



Representative W. David Guice
North Carolina House of Representatives
District 113



An update from the North Carolina House

April 4, 2011

Raleigh, North Carolina – It continues to amaze me at how busy things are here in Raleigh in the General Assembly. Our floor sessions were long this week with much debate being had on various bills. Many committees are now meeting for a two hour block due the high volume of bills which need to be heard and voted on. Many of these bills require much debate in committee and the added time spent helps to allow that debate process so that we have a clear understanding of both sides of the issue prior to voting. And finally, many people from my district were in Raleigh this week and stopped by the office for a visit to just say hello or to discuss various issues of concern.

My work on the Justice Reinvestment Initiative continues to be a work in progress and keeps me busy into late evening hours many nights. Because of the scope of this legislation, we are working with agencies at both the state and local levels as this legislation affects not only our state prison system, but our local jails as well. I am amazed at how well these agencies are working together to address our criminal justice needs in North Carolina and hope we will be able to introduce the legislation in the near future. I can assure you many hours are being put into this initiative and once it is complete, I think we will see a great improvement in the overall operation of the criminal justice system in North Carolina.

House Bill 111, “Handgun Permit Valid in Parks & Restaurants” received a favorable vote in the House this week. This bill expands the rights of a person who holds a concealed handgun permit to carry their weapon into a restaurant or eating establishment which serves alcohol unless the establishment has posted a conspicuous notice prohibiting the carrying of a concealed handgun on the premises in accordance with NCGS 14-415.11(c). The bill further expands the rights of a person who holds a concealed handgun permit to carry their weapon on the grounds or waters of a park within the State Parks System as defined in NCGS 113-44.9. There was much debate on this bill regarding the carrying of concealed weapon in municipal and county recreational facilities where children are actively participating in recreational activities and, as a result, the bill was amended to allow a unit of local government to prohibit, by posting, the carrying of a concealed handgun on such premises however, they shall be allowed to secure the handgun in a locked vehicle within the trunk, glove box, or other enclosed compartment or area within or on the motor vehicle while located upon those premises. I proposed the amendment which would prohibit the carrying of handguns on our recreational facilities where our children participate in recreational activities. I feel these areas are the very places we can take our

children and families and know they are in a safe haven without the worry of knowing people are possessing concealed handguns which could injure or even kill one of our children. The amendment was adopted and the bill passed after lengthy debate and now moves to the Senate. If this bill passes in the Senate and is ratified, the new regulations will go into effect on December 1, 2011.

Another bill which received a favorable vote in the House this week was Senate Bill 265 which addresses many changes in the State Health Plan. This bill too received much debate and, after two days of debate, passed and will now be sent back to the Senate for concurrence. I am setting forth some statistical data on SB265 to help you understand the rationale for this legislation as follows:

- 1) The State Health Plan provides medical insurance for 663,000 state workers, public school teachers and retirees
- 2) In FY 2007-08, the Plan experienced a financial meltdown going from a projected \$57.9 million surplus to a \$17 million loss and then a projected shortfall of \$250 million in FY 2008-09.
- 3) The State Health Plan is now facing a \$515 million shortfall over the next two years.
- 4) The plan was audited. State Auditor Les Merritt called for oversight of the Plan to be moved from the legislature to an executive branch agency to avoid separation of powers issues and the potential for undue political influence. Interestingly, the same recommendation was also made in a 1994 audit. In neither case was the recommendation acted upon.
- 5) Taxpayers, State employees and retirees need restored confidence that the State Health Plan is being properly managed and that it is fiscally sound. SB 265 does both and in a manner that tries to balance the needs of Plan members and the checkbook of taxpayers.
- 6) First, SB 265 moves governance of the State Health Plan from the legislature to the State Treasurer's Office. In doing so the bill follows through on changes that have been recommended for over a decade and brings North Carolina in line with the majority of other States – most of which operate their state health plans under an executive branch agency.
- 7) A Board of Trustees will be established in the Treasurer's office and gives teachers, state employees and retirees, for the first time, a seat at the table in determining the future of the plan.
- 8) Second, SB 265 begins the process to put the Plan on sound financial footing. We are not going to be able to fundamentally reform the plan overnight. By moving the Plan to the Treasurer's office, long-term reforms can be implemented more effectively and outside the political realm of the General Assembly.
- 9) Similar to the Governor's proposal, we are asking Plan participants to help in this effort to stabilize the plan by paying a small monthly premium.

10) Current State Employees and teachers would pay a monthly premium of roughly \$21 per month for the 80/20 plan or \$11 per month for the 70/30 plan and no one would be placed into the 70/30 plan based on their weight or status as a smoker.

11) The actual cost of an employee's monthly premium is nearly \$450 per month; we are asking employee's to pay about 5% of that cost. The state (taxpayers) will pay the remaining 95% of the premium.

12) Retirees would have premium-free coverage in the 70/30 plan. If retirees opt for an 80/20 plan they would pay a roughly \$21 monthly premium. Medicare eligible retirees opting for an 80/20 plan would pay roughly \$16.

13) We were able to keep Co-pays for generic prescriptions, the prescriptions used most often by plan participants, at \$10 – an improvement from the \$15 necessitated by the Governor's proposal.

14) Finally, the SB 265 removes the special exemption from the public records law for State Health Plan, allowing more sunshine on the contract.

Many times I must make difficult decisions as a state legislator and I honestly believe this bill has been the most difficult one I have voted on since coming to Raleigh. As a former state employee and a retiree, I have placed myself in the place of those this bill will affect and chose to vote for the passage of this bill. I honestly feel this action is necessary to correct negligence by prior actions of the legislative oversight of the health plan. It is imperative that these steps be taken now to insure that this benefit continues to be afforded to the state employees and retirees. This measure was supported by the State Employees Association of North Carolina however; it was opposed by the North Carolina Association of Educators.

I mentioned all the people who were in Raleigh this week as I started my update and I would like to specifically mention those who stopped by the office. We had a group with Bob Williford from the Henderson County Chamber of Commerce stop in and spend time talking with me on various issues concerning their efforts in Henderson County. Rick Wood, a member of the Henderson County Board of Education also stopped in to see me, not only in his role as a board member, but also to discuss the issues concerning funding for our mediation program in North Carolina. Several members of the State Employees Association of North Carolina from WNC stopped in to see me however, I didn't get to spend time with them in the office because of the heavy demands we were facing the day they were in town but they did get to speak to my legislative assistant. Our District Attorney, Jeff Hunt was in town and stopped by the office to discuss issues with the DA's office as did other staff members and DA's from other areas of the state. Finally, a large contingent of school administrators from all three counties in the District came by the office on Thursday afternoon. All 3 superintendents, Jeff McDaris from Transylvania County, Bill Miller from Polk County and David Jones from Henderson County along with other central office staff and principals spend time in my office discussing budget and funding issues which might impact our public school system during this budget cycle. While I have been working with these guys over the past months regarding their concerns relating to legislative issues, it

was great to be able to sit in a room with all of them and discuss them together. Remember, if you are ever in Raleigh, please stop by my office for a visit!

I do have a very hurried schedule here in Raleigh but I am honored to be here serving you, the citizens of District 113 and want to hear from you. We receive dozens of phone calls and hundreds of e-mails each day and we do listen and respond to all of them. Kerry, my legislative assistant, and I strive to be attentive to the concerns of each of you and welcome your input and concerns any time. Our office is extremely busy and that is because you are staying in touch!

Representative W. David Guice
Legislative Office Building, Room 528
300 North Salisbury Street
Raleigh, North Carolina 27603
(919) 715-4466
David.Guice@ncleg.net

#