Latin meaning “with living voice”) or by using one of two small electric switches at their desks which are located on the floor of the chamber. Members must be physically present and at their desks to vote. Members press a green button for an “Aye” vote and a red button for a “No” vote. Members typically have only five seconds to cast their vote; if a bill passes its Second Reading, at that point it receives preliminary approval from the body…but still is not yet law.

The Third Reading is the point at which a bill is read with all its amendments, providing further time (if necessary) for ad-
Consideration of the Bill by the Second Body

After a bill has successfully passed its Third Reading in the body in which it was first introduced, it is then officially sent to the other body (e.g., a bill originating in the House then goes to the Senate). There it goes through the same process all over again— that is, it is “read in” for the First Time, referred to a committee or committees, and if the reports are favorable along the way, it’s debated and voted on again by the other body during its Second and Third Readings on the floor. The bill must successfully make it through this entire complicated process in both chambers before finally becoming law.

Bills which passed one chamber might not even be taken up by the other body, consigned to languish in some committee never to be heard from again. An idea from one bill can be folded into another, unrelated bill; in the waning days of a legislative session, this maneuvering can get complex as language jumps from one bill to another on its final journey to becoming law. A bill that was originally drafted for one purpose in the House might end up taking on additional provisions dealing with seemingly unrelated matters from the Senate, and so on. But this is the nature of lawmaking — and everything happens according to very specific rules.

Concurrence

If the second chamber makes changes to a bill that was passed by the body in which the bill first originated, it must be returned to the body of origin, with a formal request that the originating body “concur” (agree) with the changes made by the second body. Even at this stage, those changes can be either technical or substantive. Sometimes the second body adds entirely new provisions to the bill.

If the original body objects to the changes made by the other body, the two presiding officers may appoint members to a “conference committee” which seeks to reconcile the differences between the two bodies. If the committee can agree upon the disputed subject, the conference committee reports back to each body, and the two houses vote on the recommended text. If either body rejects the conference committee’s recommendations, new members may then be appointed to try again. Otherwise, after all that time (and after all that work) the bill is defeated.

If the original body concurs with the changes, the bill is ready to be “enrolled” and signed into law.

Enrollment, Ratification, and Publication

After a bill passes both chambers, it is “enrolled” (enrolling is the process of changing a bill which has passed both chambers into its final format). A clean copy of the legislation (including all amendments) is prepared, with space for the signatures of the two presiding officers, and the Governor, if necessary.

The enrolled copy is then taken to the Speaker of the House and the President of the Senate during the next daily session. Each presiding officer signs the enrolled copy. When the second signature is affixed, the bill is said to have been “ratified.” If the bill is a Local Bill (those which affect 15 counties or fewer), it then immediately becomes law.

In 1996, the citizens of North Carolina voted to amend the state Constitution, giving the Governor limited veto power (see Article II, Section 22 of the North Carolina Constitution). Prior to that time, the Governor could not veto anything passed by the General Assembly, and North Carolina was the last state in the union to grant its governor veto power.

The Governor’s veto power is limited in that only certain bills are subject to it, including Public Bills (affecting 15 counties or more), but not including any bills which make appointments (to official state boards or commissions, for example), propose state or federal constitutional amendments, or redraw state or federal electoral districts. In North Carolina, the Governor lacks the power to veto a Local Bill.

The day after a bill is ratified, it is presented for the Governor’s approval or veto. If the Governor signs the bill or takes no action on the bill within ten calendar days, the bill then automatically becomes law. After the General Assembly adjourns for the summer, the Governor has just thirty calendar days to act on a bill. The Governor is required to reconvene the General Assembly if a bill is vetoed after adjournment, unless a written request is received and signed by a majority of the Members of both bodies that says it is not necessary to reconvene. In North Carolina, the Governor lacks the power to veto just a part of the bill (called a “line-item veto.”)

If the Governor vetoes a bill, the bill is returned to the original body, where three-fifths of the members present and voting (as opposed to the entire total membership of the body) can vote to override the veto. If the original body votes to override the veto, the bill is then sent to the second body, where 3/5 of those members present and voting must also vote to override the veto before the bill can become law. A member of the body may be present, but for whatever reason choose not to cast a vote one way or the other. As a result, his or her presence is not counted against the three-fifths required to override the veto. Technically speaking, it’s possible for a single member in each body to affect a veto override — that is if no other member of each body chooses to cast a vote.

After the bill becomes a law, the term “bill” is no longer used (although the bill number can still be used to retrieve the new law on the General Assembly’s website). The enrolled law is given a chapter number and is then published under that number in a volume called “Session Laws of North Carolina.”

**Awards & Honors**

From an unusually wide variety of organizations including those representing the military, children, race relations, international peace, science, and communications, a complete list of his accolades are too many to list.

For his work on behalf of children, the Reverend Graham was presented the Horatio Alger Award from The Horatio Alger Association of Distinguished Americans, an organization dedicated to dispel the mounting belief among the nation’s youth that the American Dream is no longer attainable. Also for his contribution to the welfare of children, Reverend Graham was named Big Brother of the Year.

At the White House, Reverend Graham was awarded the Presidential Medal of Freedom, the nation’s highest civilian award. In 1996 Mrs. Graham’s significant role in Billy Graham’s ministry was recognized when they were jointly awarded the Congressional Gold Medal, the highest honor Congress can bestow on a private citizen, in a special ceremony in the Capitol Rotunda. Reverend Graham was also awarded the Presidential Foundation Freedom Award by President Ronald Reagan for monumental and lasting contributions to the cause of freedom.

Many have recognized his unique and prolific contributions to peace, including the Freedoms Foundation of Valley Forge, who bestowed upon him both The Torch of Liberty Plaque and the George Washington Honor Medal. The George Washington Carver Memorial Institute awarded him their Gold Award for his contributions to race relations.

Interestingly, many awards have been bestowed by non-Christian organizations as well: the Anti-Defamation League of B’nai B’rith, the National Conference of Christians and Jews. He was awarded the First National Inter-Religious Award from the American Jewish Committee.

Successfully influencing the scientific world, Dr. Graham won the Gold Medal Award from the National Institute of Social Science in New York and the Templeton Foundation Prize for Progress in Religion from Sir John Templeton.

For five consecutive years Reverend Graham was number one in Good Housekeeping’s Most Admired Men Poll, and was in their top ten for 16 years. He has been listed in Who’s Who in America annually since 1954.

Dr. Graham’s international awards are also too numerous to list completely. For his international contribution to civic and religious life for over 60 years, he is a member of the Honorary Knight Commander of the order of the British Empire (KBE) and was bestowed an award by the Franciscans International, part of the United Nations. He was also presented the Centennial Medal by The Jabotinsky Foundation in Israel.

**The Work Continues**

The Billy Graham Library in Charlotte opened in June 2007 and chronicles the life of Dr. Billy Graham. More than 550,000 people from all over the world have visited the Library, as well as the Billy Graham Evangelistic Association headquarters, also in Charlotte.

Billy and Ruth Graham had a dream of providing a place where people could leave the demands of daily life, come to study God’s Word, and be trained to reach out to those lost. That dream resulted in the Billy Graham Training Center at The Cove, near Asheville. Dr. Graham continues to broadcast his message; his radio program “My Hope” is heard in 57 countries, reaching more than 10 million people all over the world.

Billy Graham, North Carolina’s Favorite Son, still makes his home in the mountains of Western North Carolina. He turned 95 years old on November 7, and was honored by nearly a thousand guests at a special celebration in his honor at the historic Grove Park Inn.

On August 21, Governor McCrory signed into law the “Health Care Cost Reduction & Transparency Act.” The legislation enhances the transparency of healthcare costs by providing information to the public on the pricing for 140 common medical procedures.

“For too long, North Carolina patients have been in the dark on what they can expect to pay for common medical procedures when they are admitted to a hospital,” said Governor McCrory in a press release. “This new law gives patients and their doctors pricing information so they can make an informed financial decision with regard to their health care.” The Washington Post praised McCrory and the legislature in its recent story “Want to know if your hospital is a rip off? Move to North Carolina.”

Hospitals and ambulatory surgical facilities must now report pricing for commonly performed procedures to the state Department of Health and Human Services, who will be required to make the information available on the DHHS website. The privacy of patient information related to the pricing data reported to DHHS will be protected and cannot be used for commercial purposes.

Hospital officials often claim that they are forced to engage in the practice called “cost-shifting” — charging higher prices on some patients and services to cover losses on others — making it very difficult for patients to determine what procedures will cost. And since health care consumers are not typically accustomed to this sort of comparative shopping, it will take time for the law to have the intended effect of lowering artificially high healthcare costs. However, Senator Bob Rucho, an advocate for the changes says, “Transparency is a good first step to fixing things.”

A key driver in developing these policies was a joint investigation by the Raleigh News and Observer and the Charlotte Observer that published a series of articles on how the growing market power of consolidated hospital giants has driven up prices. The reports exposed the substantial revenues flowing into nonprofit hospitals, the seven-figure executive salaries, and the common practice of hospitals suing uninsured patients who have past-due payments on their bills, and of turning over past-due accounts to collection agencies without notice.

The Act also addresses questions related to certain hospital billing and debt collection practices, puts an end to a hospital’s ability to place a lien on a person’s property for past-due payments as well as ending a hospital’s ability to garnish wages of their patients with outstanding debt.

Charging for healthcare procedures that are not actually performed was made explicitly illegal under the new law effective December 1, 2013.
Limiting tall buildings near Military Bases

A new law will ensure that tall buildings near military bases won’t interfere with training, readiness, and operations. House Bill 433 limits the construction or expansion of buildings that are at least 200 feet tall and are within five miles of a major military installation.

The U.S. military maintains combat readiness through intensive training on the ground and in the air; incompatible use of nearby land can both limit the time that training ranges are available and the types of training that can occur. This new law will help our military forces gain unfettered access to airspace and coastal areas and protect them from unwanted radio frequency encroachment.

Developers seeking to construct tall buildings near military bases must comply with the following new requirements: 1) obtain the permission of the state’s Building Code Council; 2) formally notify the commanding officer of the nearby base that permission to exceed these restrictions has been sought; 3) obtain from the commanding officer a detailed description of possible adverse effects, including frequency disturbances and physical obstructions (such as interference with air navigation routes, air traffic control areas, military training routes, or radar); and 4) obtain the Federal Aviation Administration’s assurance that the structure would not constitute a hazard to air navigation.

The Building Code Council will have the authority to override local government zoning — and approve or deny the request to build the structure. The Council must act within 30 days, or the construction can go forward under a presumption of approval.

Penalties for violating the new rules will be assessed up to $5,000 for each day of violation, as determined by the state Commissioner of Insurance.

The military is our second largest economic sector, providing $26 billion to the state’s economy and employing nearly 10% of North Carolina’s workforce.

Removing Politics from Highway Funding

A new law will reform and modernize how major transportation projects are prioritized and funded. The Strategic Transportation Investments Act, which became law in June, will govern the use of state and federal funds for state transportation construction and capital needs.

The old distribution formula, which dates back to 1989, relies heavily on clout, favoritism and political patronage to determine which roads, bridges, and highways get built — and it’s been more a function of politics than of any real demonstrable need. For years, areas with powerful members of the General Assembly have benefited from new transportation infrastructure while other areas of the state have languished.

The new law changes that dynamic by prioritizing each new project based on its objective economic development value, removing politics from the process.

“Businesses want to invest where states have their act together and where they have a strategy and a long-term vision, and that is exactly what we have done,” said Governor Pat McCrory.

The North Carolina Department of Transportation presented to the Governor a set of statistical projections that ultimately required the legislature to make substantial reforms in infrastructure investment for the long term, and the Strategic Transportation Investments Act is the General Assembly’s response to this challenge.

The new law sets out a vision that addresses emerging economic and cultural realities, provides a model for reaching solutions, and moves the whole of North Carolina to a more sustainable path. The reforms include careful consideration of economic development, the impact on job creation, public and private funding mixes, changing construction needs, and the use of data-driven metrics and local input for planning and setting priorities.

Another law, House Bill 157, protects taxpayers from the waste and misuse of state transportation dollars. Until now, the unreserved credit balance of fuel tax proceeds in the Highway Fund has been diverted to areas unrelated to transportation. This law requires that any proceeds in the Highway Fund from fuel taxes must be used for their original purpose: road construction and road maintenance. No more than $5 million of these proceeds can be spent on any one project, and any amount over that on the last day of the fiscal year is sent to the Reserve for General Maintenance in the Highway Fund.

Cheers to the General Assembly

A pair of “beer bills” made their way through the legislature last year and were signed into law. House Bill 829 allows the sale of malt beverages in refillable 64 oz. containers (known as “Growlers”) in grocery stores, wine shops, bars, restaurants, and other establishments where alcoholic beverages are already sold. Growlers are currently sold in South Carolina and, since North Carolina is the home of nearly 100 craft brewers, the new law is expected to make our brewers’ product more available.

House Bill 610 allows vendors to sell beer in the seating areas of smaller-sized sporting arenas and stadiums in North Carolina. Currently, the law only allows roaming retail beer sales in stadiums with a 60,000-seat or greater capacity and in cities with populations of over 450,000 people — effectively shutting out every other venue in North Carolina except the 73,000-seat Bank of America Stadium in Charlotte.

The new law lowers the seating threshold from 60,000 to 3,000, and it eliminates the “hometown population” requirement — opening up in-stand beer sales for dozens of college football stadiums and minor league baseball stadiums in tens of thousands of communities all around the state. Selling beer in the stands alongside other food and drinks provides convenience for sports fans (especially those with mobility issues) and will certainly reduce foot traffic and long lines at vending stations. Other portions of the current law would remain in effect, including prohibiting employees from verbally shouting or hawking the sale of beer, not allowing sales to the underaged or visibly intoxicated, and the requirement that food and non-alcoholic drinks also be available to North Carolina’s millions of sports fans.
Reforming the workings of the NC State House

During the historic shift in control of the North Carolina House of Representatives, the legislature was very proactive in streamlining operations and enacting ethical reforms both to ensure that the General Assembly function as efficiently as possible and to save taxpayer dollars.

Prior to even arriving in Raleigh in 2011, the new House of Representatives completed their office assignments and moves (often a contentious and political process) prior to convening — a reform from the historical trend of choosing offices and leaders once the legislature was already in session. This early organization allowed the General Assembly to conduct business on opening day. The House of Representatives also saved taxpayers money by hiring prison labor to assist with the transition. House and Senate offices were moved, set up, and opened prior to the beginning of the session, all for a total cost of less than $40.

On Opening Day, the General Assembly continued with its work to create a more nimble and higher-quality legislative body than what existed prior to that. By unanimous consent, the General Assembly enacted a 10-bill limit for legislators — so that only the most important matters got through what can often be a very complicated process. Previously, no limits existed. The legislature also enacted rules to protect the rights of the minority so that debate would not be stifled. For the first time ever, members could change their votes, and the General Assembly required that all budgets be posted publicly for at least 24 hours prior to being voted on in the House.

The House also switched to a paperless system to conduct its business. This computerized system is more transparent to the public and environmentally friendly — saving the massive amounts of paper and resources used in the old way of handling legislation and bill management.

Due to these reforms by the new majority, the General Assembly convened for one of the shortest sessions in history.

Ending Forced Annexation

Annexation has been a subject of controversy and contention in North Carolina for many years — most especially with regard to the issue of what is called “forced annexation.” For nearly a half-century, North Carolina was one of only three other states left in the entire country that let a city annex valuable property outside its borders — and tax the residents who lived there — without their consent. Until the new majority gained control of the legislature for the first time in decades, forced annexation had gone essentially unchanged since 1959.

Prior to 1959, it was the responsibility of the General Assembly to set a city’s boundaries. In 1959, the General Assembly adopted the “Annexation Act,” delegating to cities the unlimited authority to annex areas lying near their borders. The law allowed annexation by voluntary or involuntary (forced) means. If a city saw a financial benefit, it could move forward on a forced annexation action — affecting the takeover of property by only a majority vote of a City Council; if an outlying area saw benefit to being annexed into a nearby city, its residents could petition the city for inclusion within the city’s boundaries. City property owners pay both city and county taxes, and should receive the same level of municipal services, like trash removal and sewer service, although this has certainly not always been the case.

The city could also forcibly annex an outlying area if it met certain specified population, density and commercial development criteria. Usually, the area would also have to physically border the city, but exceptions were often made for non-contiguous areas. This involuntary method of annexation didn’t allow for a vote of the people in the targeted area; as long as it met the loose criteria, the city could proceed through a required sequence of actions.

Whether the annexation was voluntary or involuntary, the annexing city was required to publish a schedule for providing city services to the new residents, and the city was given a grace period of several years to actually provide those services. However, immediately upon annexation, the property owners would be subject to the new taxes levied by the city, the zoning laws and other onerous bureaucratic regulations. And this is where the controversy regarding “forced annexation” came into play.

To reiterate: 1) a city was allowed by state law to annex developed areas without the consent of those people targeted for annexation; 2) those new residents immediately fell under all the laws, taxes and land-use controls of the city, subjecting them to double-taxation (city and county) and constraining the use of their property according to laws they had no opportunity to vote on; and 3) cities were not required to provide services at the time of annexation — but in the meantime, property owners in the newly annexed area were required to pay the additional city taxes without necessarily getting the benefit of city services. The fight to actually receive associated city services sometimes dragged on for decades and involved prohibitively expensive lawsuits.

This gave cities every incentive to embark on patterns of predatory annexation to draw new revenues into a city’s treasury without the trouble of persuasion (or the cost of extending services). When a city became financially over-extended or sought to fund projects beyond its ability to really do so, essentially it had three avenues of action: increase property taxes, cut spending, or annex high-value properties. Increasing property taxes is politically unpopular and can even be counterproductive by driving residents and businesses out of the city. Lowering spending is sometimes difficult for city politicians — who regularly get elected on the promise of favors, handouts and grandiose feel-good projects. All too often, the least painful option for a city became forced annexation: state law allowed it, the voters weren’t able to stop it, and the cost-benefit ratio was favorable — to city governments. Basically, North Carolina’s annexation law was a political tool that allowed cities to raise revenue without having to raise property taxes on existing city residents. This led to many efforts over the years to lobby state officials for a change in the law that would give the people a greater voice in the annexation actions taken by North Carolina’s cities. The burden on ordinary citizens to effect annexation reform was great, and with an unsympathetic party in charge of the legislature for so long, hope for reform was bleak — until last session, when House Bill 925 was passed. The legislation allowed, for the first time in more than fifty years, for people in areas targeted for forced annexation to vote on it — finally giving them the option to approve or deny the annexation. Now, if a city wants to annex nearby properties, for whatever reason, it must receive a majority vote of approval by the people who are affected in order to proceed. If a majority don’t approve the annexation, the city is prohibited from trying to annex the same area again for 36 months.
This past June, a bipartisan group of more than one hundred members of the General Assembly joined Bass Pro Shops founder Johnny Morris, Richard Childress (of Richard Childress Racing and owner of Childress Vineyards), Congressional Sportsmen’s Foundation President Jeff Crane, Governor Pat McCrory and many other distinguished supporters of our sportsmen’s community at the home of Frank and Judy Grainger in Cary for the annual North Carolina Legislative Sportsmen’s Advisory Council Dinner.

This spectacular event is held every year by the North Carolina Legislative Sportsmen’s Caucus Advisory Council and the North Carolina Legislative Sportsmen’s Caucus to celebrate North Carolina’s rich outdoor heritage and provide an evening of camaraderie that promotes the economic impact of hunting and angling in the state of North Carolina. A silent auction and raffle raised funds to help the Caucus continue in its mission to protect and promote sportsmen’s issues in the North Carolina General Assembly. Over 250 people were in attendance.

Ten “Action Trackchairs,” all-terrain wheelchairs designed and built to increase recreational opportunities (including hunting and angling) for the physically handicapped, were sold for $10,200 each for a total of $105,000. Each Action Trackchair was then donated to the North Carolina Wildlife Resources Commission to be paired with the Commission’s existing ten hydraulic-lift deer stands, giving increased access to those with mobility impairments.

Among the North Carolina Legislative Sportsmen’s Caucus’s other recent successes is a new law establishing a “hunter apprenticeship permit” to provide a needed avenue for increased hunter recruitment and retention. The legislation allows an individual holding a “Hunting Heritage Apprentice Permit” to hunt if accompanied by an adult at least 18 years old who also holds a North Carolina hunting license, or if the individual is accompanied by an adult landholder or landholder’s spouse who is exempt from the hunting license requirement if hunting on the landholder’s land. The Hunter Heritage Apprentice Permit is a product of the Wildlife Commission’s “Strategic Recruitment and Retention Initiative,” recently organized by Wildlife Resources Commissioner Dell Murphy.

This new law is intended to increase participation in hunting by allowing individuals to hunt under the guidance of licensed hunters — instead of requiring them to complete bureaucratic coursework.

Sportsmen and women spent $90 billion nationally in 2011 — that’s more than the combined global sales of Apple’s iPhone and iPad for the same year.

1.63 million people (residents and non-residents) hunted or fished in North Carolina in 2011, about the same as the combined populations of the cities of Raleigh and Durham (1.63 million vs. 1.7 million).

The number of people who fished in North Carolina in 2011 is more than the total home attendance for the Carolina Panthers and the Charlotte Bobcats combined (1.52 million anglers vs. 1.06 million fans).

Sportsmen and women spent $2.3 billion on hunting and fishing in North Carolina in 2011 — that’s almost as much as the revenue for hog farming, the second highest grossing agricultural commodity in that year ($2.3 billion vs. $2.5 billion). And hunters and anglers support more jobs in North Carolina than the combined employment of Merrill Lynch & Company, Inc. and Nortel Networks Corporation, the two largest employers in the state (35,088 vs. 25,000 combined jobs).

Spending by sportsmen and women in North Carolina generated almost $250 million in state and local taxes in 2011 — and that’s enough to support the average salaries of 6,054 police and sheriff’s patrol officers.

The NC Sportsmen’s Caucus raises over $100,000 to help the disabled

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