



Insights: Perspectives

North Carolina General Assembly Update | August 13, 2021

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Kilpatrick Townsend's Government Relations Team represents a variety of clients across many industries and in all levels of government, with a focus on the North Carolina General Assembly. Below is an update on the activity at the NC General Assembly this week. Please feel free to contact a member of the [team](#) with any questions or visit our website to learn more about our [Government Relations](#) practice.

House Budget

The House rolled out their [version](#) of the state budget this week. The full House Appropriations Committee met for most of the day on Tuesday to review the proposal and consider nearly thirty [amendments](#). The bill was heard on the House floor Wednesday and Thursday. It passed with a final vote of 72-41. Nine Democrats voted in favor of the measure, enough to override a veto from the Governor. The House proposal spends the same amount of money as the Senate plan (\$25.7 billion), but takes a different approach at spending those dollars. Below are some highlights of the House budget.

- An average raise of 5.5 percent for teachers and 5 percent for other state employees over the next two years.
- Reduce personal income taxes from 5.25 percent to 4.99 percent and reduce the corporate tax rate from 2.5 percent to 1.99 percent over two years.
- Provides \$15.7M each year for the Opioid Abatement Fund for opioid related programs and activities.
- Provides funding to allow an additional 1,000 individuals with intellectual and development disabilities to access services through the Medicaid innovations waiver.

Next week, the Senate will vote not to concur with the bill. This will trigger the conference committee process where both chambers will negotiate a compromise plan.

Sports Betting

This week, ushered by Kilpatrick Townsend, the Senate moved [S688](#), Sports Wagering, through two committees. The bill would authorize, regulate, and tax sports betting in North Carolina. The Lottery Commission would be responsible for regulating and issuing licenses to 10 to 12 sports wagering operators. It would also create the North Carolina Major Events, Games and Attractions Fund. This Fund would be administered by the Department of Commerce and provide grants for local governments or nonprofit entities working with local governments to attract major entertainment, musical, political, sporting, and theatrical events to the State that will stimulate economic activity and create jobs. The bill received favorable reports from the

Senate Judiciary and Commerce Committees on Monday and Tuesday respectively. It is expected to be heard in the Senate Rules Committee next Monday before heading to the Senate floor.

New House Member Nominated

Reece Pyrtle has been nominated by Rockingham County Republicans to serve out the legislative term of the late Rep. Jerry Carter. Rep. Carter passed away at the beginning of this month and served House District 65 since 2018. Pyrtle has served as a Rockingham County Commissioner since 2016 and is the former Eden chief of police. Governor Cooper is expected to review the nomination and officially appoint Pyrtle to the seat.