

Aug. 7, 2015

Senate starting to "budge" on state budget negotiations

Finally, there was some movement on the state budget this week.

The Senate this week conceded that it would pull Medicaid reform and Economic Development plans out of the budget negotiations if the House would agree to a cap of \$21.64 billion. This figure is around \$180 million more than the Senate's original proposal, but still \$500 million less than the House proposed.

Senate Pro-Tem Phil Berger said he still hoped to have a new budget in place before the continuing resolution to fund state operations expires on Aug. 14, meaning a compromise would have to be reached next week.

House Appropriations Committee Chairman Rep. Nelson Dollar told the News & Observer that policy remains in the Senate plan that needs to be addressed before a compromise can be reached. So while a compromise may be closer, legislators may not be home quite as quick as they hope. <u>See the Fiscal</u> Research Division's breakdown of salary and compensation differences in the two budget plans here.

Bone marrow drive a huge success!

Thank you to everyone who pitched in on Wednesday to make <u>the Delete Blood Cancer drive</u> <u>at the General Assembly a huge success</u>!

A joint effort between SEANC, leadership from the Senate and House, the governor's office and Council of State resulted in 201 new names added to the bone marrow registry, including <u>swabs from House</u> <u>Speaker Tim Moore and State Treasurer Janet</u> <u>Cowell, along with many other legislators and state</u> <u>employees!</u>



The drive was held to raise awareness in honor of SEANC Lobbyist Kevin LeCount, who is awaiting a bone marrow transplant while fighting Acute Myeloid Leukemia, and Judge Carl Fox, who is fighting a type of blood cancer as well. <u>Click here for photos from the event</u>. If you would like to add your name to the

registry, you have another chance! SEANC will hold a drive at the annual convention in Greensboro on Sept. 10.

McCrory's cabinet turnover continues

The changes to Gov. McCrory's cabinet continued on Wednesday, <u>when Department of Health and</u> <u>Human Services Secretary Aldona Wos stepped down</u>. Wos has been a controversial figure for the department, which makes up 20 percent of the state's budget and is the largest in state government. She took criticism for her handling of several facets of Medicaid and controversial hires in her tenure.

McCrory teared up at the press conference where Wos announced she was leaving, then appointed Rick Brajer, a former medical technology company CEO, as her permanent replacement. Her last day will be Aug. 14.

Wos's departure stood in stark contrast to that of former Department of Transportation Secretary Tony Tata, who hastily left last week. McCrory announced on Thursday that <u>Nick Tennyson, who took over as acting secretary when Tata resigned, would be the permanent secretary</u> over Rep. Charles Jeter, who had made it known he wanted the job.

Senate proposes major changes to Medicaid

On Thursday, <u>the Senate proposed creating an entirely new department to administer the state's \$20</u> <u>billion Medicaid program</u>. The governor would appoint the director of the new department, but that director would have to be confirmed by the General Assembly. This new director would have broad authority to run the department, including determining salary adjustments.

The plan would also allow both large national managed care organizations and more localized "provider care entities" to enroll patients. This approach is in contrast to proposals by the House and the governor.

House calls for vote on \$2.85 billion bond

The House finally gave attention to Gov. Pat McCrory's calls for a bond referendum this week, <u>calling for</u> <u>a \$2.85 billion package</u> that includes infrastructure improvements all over the state.

McCrory has been calling for a November vote on a bonds package for months. The House's plan initially called for a November vote, but was moved to the 2016 primary election on the floor. It includes improvements at UNC System campuses, community colleges, state parks, public schools and roads. It now heads to the Senate, where it will more than likely be pared down.

Problems exist in all three bond proposals pertaining to DOT employees and privatization. SEANC will continue to monitor the debate and make sure legislators know that state employees can do a better job at a better price for taxpayers than private companies.

Contact your legislators

Now is the time for you to <u>contact your lawmakers</u>. Make your voice heard on the need for all state employees to receive a pay raise and all retirees to receive a cost-of-living increase. We need all hands on deck. Help your legislators put a face to state employees, SEANC and their constituents. Not sure who your legislators are? <u>Click here</u>. Curious whether they were endorsed by EMPAC? <u>Click here</u>. Want to make note of all of SEANC's legislative priorities before talking to them? <u>Click here</u>.

SEANC staff can also help you schedule meetings with your lawmakers and make sure you have the most up-to-date information possible about SEANC's legislative priorities, so you can have a good and productive conversation. All you have to do is let us know you're coming. Just email <u>tbooe@seanc.org</u> or call 800-222-2758.

Can't make it to Raleigh? No problem. You can call, write or email your legislators – or even schedule your own time to meet with them in your hometown. Again, you can find your lawmakers and their contact information <u>here</u>.