CHARLOTTE.

CITY MANAGER'S OFFICE
M E M O R A N D U M

February 8, 2013

TO: Julie Burch, Interim City Manager
Ron Kimble, Deputy City Manager

FROM: Dana Fenton, Intergovernmental Relations Manager

SUBJECT: **Week 2 State Legislative Report**

The following is the Week 2 Legislative Report.

HOT TOPIC

Unemployment Insurance Reform (HB 4 – Howard, Warren, Starnes, Setzer): The House passed HB 4 and has sent it over to the Senate where it is up for floor action on 2/12. HB 4 pays off the $2.5 billion unemployment debt to the federal government by late 2015/2016 ahead of the originally projected 2019 payoff date. The major provision in the bill affecting governmental employers is the requirement for each such employer to establish a reserve fund equal to 1% of its taxable wages. Benefits chargeable to the reimbursing employer will be paid out from the 1% escrow fund. The cost to the City of Charlotte to establish its 1% reserve fund will be approximately $1.5 million, which the bill provides several quarters to build up.

LEGISLATIVE AGENDA

The Mecklenburg Delegation will meet on Wednesday 2/13 to consider the legislation requested by the City, Towns, County, Schools, Chamber of Commerce and other groups. Thus, staff should gain a fuller understanding of any issues surrounding the City's legislative requests.

LEGISLATION

Eminent Domain Constitutional Amendment (HB 8 – McGrady, Stam, Lewis, Goodman): HB 8 proposes for voter consideration a constitutional amendment prohibiting condemnation except for a public use. Legislation is similar to that filed in 2011 but was never acted upon by the Senate. HB 8 has been calendared for House floor action on 2/12.

Repeal Combined Motor Vehicle & Registration System (HB 30 – Stevens, Starnes): HB 30 would repeal the 2005 law that provides for payment of local motor vehicle taxes at the same time the annual state vehicle registration is required. The system will soon be going online and is expected to result in a higher rate of taxes collected. Referred to House Transportation.

Annexation Amendment (HB 79 – Pittman, Hardister, Ford): Proposed constitutional amendment would amend Article VII of Section 1 to prohibit the General Assembly from authorizing any annexation initiated by local governments unless two-thirds of the registered voters living in the affected area approve the annexation. The amendment also prohibits the exercise of any jurisdiction beyond the corporate limits, which appears to target local ETJ powers.

BILL FILING DEADLINES

Bill Filing Deadlines	Filed in Senate by 3:00 p.m.	Filed in House by 3:00 p.m.
Bills recommended by Study Commissions	--	Wednesday, February 27
Bills recommended by State Agencies	--	Wednesday, March 20
Local Bills	Wednesday, March 13	Wednesday, April 3
Public Bills (All Public Bills)	Thursday, March 28	--
Public Bills & Resolutions (Not Appropriations or Finance)	--	Wednesday, April 10 by 1:00 pm
Public Bills (Appropriations and Finance)	--	Wednesday, May 8

Crossover deadline for both chambers is Thursday, May 16.

BILL TRACKING REPORT

A report listing all the bills staff is tracking follows on the next page.

Bill # Title (Sponsors)	Summary of Major Provisions & Impacts Upon City	Bill Status	Staff Resource(s)
General			
HB 4 Unemployment Insurance Reform (Howard, Warren, Starnes, Setzer) Similar to SB 6 (Rucho, Rabon, Brock)	Legislation strongly supported by NC Chamber of Commerce and business community in general; Described by Sponsor as "option" to retire $2.5 billion unemployment insurance debt owed to federal government three years faster (2016 rather than 2019); Reduces maximum weekly benefits and duration of benefits for future recipients; Requires reimbursing employers, such as local governments, to establish reserve accounts equal to 1% of taxable wages to advance pay benefits; Requirement to establish reserve account to advance pay benefits will require City to establish fund of approximately $1.5 million Effective July 1, 2013	Passed House on 2/5, Favorable Report in the Senate Finance Committee on 2/6	HR Budget
HB 6 Public Sector Collective Bargaining / Right to Work / Secret Ballot Constitutional Amendments (Tillis, Moffitt, Murry) Similar to HB 53 (Tillis, Moffitt, Murry)	Proposes that State Constitution be amended to include long term prohibition on public sector collective bargaining and right to work laws, and guarantee to secret ballots in union elections; November 2014 general election ballot	Referred to Rules, Calendar and Operations of the House Committee	HR City Attorney
HB 8 Eminent Domain (McGrady, Stam, Lewis, Goodman)	Proposes that State Constitution be amended to prohibit condemnation except for a public use; Similar to Edition 3 of 2011-2012 HB 8 that passed House but was not considered by Senate; November 2014 general election ballot	Received favorable report from Judiciary Subcommittee on 2/6/13	City Attorney

Bill # Title (Sponsors)	Summary of Major Provisions & Impacts Upon City	Bill Status	Staff Resource(s)
HB 30 Repeal Combined Motor Vehicle & Registration System (Stevens, Starnes)	Bill repeals 2005 law and subsequent amendments to provide for payments of local motor vehicle taxes at same time state vehicle registration is due to ensure owners pay their taxes	Referred to Transportation Committee	Finance
HB 53 Right to Work (Tillis, Moffitt and Murry)	Amends NC Constitution to guarantee an individual's right to work and prohibits contracts between state/local governments and labor organizations; Makes statutory changes to Article 10 of Chapter 95	Referred to Rules, Calendar and Operations of the House Committee	HR City Attorney
HB 74 Periodic Review and Expiration of Rules (Murry, Moffitt, Samuelson and Bryan)	Allows for the expiration of a permanent rule unless there is a readoption of the rule by the Rules Review Commission	Referred to House Regulatory Reform Committee	
HB 79 Annexation Amendment (Pittman, Hardister)	Amends the NC constitution to restrict annexation by municipalities. Requires any municipal initiated annexation to be approved by 2/3 of the voters residing in the affected area.		City Attorney Planning
Public Safety			
HB 17 Gun Permits / Restaurants & Confidentiality (Burr, Hager, Hollo, J. Bell)	Allows persons with concealed handgun permits to possess handguns in restaurants if allowed by establishment, and to preserve confidentiality of information concerning concealed handgun permits and pistol purchase permits	Referred to Rules, Calendar and Operations of the House Committee	CMPD City Attorney
HB 48 Operation of Mopeds (Shepard)	Requires mopeds to be licensed and insured.	Referred to Transportation Committee	CMPD

Bill # Title (Sponsors)	Summary of Major Provisions & Impacts Upon City	Bill Status	Staff Resource(s)
HB 49 Firearm in Locked Motor Vehicle / Parking Lot (Shepard)	Shares some similarities to 2011-2012 HB 111; Prohibits any business, commercial enterprise or employer from prohibiting the storage of firearms or ammunition when locked out of sight in motor vehicles; Allows for civil suits when a person is injured or killed against any business, commercial enterprise or employer who violates the locked out of sight standard; Provides for reinstatement, back pay, etc. of employees discharged from employment as result of violating company policies in conflict with this bill; Effective December 1, 2013 and applies only to violations committed on or after that date	Referred to Rules, Calendar and Operations of the House Committee	CMPD City Attorney
SB 8 Towing Fines (Meredith, Clark and Jenkins)	Raises the minimum fine for violating provisions of local tow ordinances authorized by 20-219.2 from $100 to $150	Referred to Senate Finance Committee	CMPD
SB 17 Concealed Carry Permits (Bingham)	Invalidates in North Carolina concealed handgun permits issued by other states to nonresidents	Referred to Senate Judiciary Committee	CMPD City Attorney
SB 27 Public School Protection / Firearm Amendments (Bingham)	Allows individuals both certified by the NC Criminal Justice Education and Training Standards Commission and designated by a local board of education or charter school board of directors to possess and carry firearms on school property to provide additional protection to those attending and working in public schools.	Referred to Rules and Operations of the Senate Committee	CMPD City Attorney

Bill # Title (Sponsors)	Summary of Major Provisions & Impacts Upon City	Bill Status	Staff Resource(s)
SB 28 Gun Permit Information / No Publication (Bingham)	Increases the confidentiality of information regarding concealed handgun permits and pistol purchase permits. Other than the local permitting sheriff and the NC State Bureau of Investigation, it limits availability of information to other State and local law enforcement agencies	Referred to the Senate Judiciary Committee	CMPD City Attorney
HB 59 Eliminate Safety Inspections (Howard)	Eliminates annual vehicle safety inspections as well as the requirement that window tinting inspections be conducted by a licensed safety inspector. Legislation stems from recommendations by the Joint Legislative Program Evaluation Oversight Committee	Referred to the House Transportation Committee	CMPD
HB 63 Support Right to Bear Arms (Speciale)	A resolution expressing support of the Second Amendment and opposes any infringement by the federal government in keeping and bearing arms	Referred to Committee on Rules, Calendar and Operations of the House	
Environmental & Planning			
None in this category at this time			
Infrastructure			
SB 9 Utility / Design / Survey Location Services (Meredith, Clark)	Requires Utility owners to locate and describe underground utilities upon written or oral request from a person who is responsible for designing or surveying underground facilities or requires a general description and location of existing underground facilities in an area; Not the bill that rewrites the statewide underground utility damage prevention statute	Referred to the Senate Commerce Committee	CDOT CMUD

Bill # Title (Sponsors)	Summary of Major Provisions & Impacts Upon City	Bill Status	Staff Resource(s)
SB 19 Building Contracts / Local Business Participation (Bingham, Clark and Jenkins)	Requires counties and cities to require bidders on public building contracts to demonstrate that they have made good faith efforts to recruit participation by local businesses in the contracts; Also includes provisions that contracts awarded under this section shall be without regard to race, color, creed, age, sex or handicap potentially impacting MWBE programs	Referred to the Senate Finance Committee	E&PM Aviation N&BS City Attorney
SB 29 NCRR Reporting (Hartsell)	Strengthens oversight, annual reporting and strategic planning by the NC Railroad Company. Also requires: • A one-time cash dividend of the NC Railroad to the General Fund • An annual cash dividend of the NC Railroad to the General Fund • Transfer of low-income non-corridor properties from the NC Railroad to the State as recommended by the joint legislative program evaluation oversight committee.	Referred to Program Evaluation	CATS
Economic Development			
HB 55 Reform Workforce Development (Howard)	Resolution to realign local workforce development areas with boundaries of councils of governments as recommended by the Joint Legislative Program Evaluation Oversight Committee. It would: • Reduced number of workforce development areas • Increase number of counties workforce development areas would cover	Refereed to the House Commerce and Job Development Committee	N&BS

Bill # Title (Sponsors)	Summary of Major Provisions & Impacts Upon City	Bill Status	Staff Resource(s)
HB 69 Opportunity Advancement zones (Torbett)	Provides tier one tax treatment of employers located within newly created opportunity advancement zones based on the following criteria: • 40% of households with incomes below $25K and exceeds the federal employment rate by 2% • 33% of households with incomes below $25K and exceeds the federal employment rate by 4% • 25% of households with incomes below $25K and exceeds the federal employment rate by 6%	Referred to the House Commerce and Job Development Committee	N&BS
HB 86 Restore Wallace to Wilmington Railroad (Hamilton, Shepard, R. Moore and Catlin)	Requires the NCDOT to seek funding for two economic development projects. The first to restore the rail connection from Wallace to Castle Hayne and another project to improve rail access to the NC State Port at Wilmington		