

Representative Harry Warren

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~ MISSION FOR 2013-14 ~

To work for the betterment of Rowan County and the great State of North Carolina

April 28, 2014

Hello, Friends!

Here is the latest update on Interim Committee meetings that have taken place over the last two weeks. As usual, I have included links to other stories that you might find of interest as well as the current schedule for upcoming meetings. Interim Committee meetings are open to the public, so if you would like to attend one that is focusing on a subject of interest to you, feel welcome to attend. Meeting schedules are subject to change (sometimes at the last minute), so be sure to confirm the schedule on the General Assembly website or by contacting the office of the Committee Chair, before you make the two-hour drive to Raleigh. If you would like to attend a meeting, but can't make it to Raleigh, you can still "attend" many of the meetings by listening online. You must first determine in what room the committee is meeting. If the committee meets in either room 544 or 643, you can listen online. To access the audio version of a meeting, go to: www.ncleg.net, click on "audio" on the bar near the top, then select either "Finance Committee Room (Rm 544)" or "Appropriations Committee Room (Rm 643)" to listen.

Most Interim Committees will now be working to complete their charges and begin to prepare their committee reports to the legislature, as the upcoming "short session" will begin on May 14th. I will send you any committee reports that are submitted and begin to tailor upcoming newsletters on the weekly activities of the General Assembly. While most interim committees appear to be suggesting more study with several making recommendations, it appears that few are producing actual legislation. It is probable, however, that in the upcoming 2015 "long session" a fair number of bills will be submitted that could be attributed to the work of these interim committees.

I hope you find this report, provided by and reprinted with the permission of MVA Public Affairs, helpful and informative. (Highlighted text and text in red have been added by me.)

COMMITTEE REPORTS

Educator Effectiveness and Compensation Task Force:

The Task Force held its fourth and final meeting on Monday, April 14. The purpose of the meeting was to review and vote on the Committee's final report that included its findings, recommendations and draft legislation. The legislation put forward would require the State Board of Education to study compensation models that rely on student performance on standardized tests as well as staffing classrooms with more professionals who would work under the supervision of master teachers.

Many people were disappointed that this committee did not produce any legislation proposals or strong recommendations. I do believe, however, that the response to the testimony they heard and the challenge of their assignment deserves and requires more thought and time than the committee was afforded or that can be properly addressed in the short session. I suspect legislation based on their findings will be forthcoming in the 2015 long session.

Committee on Market Based Solutions and Elimination of Anti-Competitive Practices in Health Care:

The Committee met on Tuesday, April 15. The purpose of the meeting was to discuss the Committee's draft report to be submitted to the Legislative Research Commission for inclusion in that Commission's recommendations for the 2014 Regular Session. The draft report recommended legislation based on H 177 that would a) eliminate need determinations and policies from the State Medical Facilities Plan that would:

- a) limit the number of single specialty ambulatory surgical operating rooms that may be approved for a **certificate of need (CON)**,
- b) require persons seeking a CON for single specialty ambulatory surgical operating rooms to make a written commitment to provide charity care and services to Medicare/Medicaid patients, and c) eliminate CON requirements for diagnostic centers.

After a significant amount of Committee discussion, the Committee adjourned without taking any action on a motion to approve the report.

Joint Legislative Oversight Committee on Health and Human Services:

The Committee met on Thursday, April 17. The Committee began with a budget update on the Medicaid program by Rod Davis, Chief Financial Officer of the Department of Health and Human Services (DHHS). Mr. Davis reported that the anticipated budget overrun in the program for the 2013-14 State fiscal year is currently **between \$120 million and \$140 million**. Mr. Davis then described actions taken by DHHS along with a consultant hired by the agency to better predict Medicaid costs in the future.

Next, **Joe Cooper, Chief Information Officer of DHHS**, provided an update on Medicaid data analytics (the types of data maintained on the Medicaid program and how that data is stored and used to generate reports and forecasts on utilization and cost trends) and updates on continuing efforts related to the implementation of the **NCTracks and NCFast** information technology systems.

Following this presentation, **Marjorie Donaldson, Division of Budget and Analysis at DHHS**, provided a report to the Committee (mandated by the 2013 Appropriations Act) with respect to options for potential State savings resulting from the purchase of private insurance for individuals currently served by several

public assistance programs. Deborah Landry with the Fiscal Research Division of the General Assembly gave an update on State activities with respect to Child Protective Services and described how workers generally had significantly higher than recommended caseloads. Officials from DHHS stated that they did not have enough capacity to provide needed support to local departments of social services throughout the State on an ongoing basis. Staff from the General Assembly and DHHS provided updates on the structure of local departments of social services and divisions of public health. These local agencies are organized in a variety of ways. In some counties these agencies remain separate agencies while in other counties they have been consolidated into a single department for health and human services. Governance of the entities may fall to a separate appointed board or to the board of county commissioners. The presentations described various options that different counties had chosen.

Finally, legislative staff presented the draft report of the Committee. The Committee adopted the recommendations of the subcommittees on

- a) Midwives (one recommendation)
- b) public guardianship (eight recommendations)
- c) mental health (21 recommendations).

In addition, the Committee adopted three recommendations of its own:

- 1) Enactment of legislation to specify additional procedures related to notice and submission of Medicaid State Plan Amendments and waivers
- 2) Identification of funding to provide adequate resources for local county departments of social services to provide Child Protective Services to protect abused, neglected and dependent children and youth
- 3) Completion of a comprehensive independent statewide evaluation of Child Protective Services performance, caseload sizes, administrative structure, funding, worker turnover, and monitoring and oversight.

Environmental Review Commission:

The Commission convened for the last time during the interim on Tuesday, April 22, to hear reports from DENR, Duke Energy and the North Carolina Utilities Commission regarding issues related to coal ash.

Tom Reeder, Director of the Division of Water Resources at DENR, reported on the actions to date for the remediation of contaminants released into the Dan River from the Duke Energy coal power station in February 2014 as well as a plan for long term coal ash management in the State.

Paul Newton, North Carolina State President of Duke Energy, followed with a report also outlining Duke's actions to date in regards to remediation of the Dan River contamination clean up. Newton took questions from members regarding Duke's current coal ash policies, active and retired coal plants, cost of moving coal ash to lined fills away from waterways, and existing ash storage basins.

Finally, **Edward Finley and Chris Ayers, President and Executive Director of the Utilities Commission**, respectively, gave a brief report on power providers' abilities to request rate increases, specifically, Duke's ability to pursue raising electric rates to offset the cost of coal ash relocation, storage and clean up.

The Public Utilities Commission has the power to approve rate increases requested by Duke Power to offset the costs of the removal of coal ash ponds and for the remediation of damage, deliberate and

unintended, caused by coal ash leaching into ground water or spilling into adjacent rivers. I do not support any rate increase requests for that purpose. Our economy and our economic recovery are both too fragile to pass on to our citizens. A company with that many engineers should have recognized the inherent dangers in such lax requirements, as well as the danger in choosing locations so close to critical water supply sources. The common sense and responsible thing to do would have been to demonstrate good corporate citizenship by exceeding the requirements by at least lining the pond beds and choosing better locations. A decision to exceed the minimum requirements would have made a rate increase request a great deal easier to accept.

Joint Study Committee on the Affordable Care Act:

The Committee met on Tuesday, April 22, in Greensboro. **U.S. Senator Richard Burr** was first to speak and expressed his concerns about the program.

Pam Silberman, CEO of the NC Institute of Medicine, gave a 2014 update on implementing the Affordable Care Act.

Finally, **Mark Waugh, NC Association of Health Underwriters President, Guy Pierce, owner/operator of Assisted Living Homes, and Gregg Thompson, NFIB State Director**, discussed their experiences with the Affordable Care Act.

During his presentation, Sen. Burr expressed his opinion that the NC General Assembly was correct in not agreeing to expand Medicaid coverage and in their decision to have the federal government set up the Health Exchange rather than to do so jointly.

Mr. Pierce explained that while he has two individual Assisted Living Homes, which are two separate, individual companies and has a partial ownership in three others, the ACA mandates group them as one company. This requires him to provide or meet health coverage requirements that are financially impossible for him to meet. The anticipated costs to Mr. Pierce would be in excess of \$220,000 annually and his ability to increase his fees or limit employee hours are limited by other healthcare regulations. Mr. Pierce asserted that unless some type of exemption or legislative change occurs, he will likely be forced out of business within the near future; over 170 employees will be out of work and the residents of his assisted living centers will be ejected.

Committee on Common Core State Standards:

The Committee held its final meeting of the interim on Thursday, April 24. The purpose of the meeting was to review and vote on the committee's final report. The committee approved the report, which included draft legislation that would halt further implementation of Common Core standards as of July 1. The legislation would create a 17-member Academic Standards Review Commission that would review standards for English and math and make recommendations for changes or modifications by the end of 2015.

The recommendation of the committee effectively ends North Carolina's participation in the Common Core national initiative and begins the process of establishing North Carolina scholastic standards of their own. The report of this committee received praise from Lt. Gov. Dan Forrest, a strong opponent of the Common Core School Standards. I expect legislation to be submitted in the short session that

will repeal two earlier statutes that required the continued implementation of Common Core and directed either the DPI or the SBOE to research nationally created assessments and select those for adoption that best suited North Carolina. It is likely that standards developed by the 17-member committee will not be passed until the 2016 short session.

Rep. Larry Pittman (R –Cabarrus County) explains the Committee’s findings in his newsletter, as follows :

“Common Core Study Committee Final Report

Our study committee on Common Core held our final meeting today. After some spirited debate, we voted 9-3 to approve a report including a bill to begin to remove Common Core from the public education system in North Carolina and replace it with North Carolina standards.

The bill, authored by Sen. Jerry Tillman, bears the short title: "AN ACT TO REPLACE THE COMMON CORE BY EXERCISING NORTH CAROLINA'S PROPER CONSTITUTIONAL AUTHORITY OVER ALL ACADEMIC STANDARDS AND TO ENSURE THAT STANDARDS ARE ROBUST AND APPROPRIATE, AND THAT THEY ENABLE STUDENTS TO SUCCEED ACADEMICALLY AND PROFESSIONALLY, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION STUDY COMMITTEE ON THE COMMON CORE STATE STANDARDS." (I know. that doesn't look like a "short" title. Believe me, it is, compared to some short titles of bills we consider in the Legislature.)

This bill removes Common Core from our State Statutes and creates a new Academic Standards Review Commission. This Commission will only have one member of the House and one member of the Senate as Chairs, and will also include the Lt. Governor or a designee, the Superintendent of Public Instruction, six members appointed by the Speaker of the House, six members appointed by the President Pro Tempore of the Senate, two members of the State Board of Education, and one member appointed by the Governor. The Speaker and the President Pro Tempore, in appointing their respective six members, "shall consider, but {are} not limited to appointing representatives from the following groups in these appointments: parents of students enrolled in the public schools; Mathematics and English Language Arts teachers; and Mathematics and English Language Arts curriculum experts."

The purpose of this Commission will be to:

- review academic standards adopted by the State Board of Education,
- recommend to that Board changes and modifications to these standards,
- review the proposed changes to academic standards submitted by the Board to the Commission,
- recommend to the Board assessments aligned to proposed changes and modification that would also reduce the number of assessments administered to public schools, and
- consider the impact on educators, including the need for professional development, when making any such recommendations.

The Commission will be required to assemble content experts to assist in evaluating the rigor of academic standards and involve interested stakeholders in this process while keeping the process transparent.

In this process, the Commission may contract for professional, clerical, and consultant services, and may also contract with an individual who has an excellent national reputation in the area of school standards and assessments to facilitate the work of the Commission. I have my own ideas about who that individual should be. We'll see how that goes.

The first meeting of this Commission must be no later than September 1, 2014. I hope it will be much sooner than that. The Commission's final report is due by May, 2016. The Commission terminates on December 31, 2015, or upon the filing of its final report, whichever occurs first. Sen. Tillman, the author of this bill, was successful in adding an amendment which allows the Commission to make recommendations to the State Board of Education from the time the Commission begins to meet, and whenever they see the need along the way. That way, changes that need to be made will not have to wait until the final report of the Commission is submitted. The Commission is only an Advisory Commission; but it should carry a lot of weight, even if the State Board of Education is resistant.

Of course, this bill still must be considered by the full Legislature before it becomes law effective July 1, 2014. If enacted, it will mean the removal of Common Core from our statutes immediately on that day. I expect there will be an effort to move the final report date either to January, 2015 or at least to May, 2015. In addition, I proposed an amendment to prohibit the State Board of Education from applying for or accepting any federal grant that requires adoption of specific academic standards, assessments, or curricular goals and materials that deviate from the statutory requirements established by North Carolina. The chairs of our committee agreed with this amendment in principle, but wanted me to work with them to fine tune the wording so that it does not cause constitutional difficulties. So I expect to be working with Rep. Holloway, Sen. Soucek, and Rep. Speciale to get the bill with that provision ready for a vote during the short session. What my proposed amendment means is that we will no longer allow the State Board of Education to accept unconstitutional federal interference in North Carolina public education.”

IN THE NEWS

News & Observer: [NC committee recommends replacing Common Core with state education standards](#)
Observer: [Thom Tillis reaches 3-1 fundraising edge over GOP rivals in N.C. Senate race](#)
FreeEnterprise Foundation: [Legislative Primary Races to Watch - NC Senate](#)
Observer: [N.C. Senate District 40: Only Democrats seek to replace Malcolm Graham](#)
News & Observer: [Second GOP Senate debate does little to shift race](#)
News-Record: [Audio Interview Exclusive: Governor talks coal ash with N&R's Taft Wireback](#)
WRAL: [AT&T expands gigabit Internet plan to more Triangle, NC markets](#)
NC Insider: [Rouzer-White mix it up in GOP primary](#)
Observer: [Removing coal ash from all 14 Duke Energy sites could cost \\$10 billion](#)
Observer: [Union County recall plan has '50-50 chance'](#)

CALENDAR

Wed, April 30, 2014

9:00 AM	Agriculture and Forestry Awareness Study Commission	643 LOB
1:00 PM	Joint Legislative Program Evaluation Oversight Committee	544 LOB

Mon, May 05, 2014

9:00 AM [Committee on Public Enterprise Systems and Use of Funds \(LRC\)\(2013\) -- CORRECTED](#) 544 LOB
1:00 PM [Committee on Property Owner Protection and Rights \(LRC\)\(2013\)](#) 544 LOB

Wed, May 07, 2014

2:00 PM [Joint Legislative Education Oversight Committee](#) 643 LOB

Thu, May 08, 2014

9:00 AM [Joint Legislative Oversight Committee on Information Technology](#) 643 LOB
1:00 PM [Joint Legislative Workforce Development System Reform Oversight Committee](#) 544 LOB
1:00 PM [Joint Legislative Commission on Energy Policy](#) 643 LOB

Fri, May 09, 2014

10:00 AM [Joint Legislative Oversight Committee on Unemployment Insurance](#) 544 LOB

Mon, May 12, 2014

10:00 AM Rep. Insko - Press Conference Press Room LB

Tue, May 13, 2014

9:30 AM [Revenue Laws Study Committee](#) 544 LOB
1:00 PM [Joint Legislative Administrative Procedure Oversight Committee -- CORRECTED](#) 544 LOB

Wed, May 14, 2014

12:00 PM Session Convenes (House) House
12:00 PM Session Convenes (Senate) Senate

Thu, May 22, 2014

8:00 AM Skin Cancer Screening 1124/1224 LB
10:00 AM Senator Tucker Press Conference Press Room LB

I hope you enjoy this newsletter and find it helpful. I will continue to send you updates of the activities of the General Assembly, as they occur.

I would like to take this time to again, thank you for the opportunity to represent District 77 in the State House.

Harry

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