



## INTRODUCTION

According to an announcement from House Speaker Tim Moore, this biennium's short session will be wrapping up this week, with or without a budget agreement. So far, budget negotiations have been between the Republican-led chambers, who appear to have their differences on a number of issues, but mainly on Medicaid expansion. According to House Appropriations Chairman Jason Saine negotiations between the chambers have broken down. "We have a two-year budget. I think the House position, at least as chairman of Appropriations, my position all along has been we're OK if we don't get a budget this year. There's nothing that I have to have immediately, and I think the state will still be in a good place. We would like to get those raises to our employees. It's been a priority of the House. But if someone's put a line in the sand, we can't go there, we might just have to walk out," Rep. Saine told reporters.

One of the "lines in the sand" Rep. Saine is referring to is Medicaid expansion. In one of the most monumental moves of this session, the Senate overwhelmingly supported a measure that would expand Medicaid and access to care through House Bill 149. This bill swiftly passed through the Senate in a week's time, but did not exactly receive a warm welcome once it reached the House side. Many House Republicans still have some heartburn over the concept of Medicaid expansion, according to the Speaker. The bill has sat in House Rules for the past couple weeks, however conversations about the bill's language have most certainly been taking place behind closed doors and during budget negotiations. We always knew that this issue would be a sticking point between the chambers, with the Senate nearly in complete support and Senate leader Berger and Gov. Cooper both publicly committed. On Wednesday night, the House responded with their answer: the House rolled out a new version of Senate Bill 408 in House Health on Thursday morning, which would task the Department of Health and Human Services (DHHS) with negotiating with the federal government and developing a Medicaid Modernization Plan that would then be brought before the bill's newly-created Joint Legislative Committee on Medicaid Rate Modernization and Savings on December 15, 2022 for a vote. "So, the House has gone from 'No' to 'Let's study it again,'" Senate leader Berger said in a statement. "Remember, we authorized a study in last year's budget. It is past time for action. The House should pass the Senate version ... or we should agree to incorporate it into the budget."



## NORTH CAROLINA SECURITY AND LOW VOLTAGE ASSOCIATION



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Although some members have expressed their disapproval of the new bill that would further prolong an already drawn-out issue, the bill was heard for discussion-only in the Health committee with minimal discussion. Senate leader Berger and Moore are expected to meet over the next few days to discuss a budget bill they all can agree on. Although Senate leader Berger would like to see House Bill 149 included in the budget, he has acknowledged that this measure could be part of a separate deal. “I’d like to see it in the budget, but I can accept us doing a budget that doesn’t have it. It’s not a deal breaker for me,” Sen. Berger told reporters. Senate leader Berger appears to be more optimistic about the state of negotiations than Rep. Saine and has told reporters he doesn’t believe negotiations have broken down between chambers. “I still feel like we’ll have something to vote on next week,” Berger told reporters.

If what they are saying is true, then the General Assembly has a very short runway to finish budget negotiations between the chambers, bring the Governor in on negotiations, pass a budget, and pass any other legislative priorities. However, leadership feels confident that it can be done and members will be out before July 4th. “We generally always get this done. It’s not our first rodeo,” Speaker Moore said.

**SUPREME COURT RULES STATE REPUBLICANS CAN INTERVENE IN VOTER ID CASE**  
On Thursday, the U.S. Supreme Court ruled 8-1 to allow state Republican lawmakers to intervene in litigation to defend the state’s voter ID law against a legal challenge from the NAACP. Although Attorney General Josh Stein’s office has represented the State Board of Elections and defended the constitutionality of North Carolina’s voter ID law in this case for several years, Republican legislators believe they should handle the defense. Republicans have doubted Democrats’ abilities to put forth enough effort to defend something most Democrats don’t agree with. In response to the news, House Speaker Tim Moore released a statement, saying, “North Carolinians overwhelmingly support voter ID, and they deserve nothing less than the strongest representation from those who would uphold the will of the voters and our constitution, not a tepid defense by an attorney general who has a record of opposing voter ID.” The attorney general’s office is still reviewing the high court’s decision.

## **BILLS OF INTEREST**

SENATE BILL 916, [Safeguard Fair Elections Act](#), would provide increased protections for voters and elections officials against various forms of interference with an election, including:

- creating various crimes related to voting in elections;
- enacting the Safeguard Fair Elections Act which would make it a Class 1 misdemeanor punishable by a fine of up to \$10,000 for a public official to perform or communicate the intention to perform an official act in which the official, without substantial evidence refuses to certify the actual results or count of an election;
- establishing seven criteria with which the State Board of Elections must ensure post-election audits comply, including being conducted by nonpartisan officials with expertise in elections, preserving ballot secrecy and voter privacy, and requiring audit procedures to be established before election day and before results are known; and prohibiting public officials from providing funding for or participating in a post-election audit or review that fails to comply with the State Board’s best practices that meet the described criteria;
- allowing the chair of each political party in the county the right to designate two observers to attend each voting place at each primary and election, with the requirement that the

observers complete training before acting as an observer and an additional training at least once every two years;

- allowing a precinct official to file written notice with the State Board requesting that the precinct official and the precinct official's immediate family be placed on a list that prohibits disclosing personally identifiable information in public records when the precinct official deems the official or the official's immediate family is at risk of intimidation, threat, or coercion in response to official election duties;
- providing \$250,000 to the State Board for biennial security training for election officials and their immediate family members;
- providing \$2 million to the State Board to establish, in coordination with the Department of Justice and Public Safety, a new threat management capability for monitoring all-source information.

**Introduced by Senators Chaudhuri and Murdock and referred to the Senate Rules Committee.**

## **BILL UPDATES**

HOUSE BILL 83, Rev. Laws Tech., Clarifying, & Admin. Changes, was amended in the Conference Committee by:

- amending the penalty for failure to pay taxes when due in phases, reducing the penalty from 10% to 5%, effective January 1, 2023, and establishing a graduated penalty schedule with the penalty at 2% if the failure is for not more than one month, and an additional 2% for each additional month, or fraction thereof, during which failure continues, up to 10%, effective July 1, 2024;
- requiring the monthly report of the Department of Revenue to include the Department's ability to implement the graduated penalty for failure to pay taxes assessed on or after July 1, 2024.

**The bill as amended by the Conference Committee was adopted by the House and Senate and has been sent to the Governor for his signature.**

HOUSE BILL 291, Commercial Prop. Plan Review, was amended in the Senate Commerce and Insurance Committee by:

- amending the statute that would provide an alternative method to the review of commercial and multifamily building plans that require a design professional seal under the Building Code to: (1) require review of information requested by the local inspection department or a resubmitted plan and issuance of a permit (was, a permit decision) within 15 days of receipt of the requested information or resubmitted plan; (2) deem the local inspection department responsible for all expenses for an initial plan review conducted by the Department of Insurance or a third-party architect or engineer; and (3) prohibit the inspection department from increasing plan review or permit fees, or seeking additional compensation, to recoup these expenses from the applicant;
- removing the provisions that would have required the Commissioner of Insurance, through the Division of Engineering, to promote consistent application of the NC Building Code through the general oversight of all inspection departments; and
- removing the provision that would have required local inspection departments to annually remit 2% of all Building Code permit fees to the Department of Insurance to support Building Code consistency and associated programs.

**The bill as amended was approved by the Senate Commerce and Insurance Committee and will next be considered by the Senate Judiciary Committee.**

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