



# LEGISLATIVE REPORT

NORTH CAROLINA BURGLAR AND FIRE ALARM ASSOCIATION

MAY 5, 2006

## INTRODUCTION

**THEY'RE COMING BACK!!!!!!!** The 2006 session begins next week on Tuesday, May 9<sup>th</sup> at Noon.

Legislators have been coming back into town periodically over the last several months to attend a variety of study committees. On May 9<sup>th</sup> all Legislators will return for the opening session for 2006. This report will update you on what has been happening in those study committees and the legislation we can expect to see coming out of those committees. In addition, we will report on a few bills that are still pending from last year that affect your Association. Beginning next week we will send out your Legislative Report periodically to update you on legislation, amendments, committee meetings and other news at the Legislature.

There will be some new faces at the Legislature this summer. Representative Bill Culpepper resigned his position to accept an appointment to the North Carolina Utilities Commission. He is replaced by Representative Timothy L. Spear who is a retired Clerk of Superior Court who will represent Chowan, Dare, Hyde and Washington Counties. Senator Ham Horton passed away between sessions and was replaced by Senator William B. Miller. Senator Miller has stated that he is only serving to hold the seat until the election, when a new Senator will be installed to represent Forsyth County. And finally, Senator Scott Thomas resigned his position to become the District Attorney in Craven County. Senator Thomas is replaced by Senator C.W. "Pete" Bland who is a retired Sheriff and Magistrate who will represent Carteret, Craven and Pamlico Counties.

The most intriguing thing about this upcoming session will be the politics between parties and within parties. Currently, Speaker Black is undergoing tremendous pressure because of investigations that started with the Board of Elections regarding campaign financing. There currently are two federal grand juries who are looking into activities surrounding Speaker Black, although reportedly neither grand jury is looking directly at any wrongdoing by Speaker Black. However, the Wake County District Attorney is considering whether to charge Speaker Black for election law violations as alleged by the North Carolina Board of Elections. Although the Democratic Caucus has decided to move forward during the short session with Speaker Black as their leader, there are many behind the scenes who are very concerned regarding Speaker Black's problems and would like to make the session as short as possible. The Republicans in the House continue their infighting with Richard Morgan taking the brunt of the criticism from other Republican's for his past relationship with Speaker Black. In the primary held on Tuesday, Speaker Morgan as well as two of his Republican supporters were defeated and will not be back in 2007. Because of the infighting it is unclear whether the Republicans will be able to take any seats or gain a majority in 2007 in spite of Speaker Black's ethical problems.



On the Senate side, the Democrats continue to hold a clear majority and are able to move through the process much faster and control the agenda much easier. There does not seem to be any reason to think that the Democrats will lose their majority in the Senate in 2007. The Senate will review the budget first and it is rumored that they have almost completed their work and hope to have it approved by the end of May. In fact many appropriations committees have already been meeting to get a jump-start on the budget process. This may confirm the rumor that both the House and the Senate wish to get in town, get the budget completed and end the session early or at least on time.

Below you will find summaries of some of the study committees that have been meeting between sessions and some of the proposals and recommendations they have been making. Keep in mind that these committees must have a member of the committee sponsor the legislation before it is eligible for consideration. Usually, the Chairs of the Committees have their choice of which bills they want to sponsor and members of the committee choose between what is left. Although we will provide a brief summary of the recommendations made by the committees, once the bills are filed we will provide a more detailed explanation of the provisions. Also included in this preview report are several bills that are still pending from last year that we will continue to monitor.



### STUDY COMMITTEES

HOUSE SELECT COMMITTEE ON HEALTH CARE. The House Select Committee on Health Care was created to study the increasing numbers of uninsured in North Carolina and problems with access to health care. Six different subcommittees were formed to look at the issues although there was quite a bit of overlap in the discussions. The subcommittees met at least four or five times and heard from various experts and health care officials who described the difficulties and problems they encounter in delivering health care services. All of the subcommittees made recommendations to the full Committee that were approved and will be legislation for the short session. Below are the relevant recommendations from the subcommittees of interest to your Association:

#### Subcommittee on the Cost of Health Care and Health Insurance - Recommendations

1. Provide a tax credit to small businesses that provide employees with health insurance. To be eligible the small business would have 25 employees or less and would cover at least 50% of the employee's health insurance premiums.
2. Create a High Risk Health Insurance pool based upon the recommendations of the Institute of Medicine.
3. Create a Healthy North Carolina Program similar to the successful "Healthy New York" that offered affordable health insurance to small employers and working individuals.



## PENDING BILLS

SENATE BILL 774, Seat Belt Use Enhancements, would revise the current seat belt laws to encourage and increase the use of seat belts by requiring all occupants of a vehicle (including commercial vehicles) to wear a seat belt while the vehicle is in motion and to increase the penalty for a violation from \$25 to \$50. The bill would also require one driver's license point to be given for a violation involving a driver or passenger under the age of 16. **This bill was approved by the Senate and is currently in the House Rules Committee.**

SENATE BILL 1143, Protect Building Inspectors, would provide immunity for building inspectors unless their acts or omissions are material to the value of the building structure itself and demonstrated by clear and convincing evidence. A prior version of the bill provided immunity unless acts or omissions amounted to gross negligence or intentional wrongdoing. **This bill was approved by the Senate and is currently in the House Judiciary III Committee.**

HOUSE BILL 20, Health Insurance Credits/Minimum Wage. This bill was originally filed to provide a tax credit to small employers who provide health insurance benefits for their employees. During debate in the House a minimum wage provision that would increase the minimum wage from \$5.15 to \$6.00 was included into the bill. The strategy was clear that by including a pro-business provision for a tax credit that the minimum wage would also be acceptable to a majority of the members of the House. **This bill was approved by the House and is currently in the Senate Finance Committee.**

HOUSE BILL 267, 8-Year Drivers License/Internet Drivers License Renewal, would extend the valid period for a driver's license from the current 5 years to 8 years for drivers who are ages 18-37. Driver's who are under the age of 18 would be required to renew their license by their 21<sup>st</sup> birthday. All other drivers licenses would expire five years after issuance. The Division of Motor Vehicles would be permitted to electronically renew licenses for one additional five-year period and waive the vision and sign test for electronic renewals, if the person is at least 25 years old and less than 60 years old and meets other requirements regarding their driving record. Commercial drivers licenses could not be renewed electronically. **This bill was approved by the House and is currently in the Senate Transportation Committee.**

HOUSE BILL 327, 2005 Technical Corrections Act. Every session both the House and the Senate draft a Technical Corrections bill which serves to correct minor errors in statutes. For example, a statutory reference is listed incorrectly, a number is transposed, or grammar or punctuation needs to be corrected. This bill includes all those changes and usually includes several substantive changes in the law that are put into the bill by leadership during the last days of session. In 2005 the Technical Corrections Act was caught up in the negotiations between the House and the Senate and



was not approved. We expect the same provisions in the Technical Corrections Act for 2005 to eventually be placed in the 2006 Technical Corrections Act as well as many other provisions. The Technical Corrections bill is usually completed near the end of session and approved during the last two days of session prior to adjournment.

HOUSE BILL 413, the Studies Act of 2005. Each session both the House and the Senate draft a studies bill that includes a variety of issues that need further review or issues that cannot be passed by the legislature during that session. At the end of 2005 the studies bill was caught up in negotiations between the House and the Senate and was not approved. Although we expect a similar studies bill for 2006, we are sure there will be changes and additions to the current studies already in place. Usually, the studies bill is completed at the very end of session approved on the last day or two before adjournment.

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