



### **YOU DON'T SAY...**

"Once it got out, people on the right and left quickly tried successfully to kill it."

*Rep. Chuck McGrady, R-Henderson, on an HB2 compromise measure that collapsed in June when a draft of the proposal was leaked to a Charlotte television station.*

THE NEWS & OBSERVER, 9/26/16

## **Table of Contents** - The Insider for September 27, 2016

---

- [News Summary](#)
- [Legislative Studies and Meetings](#)
- [N.C. Government Meetings and Hearings](#)
- [N.C. Utilities Commission Hearing Schedule](#)
- [UNC Board of Governors](#)
- [Other Meetings and Events of Interest](#)

## **News Summary**

---

### **Failed Negotiations**

Last week's failed deal to repeal House Bill 2 wasn't the first time Republican-led efforts toward a compromise have failed. During the final days of the legislature's session in June, GOP Rep. Chuck McGrady of Hendersonville was quietly working on legislation he says would likely have prevented the loss of NBA, NCAA and ACC sporting events. The sports leagues have canceled major events in North Carolina, voicing concerns that HB2 promotes discrimination against lesbian, gay and transgender people. The moves will likely cost the state's economy millions of dollars in tourism revenue.

This month's decisions by the ACC and NCAA prompted Gov. Pat McCrory to suggest a repeal of HB2 was possible if the Charlotte City Council first repealed its nondiscrimination ordinance, which would have allowed transgender people to use the bathroom that corresponds to their gender identity. Charlotte leaders declined to take action, effectively killing the proposal. The legislature can legally repeal HB2 while also passing a law to prevent the Charlotte ordinance from taking effect, but Republicans appear unwilling to support that option.

While this month's proposed compromise hinged on Democrats in Charlotte, June's HB2 deal fell apart thanks to Republicans, McGrady said. As he circulated copies of a draft bill within the GOP caucus, someone sent the draft to Charlotte TV station WBTB. "This was leaked with the clear intent of torpedoing a deal that could have been reached," McGrady said. "There were players out there that were not to be trusted. There were internal politics being played." Democrats and LGBT advocacy groups urged lawmakers to oppose anything short of a full repeal, while conservative religious groups didn't want to see any changes to HB2.

McGrady's proposal wouldn't have changed HB2's most controversial provision, which requires people visiting schools and government facilities to use the bathroom that corresponds to the gender on their birth certificate. Nor would it have restored the ability of local governments to pass nondiscrimination ordinances. Instead, the bill would have replaced the anti-discrimination language in HB2 with federal standards for discrimination protections. It would have increased punishments for crimes committed in public bathrooms and created a "sex reassignment certificate" for transgender people seeking to use bathrooms that don't match their birth certificates.

It also would have established an "anti-discrimination task force" at the legislature to study discrimination issues and make recommendations to the General Assembly. "We were pretty sure that if we could enact the bill ... that the NBA would not have pulled its All-Star Game" from Charlotte, McGrady said. "There was also was the specter of once that happened, that would be the first domino." Rep. Darren Jackson, D-Wake, who has lobbied for a full repeal of HB2 -- says he doesn't think the draft bill would have stopped the economic losses. "In my opinion, I think you had to have a full repeal to limit those losses," he said. "The first step always had to be full repeal."

McGrady said he sought to keep his proposal private until he had enough Republican votes to bring it to the House floor. "If we can have discussion among ourselves before the advocates on either side begin to do their thing, there's the potential that you can find consensus," he said. "I got fairly close to having a majority of the Republican caucus supportive of the concept." McGrady said McCrory pushed for a compromise but wasn't involved in drafting the specifics of the bill because he's "big picture."

"The governor did come to a joint caucus (of House and Senate Republicans)," McGrady said. "He was trying to help bring Republicans on board with a proposal that would pass muster with the NBA." McCrory also met with Democratic legislators in the final days of the session regarding HB2. But Rep. Ken Goodman, D-Richmond, who attended the meeting, says the governor didn't detail any proposed compromise and didn't ask for the legislators to vote on anything.

Goodman disputed reports that the Democrats agreed to a compromise with McCrory but were later lobbied by attorney general Roy Cooper, who's running for governor, to oppose the deal. "That story is just a myth," Goodman said. "I talked to Roy Cooper that morning, and he never mentioned House Bill 2."

Jackson said he was never shown McGrady's proposal, and he thinks the secrecy surrounding the bill was the wrong approach -- particularly after HB2 was passed within hours of the bill becoming public. "I would think you needed to be very transparent in what you were doing to get everybody's support because of the way everybody got burned the first time," he said.

McGrady said he doesn't plan to push his compromise bill again when the legislature returns in January. "That sweet spot, that window of opportunity, it's gone now," he said. "It will take a different approach."(Colin Campbell, THE NEWS & OBSERVER, 9/26/16).

### **Investor Perspective**

Some 60 investors representing \$2.1 trillion in managed assets joined the NCAA, entertainers and more than 200 businesses in calling for North Carolina to repeal its law limiting LGBT protections against discrimination. "While the U.S. economy continues to grow, quite frankly North Carolina appears to be headed for what I would call a state-government-inflicted recession," said Matt Patsky, chief executive officer of Trillium Asset Management. Trillium has more than \$2 billion in assets under management.

Patsky spoke Monday at a news conference alongside some of the investors who signed a statement calling for repeal of the law known as HB2. Trillium was one of the organizers of the statement, along with environmental research group Croatan Institute and the New York City comptroller, Scott Stringer. Stringer was unable to attend because of a New York ban on travel to North Carolina, Patsky said. "As long-term investors, we can't sit idly by as HB2 undermines fundamental human rights at our expense," Stringer said in the statement. Some clients are seeking "North Carolina-free portfolios," including divestment of municipal bonds, Patsky said, and he expects that number to grow if the law isn't repealed.

Those who signed the letter include representatives of North Carolina-based groups such as Investors' Circle and the Mary Babcock Reynolds Foundation. Others who signed are from Morgan Stanley Investment Management, John Hancock Investments and RBC Wealth Management. "This fallout is real," said Bonny Moellenbrock, executive director of Investors Circle, which she said has invested \$200 million in more than 330 start-ups. "It has had a devastating impact on our reputation and that has a direct impact on entrepreneurs' ability to grow their business here."(Martha Waggoner, THE ASSOCIATED PRESS, 9/26/16).

### **Achievement District**

Fifty-three people from across the country have applied to be superintendent of North Carolina's newest school system, known as the Achievement School District, which will serve students in some of the state's lowest-performing schools. A selection advisory committee appointed by Lt. Gov. Dan Forest has been interviewing candidates and is expected to make a recommendation to the State Board of Education by next week. The state board will have the final say in who is hired.

According to the state's job posting, the ASD superintendent will earn between \$80,000 and \$140,000 per year and must be a visionary education leader. The goal of the new Achievement School District is to take five of the state's lowest-performing public elementary schools and put them under new management. Outside entities, such as charter school operators, will take control of the schools and supervise, manage and operate them with the goal of improving their performance.

Since state lawmakers passed a bill in June creating the ASD, many have questioned how the five schools will be chosen, when the takeover will occur and

what happens if a school district doesn't want to relinquish control of its school. The State Board of Education will select which schools are included based on recommendations from the new superintendent. The board has not released an official list of the schools that will be considered. However, the law states that for a school to be considered, it must meet certain qualifications, such as:

- Include some or all of grades K-5
- Have a school performance score in the lowest 5 to 10 percent of all schools in the past year
- Did not exceed or meet growth on test scores in at least one of the past three years
- Has not adopted one of the state's school turnaround plans

The five schools that are chosen must come from five different school districts. Adam Levinson, chief of staff for the North Carolina Department of Public Instruction, told WRAL News by email that he has "not heard from any school systems indicating they do or do not want to be considered for the ASD." The State Board of Education can launch the ASD as early as next school year for 2017-18. Or, it can wait until the 2018-19 school year. The board has not made a decision yet. If the board waits to launch until 2018-19, it must have at least two of the five schools selected. The full ASD, with all five schools, must be operating by the 2019-20 school year.

North Carolina lawmakers set up the new school district as a pilot program. It's designed to last five years with a possible three-year extension if a school needs more time to make improvement. Once the state board selects a school for inclusion in the ASD, the local board of education that runs the school has two options – agree to relinquish control of the school or close it down. At last month's state school board meeting, the lieutenant governor said he expects "some turf wars" but added that the state needed to take this "calculated risk" to help low-performing schools. (Kelly Hinchcliffe, WRAL NEWS, 9/26/16).

### **CPA Columnist**

Veteran journalist Paul T. O'Connor has been named interim columnist for the Capitol Press Association, an Insider service that provides editorial content to about 35 newspapers across the state. O'Connor takes over for Patrick Gannon, who has written columns for the Capitol Press Association and served as editor of the Insider since 2014. Gannon is leaving both roles to become the public information officer of the N.C. State Board of Elections. He replaces Jackie Hyland and is the agency's third public information officer. "Pat's reputation for fair and impartial reporting over a long career make him an ideal spokesperson for our agency during an important time in elections," said Kim Westbrook Strach, executive director of the elections board, in a news release.

O'Connor was the Capitol Press Association's columnist for 22 years before the organization became part of the Insider in 2004. He has spent more than four decades in journalism, 35 of them writing about North Carolina state government and politics. He teaches at the School of Media and Journalism at UNC. "When I retired from political writing in 2014, I thought I'd seen everything," O'Connor said "Turns out, I hadn't. I'm looking forward to getting back in the cauldron and seeing who's putting what in the stew."

The Insider will replace Gannon, but intends to operate its daily newsletter and the Capitol Press Association separately moving forward, with the roles of Insider editor and CPA columnist being held by different people. Gannon's first day at the state board of elections is Oct. 5.(Clifton Dowell, THE INSIDER, 9/27/16).

## **Brajer Update**

Resources: [HHS LOC September Agenda \(PDF\)](#)

N.C. Department of Health and Human Services Secretary Rick Brajer on Tuesday is expected to provide lawmakers updates from the field with particular emphasis on the state's Medicaid reform process. On June 1, North Carolina submitted a waiver application to the federal Centers for Medicare and Medicaid Services. The waiver called for North Carolina to shift responsibility for its Medicaid program from the state to three statewide managed care organizations thereby privatizing the majority of services. In North Carolina, the Medicaid system covers about 1.9 million people and nearly 80,000 health care providers. CMS has up to 18 months to review the waiver and Brajer has said DHHS is working with stakeholders to revise and improve the application. In addition to hearing testimony from Brajer, members of the Joint Legislative Oversight Committee on Health and Human Services are expected to learn more about the recent North Carolina Medical Society election. Earlier this month, and for the first time in its history, the NCMS held a membership wide election after suspending its house of delegates form of governance last fall. Committee co-hairs Sen. Louis Pate, R-Wayne, Rep. Marilyn Avila, R-Wake, and Rep. Josh Dobson, R-McDowell, will also review the appointment of a New Joint Health and Human Services and Medicaid Oversight Committees' Behavioral Health Services Subcommittee, in addition to hearing an update about the at-times troubled Medicaid bill-paying system, NCTracks.(Dan Boylan, THE INSIDER, 9/27/16).

## **Polling Averages**

North Carolina has been bombarded with polling results over the past week, and it's hard to figure out who's ahead in the presidential, gubernatorial and U.S. Senate contests. Some polls have Republicans Donald Trump and Gov. Pat McCrory with a narrow lead. Others give the narrow presidential advantage to Democrat Hillary Clinton and a healthy lead for McCrory's opponent, attorney general Roy Cooper. The leader in the U.S. Senate race also varies between polls. With at least six polls released in the past week, it's helpful to focus more on RealClearPolitics' polling average than on the individual polls, which use differing methodologies and sometimes have partisan leanings. In the presidential race in North Carolina, RealClearPolitics gave Trump a 0.8 percentage point lead over Clinton as of Monday afternoon. While the presidential race has been close here for months -- and it's still a statistical tie -- it's the first time Trump has been ahead in the average since June. In the governor's race, Cooper has a 3.6 percentage point lead over McCrory in the RealClearPolitics average. That's down from a 6.3 percentage point lead earlier in September. While two polls in the past week gave McCrory a slight lead, the governor hasn't had a lead in the average since early August. In the U.S. Senate race, incumbent Republican Sen. Richard Burr has a 1.2 percentage point lead over Democrat Deborah Ross on RealClearPolitics. Burr's lead has been cut sharply, down from 3.7 percentage points at the beginning of September. Two

polls in the past week have given Ross a narrow lead, while others continue to favor Burr.(Colin Campbell, THE NEWS & OBSERVER, 9/26/16).

### **Outside Spending**

Groups seeking to defeat North Carolina Republican Gov. Pat McCrory or Democratic challenger Roy Cooper have unveiled online and door-to-door efforts this fall to accomplish their goals. The state chapter of conservative Americans for Prosperity announced Monday it would spend at least \$100,000 in mail and digital advertising urging people to vote against Cooper, the current attorney general. AFP cites Cooper's unwillingness to challenge President Barack Obama's plan to limit greenhouse gas emissions the group says will raise residential power bills. Political arms of Planned Parenthood also said Monday they're spending at least \$1 million on a broader effort opposing McCrory, U.S. Sen. Richard Burr and Donald Trump. One of these abortion-rights groups plan \$400,000 in digital ads and another is running videos criticizing McCrory's record on women's health issues.(THE ASSOCIATED PRESS, 9/26/16).

### **Charlotte Protest**

Led by North Carolina NAACP President William Barber, a coalition of civil rights and clergy leaders announced a list of demands Monday in the wake of the fatal police shooting of Keith Lamont Scott. The 13-point list of demands includes calling for a federal investigation of the Charlotte-Mecklenburg Police Department; releasing all video footage of Scott's shooting; national standardization of the use of force by police; a retrial of Randall Kerrick, the white police officer who shot and killed Jonathan Ferrell, a black man, in 2013; and making it a firing offense if a police officer fails to turn on -- or turns off -- a body camera during an arrest.

Barber also singled out Rep. Robert Pittenger, who in an interview last week said protesters hated white people. Pittenger later apologized. "You're wrong," Barber said. "White people are marching, too. All people of conscience are upset."

Barber's demands did not include the resignations of Charlotte Mayor Jennifer Roberts and police Chief Kerr Putney. Calls from activists and City Council public speakers for the leaders to step down grew louder Monday. The rally at Little Rock AME Zion Church included the Charlotte NAACP and the Charlotte Coalition for Justice. Speakers included people who said their loved ones were killed by police violence.

Barber opened the rally by asking the multiracial clergy group and young people under age 23 to stand together up front. Later, Barber said reporters had asked him if there's a young-old divide in the nightly Charlotte protests launched last Tuesday after Scott's shooting. Barber said he tells reporters that that's their storyline, and not the movement's. Yet later, during a portion of the rally that included other clergy making remarks, a young speaker moved on stage and tried to speak. "Not tonight, brother," Barber said, as others moved the man off the stage. The hour-and-a-half rally ended with attendees marching to Marshall Park.(Celeste Smith, THE CHARLOTTE OBSERVER, 9/26/16).

### **Bodycam Policy**

The fatal shooting of a black man by a police officer in Charlotte is only the latest shooting to raise questions about how the department uses body cameras. Six people were fatally shot since body cameras were given to all patrol officers

about a year ago. But the officers who fired the fatal shots in five of those cases -- including Keith Lamont Scott's -- weren't using the cameras. The weekend release of police footage showing the shooting of Scott did little to ease some residents' concerns about its handling. More than 100 people jammed City Council chambers Monday night to voice their frustrations, calling for Mayor Jennifer Roberts and Police Chief Kerr Putney to resign. "We have no reason to trust you, and you're giving us even less," Khasha Harris said at the forum. "Deep down somewhere, your conscience has to be bothering you."

The Rev. Milton Williams, the last speaker of nearly 50 at the meeting, blamed police for actions that led to unrest over two nights "Our city's in an uproar, and you did not respond. Police escalated that temperature out there," Williams said. "No justice, no peace. I'm going to be preaching that every Sunday." Roberts and Putney have taken criticism for their handling of the aftermath of the shooting, including the delay in the release of video showing the shooting. Scott's family and advocacy groups complain the department divulged only about three minutes of footage from two cameras. The footage includes body camera video from another officer but not the black officer who fatally wounded Scott. Scott's family said he didn't have a weapon. They have urged the police department to release all other video footage it has, as well as audio recordings of communications that could clarify how the situation unfolded. A media coalition is also requesting more footage. Putney has said the officer who shot Scott wasn't wearing a body camera that day because he's part of a tactical unit. "Our tactical units don't all have body-worn cameras at this point," Putney told reporters on Saturday, adding they are to receive them in the future. He said he was previously reluctant to make officers in high-risk operations wear cameras showing tactics and locations.

The gun recovered at the scene of Scott's shooting had been stolen and later sold to Scott, a Charlotte-Mecklenburg police source told The Associated Press on Monday. The source insisted on speaking anonymously because the State Bureau of Investigation continues to look into the case. SBI Agent Erik Hooks declined comment when asked whether the gun was stolen. The department said plainclothes officers who saw Scott with a gun and marijuana left the area to put on vests identifying them as police before confronting him. If the officers "had the foresight to put on their police vest, why did you not put on your body cam?" asked Corine Mack, president of the Charlotte NAACP chapter. Susanna Birdsong, a legal policy expert for the American Civil Liberties Union, questioned whether the department is violating its own body camera policy instituted in April 2015. Referring to the Scott case and others, Mack said she's angry not all units have the cameras yet.

Putney said Saturday he released portions of video pertinent to the shooting and hoped to release the rest after a State Bureau of Investigation probe. But he acknowledged that a new state law taking effect Oct. 1 will likely require a judge's approval for further releases of footage. Justin Bamberg, a Scott family attorney, said remaining video is vital to understanding exactly what transpired in a very short time. Geoff Alpert, a professor at the University of South Carolina, said that while body camera footage isn't always conclusive, authorities should lean toward releasing it. "Unless there's a really compelling reason that should be explained, I don't know why they wouldn't release the video ... as they capture it," Alpert said. "This is public safety, and keeping things from us doesn't

seem to be the appropriate way to move forward."(Emery P. Dalesio, Jonathan Drew and Meg Kinnard, THE ASSOCIATED PRESS, 9/26/16).

### **Town Hall Meetings**

Members of the N.C. Association of Chiefs of Police will gather at six University of North Carolina campuses Wednesday for a town hall meeting with students, scholars and community activists to discuss ways police can strengthen relationships with residents of the communities they serve. The town hall meeting, dubbed "Unity in the Community," will take place at the N.C. Central University School of Law and broadcast via live video at Fayetteville State University, Winston-Salem State University, UNC-Asheville, UNC-Wilmington and Elizabeth City State University. "There will be interaction and a question-and-answer session," said Pam Glean, an NCCU law professor and one of the organizers. "There will be a police representative in the audience at the other locations. It will be happening in real time. The moderators will be expected to take questions from each location."

NCACP President Richard Hassell, who is chief of the Reidsville Police Department, said law enforcement commanders hope to field a list of recommendations and suggestions from audience members that will "open up dialogue" between police departments and communities across the state. Glean added that audience members will break up into groups to work on proposals for how to improve police relationships with residents. The statewide conversation comes a little more than a week after a Charlotte police detective's fatal shooting of 43-year-old Keith Lamont Scott ignited protests, along with national and international media attention. Glean and other organizers say the issue of body cameras will be at the forefront of the town hall meeting. Last year, the police chiefs association supported spending \$2.5 million in state money over three years to help local police departments purchase body cameras in an effort to bring greater transparency and accountability to police.

But on Oct. 1, a new state law will keep police body camera footage secret unless a court orders that it be released to the public. Critics say the law undermines the premise of transparency that was supposed to be gained through the use of the cameras. The state chapter of the American Civil Liberties Union said the law makes access to body camera footage costly and often unattainable for the communities who have the most to gain from increased transparency. The state's police chiefs association supports the new law. Hassell said it gives "a clear procedure" regulating the release of law enforcement video. He said discussions with other police chiefs revealed "differences and inconsistencies" throughout departments on how the public could request or view a copy of a video.(Thomasi McDonald, THE NEWS & OBSERVER, 9/26/16).

### **Flooding Response**

Gov. Pat McCrory says there's been no loss of life from flooding in northeastern North Carolina thanks to the work of emergency responders, water rescue teams and residents helping neighbors. McCrory visited Bertie County on Monday to evaluate the damage caused by well over a foot of rain from the remnants of Tropical Storm Julia that fell over three days late last week. Joining McCrory were Agriculture Commissioner Steve Troxler, Transportation Secretary Nick Tennyson and Emergency Management Director Mike Sprayberry. The governor's office says emergency management workers began surveying damage Monday in

Bertie and three other counties, and environmental officials are examining water system and animal operations. McCrory's office says nearly 140 people were rescued from homes and vehicles in and around Bertie County, including dozens at a nursing home.(THE ASSOCIATED PRESS, 9/26/16).

### **Teacher Resignation**

A Cedar Ridge High School teacher resigned Monday after concerns were raised about potentially inappropriate political comments that students said she made in her English classes. The accusations against English teacher Amanda Harder were reported last week by an online blog – LadyLiberty1785.com – and picked up by national and international news outlets over the weekend. Chairman Stephen Halkiotis addressed the issue at the beginning of the Orange County School Board's meeting Monday night, announcing that Harder had voluntarily resigned. "We all know this is a tense topic given the election season," Halkiotis read from a prepared statement. "Please know that our Board of Education has clear policies that prohibit staff from promoting or denouncing a particular candidate or party. While our teachers are free to educate students about political issues, when relevant to the curriculum, there is a fundamental difference between educating and advocating; between informing and voicing personal views," he said. Harder has been an English Honors and AP World History teacher at Cedar Ridge since July 2014, according to her online LinkedIn profile. She has worked as a teacher since 1997, including 15 years with the Chapel Hill-Carrboro City Schools. Conservative blogger A.P. Dillon first wrote on Sept. 21 about Harder's comments, publishing what she says is a student recording from Harder's classroom. Students alleged Harder asked them to compare speeches by Adolf Hitler with those made by Republican presidential candidate Donald Trump, Dillon says in the blog post, and taught multiple other lessons of a similar nature.(Tammy Grubb, THE CHAPEL HILL NEWS, 9/26/16).

### **Cancer Diagnosis**

A Democratic candidate for the North Carolina House says she has early-stage breast cancer but will continue campaigning for a General Assembly seat. Democrat Mary Belk of Charlotte said Monday she learned of her diagnosis late last week and will have surgery this week, followed by chemotherapy and then radiation. Belk says in a release she is fortunate the cancer was detected early, and she and her doctors are confident of a full recovery. Belk is running against Republican state Rep. Rob Bryan for the 88th House District seat.(THE ASSOCIATED PRESS, 9/26/16).

### **DOT Meeting**

The state Department of Transportation will hold a meeting Thursday to explain its plan to install traffic signals on four on-ramps on Interstate 540 early next year to try to make it easier for cars to merge into traffic. The meeting will take place from 4 to 7 p.m. at Abbotts Creek Community Center on Durant Road in Raleigh. The signals, known as ramp meters, will switch between green and red, allowing one or two drivers to go, then stopping the next ones for a few moments. The aim is to ease congestion by breaking up the long lines of vehicles that pour onto the highway during rush hour. It will be the first time ramp meters have been used in North Carolina, though they're common in other large cities, including New York, Houston and Atlanta. If the I-540 lights are

successful, DOT would look to install them on other busy ramps in North Carolina.(WRAL NEWS, 9/26/16).

### **Insurance Costs**

Based on rate increases proposed to North Carolina's Department of Insurance, state residents who have signed up for Obamacare could face a 19 percent to 25 percent jump in the cost of their health coverage for 2017, Republican Sen. Richard Burr says. Further, because major health insurers have suffered losses and are exiting the program, in 90 percent of North Carolina counties, residents enrolled in President Barack Obama's signature health care program will only have one plan from which to choose in their so-called marketplace, Burr wrote in an op ed published in the online North State Journal.

"Obamacare is imploding," he wrote. "With each passing day we see more evidence that the program that promised Americans affordable health care is on the verge of total collapse. But the administration issued its own analysis, concluding that 82 percent of North Carolinians could still purchase a plan for less than \$75 per month. Officials at the U.S. Department of Health and Human Services also emphasize that since the Affordable Care Act known as Obamacare became law, health care prices have risen at the lowest rate in 50 years.

Democrats argue that Burr, who is campaigning for a third term in the Senate, and other Republicans in Congress are part of the problem. House and Senate Republicans have refused administration calls for modifications that might fix Obamacare, the centerpiece of several health policy changes that the administration says have slashed the number of uninsured Americans by 20 million people, to 11.4 percent of the population. Before the law took effect, 47 million Americans were uninsured.

The central problem has been the low number of young, healthy people who have elected not to sign up for Obamacare, despite stiffening tax penalties for failing to do so. With mostly sicker people among the 12.7 million enrolled, the average cost of premiums has been pushed higher. In North Carolina, 725,498 people had been declared eligible for Obamacare as of Feb. 1, 2016, with 592,369 qualifying for some form of financial aid, according to the Kaiser Family Foundation.

Burr wants to repeal the Obama program and replace it with a package he co-authored last year called The Patient CARE Act, which he said would hold down health-care costs and expand access to quality coverage. That plan is built around a means-tested tax credit that people could use to buy health insurance or to deposit into a health savings account.

The legislation, co-authored by Republican Sen. Orrin Hatch of Utah, the chairman of the Senate Finance Committee, also would do away with the expansion of Medicaid that accompanied Obamacare. The Burr-Hatch plan would replace the program for the poor with tax credits and a per capita cap on coverage. "Americans are understandably fed up with the finger pointing," Burr wrote.(Greg Gordon, MCCLATCHY DC, 9/26/16).

### **Corning Optical Expansions**

Corning Optical Communications plans to add 205 jobs over the next five years at its facilities in Hickory and Winston-Salem. North Carolina officials announced Monday the company plans to invest nearly \$83.5 million. Corning Optical provides fiber optic communications for voice, data and video networks.

Its parent company is Corning Inc. The company already employs more than 3,000 people across North Carolina. A release from Gov. Pat McCrory's office says the new jobs will pay on average more than \$58,000, though the salaries will vary by position. The average annual wages for residents of Catawba and Forsyth counties are about \$38,000 and \$50,000, respectively. Corning Optical has been approved to receive nearly \$2 million in job development investment grants if the expansions meet job creation and investment targets.(THE ASSOCIATED PRESS, 9/26/16).

### **Recall Proposal**

Voters in the village of Tobaccoville will decide in November whether to remove their mayor. The village council voted to put on the ballot the question of whether to recall Mayor Bill McHone. McHone has been mayor for six years but state lawmakers approved a law earlier this year allowing voters to consider removing him. He was elected without opposition to his current term. McHone voted with the council to put the question to the voters Nov. 8, saying he serves at the pleasure of the taxpayers. The Forsyth County board of elections certified the signatures of nearly 370 people on petitions requesting the recall. James Catlett led the petition drive and said he doesn't consider the 69-year-old McHone to be a leader.(WINSTON-SALEM JOURNAL, 9/26/16).



### **YOU DON'T SAY...**

"We're kind of stuck between a rock and a hard place."

*Hayden Vick, chairman of College Republicans at UNC-Chapel Hill, on his club's decision "not to take an official vote" on supporting GOP presidential nominee Donald Trump.*

THE NEWS & OBSERVER, 9/27/16

### **Table of Contents** - The Insider for September 28, 2016

---

- [News Summary](#)
- [Legislative Studies and Meetings](#)
- [N.C. Government Meetings and Hearings](#)
- [N.C. Utilities Commission Hearing Schedule](#)
- [UNC Board of Governors](#)
- [Other Meetings and Events of Interest](#)

## News Summary

---

### Hartsell Indicted

A longtime North Carolina state senator was indicted Tuesday by a federal grand jury on charges stemming from allegations he spent more than \$200,000 in campaign funds over nine years for his personal benefit. The 14-count fraud and money laundering indictment against Sen. Fletcher Hartsell, R-Cabarrus, was handed down in central North Carolina federal court district. It comes three months after a Wake County grand jury indicted Hartsell, a former chairman of the Legislative Ethics Committee, on three state counts of filing false campaign reports.

The State Board of Elections began auditing his campaign finances in early 2013 after questions were raised about credit card payments made using campaign funds. About \$210,000 belonging to Hartsell's campaign committee was improperly spent "on personal goods and services for his own enrichment" from early 2007 through the end of last year, Tuesday's indictment says.

The indictment alleges he took money from his campaign account and funneled it to his law firm and a company he owned with his wife. The indictment says Hartsell had justified to State Board of Elections investigators spending campaign money on trips to Edenton and to Charleston South Carolina, as well as for tickets to see "Jersey Boys" and to get haircuts. Hartsell's campaign committee money also went to personal items such as lawn care, finance charges on personal credit cards and club memberships, or it went to reimburse his law firm for his personal expenses, according to the indictment.

Hartsell didn't immediately return phone calls to his Concord home and law office and to his Raleigh legislative office. Hartsell's lawyer also didn't respond to a phone message. Hartsell's first court appearance is Thursday morning in Greensboro, the federal government's news release said in announcing the charges.

Hartsell faces five counts of mail fraud, three counts of wire fraud, and six counts of money laundering. Each count is punishable by up to 20 years in prison and a minimum of \$500,000 in fines or property value. Campaign finance laws "must be enforced in order to protect the integrity of the American democratic process. If you abuse the power granted to you as an elected official, the FBI will work tirelessly to ensure you are held accountable for your actions," John Strong, the FBI's top agent in Charlotte, said in a release.

Hartsell, 69, joined the Senate in 1991 and is the chamber's longest-serving senator, completing his 13th term. He decided last year not to seek re-election this fall. Well-liked by his colleagues on both sides of the aisle, Hartsell has leadership roles on a Senate judiciary committee and the tax-writing committee. The mail fraud counts are related to accusations he used the U.S. mail to send fraudulent campaign reports to the State Board of Elections. Hartsell's electronic correspondence to donors requesting campaign contribution constitutes wire fraud, the indictment alleges, while the money laundering occurred when depositing money from his campaign's bank account to the Hartsell & Williams law firm and Equity Properties of Concord, the couple's company that owned a building and rented space.

Starting in October 2006, state law limited the use of campaign funds essentially to expenses related to running for or holding public office and to charity. Hartsell received annually training materials laying out these and other restrictions, but

instead engaged in a scheme to defraud and obtain money and property through false pretenses, the indictment says.

Hartsell told an elections board investigator the trip to Charleston with his wife's hand-bell choir was proper because constituents were present, attending the "Jersey Boys" performance "constituted 'therapy' for him," and that he was a "hippie" and wouldn't get haircuts without being a legislator, the indictment says. He later withdrew these and similar claims, according to the indictment. (Gary D. Robertson, THE ASSOCIATED PRESS, 9/27/16).

### **McCrory Accusation**

Gov. Pat McCrory said Tuesday that his Democratic opponent Roy Cooper and Charlotte Mayor Jennifer Roberts met to talk politics during last week's Charlotte protests, a charge that spokesmen for Roberts and Cooper deny. McCrory also said Roberts had "politicized" the unrest. McCrory made his comments to reporters following an appearance at the Rural Center in Cary. "The attorney general," he said, "was actually in the mayor's office for three to four hours with his campaign team when others, including myself and the chief of police, were trying to coordinate efforts to protect the streets of the city of Charlotte and coordinate with the National Guard and the Highway Patrol to protect buildings, to protect people and to protect police."

Cooper spokeswoman Noelle Talley said Cooper was at the Government Center last Thursday in his capacity as attorney general in the aftermath of last week's shooting of Keith Lamont Scott by a Charlotte-Mecklenburg police officer. Cooper was accompanied by his chief of staff. Aside from his driver, no one from Cooper's campaign staff was present, a campaign spokesman said. Both Talley and Gregg Watkins, an aide to Roberts, said the mayor and attorney general met for no more than 20 minutes, discussing the shooting and its aftermath. While Roberts went downstairs to a news conference and kept other appointments, Cooper stayed in the building where he met with a group of faith leaders. Later Thursday, Roberts stood alongside McCrory at a news conference at police headquarters, where he thanked her and other leaders for their efforts during the violent protests. "Attorney General Cooper and Department of Justice Chief of Staff Kristi Jones met and spoke with Mayor Roberts, local faith leaders, and law enforcement in order to discuss issues surrounding a very tense situation," said Cooper campaign spokesman Ford Porter. "Gov. McCrory knows this and is apparently lying in a bizarre political attack."

A McCrory spokesman said his accusation of Roberts politicizing the situation stemmed from Roberts' appeal to the U.S. Justice Department to review Charlotte's situation. "The last thing we needed was politics at that point," McCrory said Tuesday, alluding to the Cooper-Roberts meeting. "And right now I'm seeing the same thing ... with the mayor making political editorials which are quite inaccurate." He was apparently referring to Roberts' op-ed in Tuesday's Charlotte Observer. "The lack of transparency and communication about the timing of the investigation and release of video footage was not acceptable," she wrote. "And we must remedy that immediately." (Jim Morrill, THE CHARLOTTE OBSERVER, 9/27/16).

### **Video Request**

A request for more police video -- and any surveillance camera footage -- from the scene of last week's fatal shooting of Keith Lamont Scott has been made by a

group of news organizations, including The Charlotte Observer. A letter from Jonathan Buchan of the law firm Essex Richards to police Chief Kerr Putney and Charlotte Interim City Manager Ron Kimble this week says that the video should be considered public record under current law. Joining the Observer in the request are the Associated Press, CNN, WBTV (Channel 3), WSOC (Channel 9), WCNC (Channel 36), ABC News, WFAE-FM (NPR, 90.7) and The News & Observer of Raleigh. On Saturday, Putney released video footage from the dash camera of a police SUV and the body camera of one officer showing the shooting scene when Scott was killed by a Charlotte-Mecklenburg police officer. Putney said Saturday there was more video that would probably be released later but in the interest of transparency, he wanted to make public the relevant moments of the shooting. "A matter of critical public interest is whether the additional video provides any evidence of Mr. Scott's gun and its location," Buchan wrote. (Mark Washburn, THE CHARLOTTE OBSERVER, 9/27/16).

### **Tennessee Professor**

The University of Tennessee's law school dean says a professor will not face disciplinary action for a Twitter post that called on drivers to run over demonstrators blocking traffic in Charlotte, North Carolina. In a post on the law school's website, Dean Melanie D. Wilson said the tweet "was an exercise" of the professor's First Amendment rights, according to media reports. Wilson added the tweet "offended many members of our community and beyond, and I understand the hurt and frustration they feel." The law school began an investigation after law professor Glenn Reynolds posted "Run them down," in response to news about protesters on the interstate. Reynolds also writes newspaper columns. Wilson said the investigation included "an examination of the facts, policies in the university's Faculty Handbook, and the law." (THE ASSOCIATED PRESS, 9/27/16).

### **Salary Increase**

The executive director of North Carolina's \$87.6 billion pension system received a \$105,464 boost in salary -- an 81 percent increase -- earlier this year when the state Treasurer's office adopted a new compensation plan designed to bring salaries more in-line with their counterparts in other states. The executive director, Steve Toole, whose salary was \$236,000 after receiving the increase, was one of four employees in the state Treasurer's office who received salary boosts that went into effect in April. The salary boosts for the other employees amounted to \$6,500, \$20,824 and \$58,142.

The raises were authorized by state legislation that gave Treasurer Janet Cowell and the board of trustees for the state's Supplemental Retirement Plans the power to establish "market oriented compensation plans" for key employees of the supplemental plans in order to retain them and "to promote achievement of long term investment objectives." The bill passed was unanimously approved by both the House and the Senate in 2015.

The supplemental plans encompass the 401(k), 457 and 403(b) retirement plans with more than \$9 billion in assets for more than 250,000 current and former public employees. Toole administers those supplemental plans as well as the \$87.6 billion pension system that covers more than 900,000 state employees, teacher and other public workers. The state Treasurer's office "worked with legislators to address the fact that staff for the supplemental retirement plans

were being paid well below their counterparts at other states' public retirement plans," department spokesman Brad Young wrote in an email. Treasurer Janet Cowell wasn't available for comment.

The new salaries come with a trade-off: these employees are now exempt from the State Personnel Act, which means they can be terminated for any reason. That's especially significant this year because state Treasurer Janet Cowell, a Democrat, isn't running for a third term. Consequently either of her would-be successors, Republican Dale Folwell or Democrat Dan Blue III, would be free to replace them.

Last year more than two dozen investment professionals in the Treasurer's Office received pay increases averaging more than \$49,000 as the result of a separate market-based compensation plan authorized by different legislation passed in 2014. Those workers also became exempt employees. The latest salary increases were based on a \$52,891 compensation study conducted by Mercer Consulting, which identified what positions were eligible for market-based compensation under the law and compared those salaries with public employees with similar positions nationwide. The philosophy behind the increases was to get employees to the midpoint among their peers "if they have appropriate skill sets and are performing well," Young said.

Besides Toole, the supplemental plan employees whose salaries were boosted are: Rekha Krishnan, operations analyst, whose salary rose from \$46,500 to \$53,000; Maja Moseley, compliance officer, whose salary was boosted from \$48,676 to \$69,500; and Mary Buonfiglio, the deputy director, whose salary rose from \$99,858 to \$158,000. Since the pay increases went into effect, these employees subsequently received the 1.5 percent raise granted to all state employees this year.(David Ranii, THE NEWS & OBSERVER, 9/26/16).

### **NAIA Event**

The National Association of Intercollegiate Athletics said this week it's relocating its 2016 Cross Country National Championships over the controversial HB2 law, which limits protections for LGBT individuals. In January 2015, the NAIA announced that its men's and women's cross country championships would be held in Charlotte in 2015 and 2016 at McAlpine Creek Park. This year's event was to be held Nov. 19. "The NAIA Council of Presidents made this decision out of concern that the state's HB2 legislation creates an atmosphere where discrimination potentially exists for some NAIA student-athletes and personnel," said the organization, which plans to announce a new location next week. The NAIA has no other championships scheduled to be held in North Carolina. The decision does not affect any current member institution or conference from keeping previously scheduled events in the state, the organization said.(Rick Rothacker, THE CHARLOTTE OBSERVER, 9/27/16).

### **Travel Ban**

North Carolina's controversial law overturning local government protections for gays and lesbians could cost it some business with California state agencies. Gov. Jerry Brown on Tuesday signed a bill that prohibits state agencies from compelling their employees to travel to states with laws that allow discrimination on the basis of sexual orientation or gender identity. The effect is to ban state-funded travel to North Carolina and other states that may adopt policies like its HB2. The bill applies to the University of California and the California State

University system, which may lead to restrictions on travel for college sports teams. It also could limit travel for conferences and training. Employees still may be required to go to those states if they're called for legal, legislative or safety reasons. It's not clear how much money California spends on travel in North Carolina. Each state department manages its own travel, and legislative staff did not compile the sum in their discussions of the bill. The law may allow state employees to decline travel to about 20 other states that have passed so-called religious freedom measures. (Adam Ashton, THE SACRAMENTO BEE, 9/27/16).

## **Rural Assembly**

North Carolina's urban centers are the fastest growing parts of the state, but most people still live somewhere other than Raleigh or Charlotte. On Tuesday, both candidates for governor pitched themselves to a gathering of several hundred leaders from rural communities all over the state at the 2016 N.C. Rural Assembly, which was held in Cary. Democratic challenger and Attorney General Roy Cooper spoke first. He talked about working with tobacco and livestock on his family's farm near Rocky Mount, then focused on his years in the N.C. General Assembly. Working with then-Gov. Jim Hunt, Cooper said, lawmakers expanded the Smart Start child care and education program to all 100 counties and also raised North Carolina's rankings on teacher pay and education funding to much higher than they are now.

Republican incumbent Gov. Pat McCrory talked about cuts to unemployment benefits, raises for teachers and the \$2 billion Connect NC bond that voters passed this March, which he pushed for. By putting more money into research facilities, community colleges and state parks, McCrory said, the bond should help with workforce development and tourism. The forum was organized by the nonprofit N.C. Rural Economic Development Center. Other topics included:

- **Taxes:** Cooper said if he's elected, he would work to put more money into education. He also questioned the GOP's recent tax cuts, saying a better educated populace will do more to attract good jobs. McCrory painted a different picture. He said North Carolina's tax rate is higher than in neighboring states, and the cuts were necessary to be more competitive.
- **Education:** Both candidates spoke about making college more affordable. McCrory focused on four-year universities, criticizing them for "jacking up their tuition" and praising the legislature's plan to cap tuition for some state schools at \$500 a semester. Cooper focused on community colleges, which he has proposed making tuition-free.
- **Medicaid :** Cooper said McCrory and the General Assembly made a bad decision not to let the federal government expand Medicaid in North Carolina. Doing so would have been free to state government for the first few years. After that, the federal government would have continued paying 90 percent of the costs. Cooper said he understands that some conservatives don't like Medicaid expansion for political reasons, but that McCrory should have followed the lead of other Republican governors who accepted it anyway, such as Ohio Gov. John Kasich and N.J. Gov. Chris Christie. "When you have partisan, political ideology put above the best interests of the state, that's just wrong," he said. McCrory didn't bring up Medicaid during his speech. Asked about it

afterward, he said there was no way of knowing how much the expansion might have cost. It was offered as part of Obamacare, McCrory said, and he added, "Obamacare is a disaster."

(Will Doran, THE NEWS & OBSERVER, 9/27/16).

### **Elder Issues**

Half of registered voters in North Carolina ages 45 and older are anxious about their finances and not having enough money to live comfortably in their retirement years, according to a new survey from the AARP. During a discussion hosted by the association in Raleigh on Tuesday, panelists addressed issues that matter to older voters -- including Social Security, Medicare and Medicaid and policies for unpaid caregivers -- and said those issues aren't being discussed by local and national politicians. "Older voters matter," said Doug Dickerson, the state director of the AARP. "Older voters, who comprise about one-quarter of the voting population in this campaign season, remain up for grabs, and surprisingly have not been pursued by any candidates to date."

Some politicians, including Republican U.S. Sen. Richard Burr and his Democratic challenger, Deborah Ross, devote sections of their campaign websites to issues related to seniors. And now AARP has released a video showing Gov. Pat McCrory and Attorney General Roy Cooper, his gubernatorial opponent, discussing their plans for promoting financial security. "This is the first time that AARP in North Carolina has put together this type of an older voter issue forum," Dickerson said. He said the AARP is nonpartisan and does not endorse candidates. Dickerson said AARP has 1.1 million members in North Carolina and 100,000 members in Wake County.

Jennifer Sauer, a senior researcher at AARP, presented the key findings of a telephone survey conducted from Aug. 18-21 with 1,000 registered N.C. voters. She presented them to the four panelists and dozens of AARP members gathered at the Raleigh Marriott City Center. A majority of those voters surveyed in North Carolina support a state retirement savings plan, but 87 percent say they haven't read, heard or seen any information on where the gubernatorial candidates stand on the issue. A majority, 78 percent, also support legislation that maintains or provides services for unpaid caregivers, but only 9 percent say they have read, heard or seen any information on McCrory and Cooper's positions on the issue. (Rachel Chason, THE NEWS & OBSERVER, 9/27/16).

### **U.S. Senate Ads**

Democrat Deborah Ross' decades-old comments about the sex offender registry are the focus of three new commercials released Tuesday, one of which is a rebuttal from the Ross campaign. Both Republican U.S. Sen. Richard Burr's campaign and the Senate Leadership Fund -- a super PAC is connected to Senate Majority Leader Mitch McConnell -- posted attack ads that used the sex offender issue to question Ross' commitment to protecting children. The campaign and the super PAC are legally required to operate separately.

In a memo Ross wrote to ACLU members while leading the group in the mid-1990s, she said the registry "would make it even harder for people to reintegrate into society and start over and could lead to vigilantism." She also argued that the registry might harm victims who were abused by family members because the victims' names could become public by association. But Ross said she's

always supported the registry and later voted repeatedly to strengthen it as a state legislator. Still, the issue appears to be the main line of attack from Burr's campaigns and outside groups backing him.

The Senate Leadership Fund ad says Ross "puts her left-wing ideas ahead of our families" and that her policies are "good for criminals, not North Carolina families." The super PAC is spending \$8.1 million on TV ads to help Burr. Burr's ad features a sergeant in the U.S. Marine Corps who was raped. Sgt. Kelly Lowe says Ross "wants to protect sexual predators over victims."

The Ross campaign was quick to hit back Tuesday, releasing its own ad on the topic that features the state senator who sponsored the sex offender registry law. "Sen. Burr is flat-out lying and that's why people hate politics," former Sen. Fountain Odom, a Charlotte Democrat, says in the ad. (Colin Campbell, THE NEWS & OBSERVER, 9/27/16).

### **Trump Group**

The national effort to get the youth vote out for Donald Trump is being led by two students at Campbell University in Buies Creek. Ryan Fournier, a sophomore, started Students for Trump in October 2015, when he created a Twitter account to spread Trump's message to students. Several months after the Twitter page started, the Trump campaign asked if Fournier would be willing to create a larger coalition. He agreed and enlisted co-founder John Lambert, a junior at Campbell, to help. The organization -- which is in contact with the Trump campaign but not directly affiliated with it -- now has more than 250 chapters and 5,000 volunteers nationwide, according to a running count on its website. "We're overflowing with applications," Fournier, 20, said. "People are just so motivated."

Support for Trump among young Republicans on college campuses in the Triangle varies among universities. At Duke, where Fournier confirmed Students for Trump has no representatives, the College Republicans club decided to "abstain" from endorsing the Republican nominee. At N.C. State, where Fournier said Students for Trump has a "big presence," the College Republicans never considered not supporting the nominee, said the club's president, Sean Harrington, a junior political science major from Massachusetts. Hayden Vick, chairman of College Republicans at UNC-Chapel Hill, said his club has decided "not to take an official vote" and that the consensus is "very much in the middle." (Rachel Chason, THE NEWS & OBSERVER, 9/27/16).

### **Ad Spending**

For every ad Republican presidential nominee Donald Trump has put on broadcast television in North Carolina during the general election campaign, Democratic nominee Hillary Clinton has aired five. That's according to data provided to WRAL News by Kantar Media. Although the data doesn't account for spending on cable television or outreach through direct mail and other methods, broadcast television advertising is the most expensive cost for most statewide campaigns and therefore a good proxy for the resources deployed.

Looking just at money spent by the two campaigns, Clinton has used an estimated \$9.3 million to put 22,840 ads on the air since June. Trump has spent \$1.7 million on 3,674 ads during the same time period. That difference remains stark looking only at the first 26 days of September, during which Clinton aired 9,910 ads to Trump's 1,907. Even when spending by outside groups such as the

National Rifle Association, which has spent on Trump's behalf, and Priorities USA Action, a liberal group backing Clinton, the gap remains. Television spending is just one way candidates are signaling North Carolina is a swing state up for grabs. Both candidates have repeatedly visited the state for rallies and private events. Polls in the state show Clinton and Trump trading leads in recent polls, and the Real Clear Politics polling average giving a less than 1 percentage point edge to Trump.(Mark Binker, WRAL NEWS, 9/27/16).

### **Clinton Visit**

Democratic presidential candidate Hillary Clinton spoke to a capacity crowd at Wake Tech Community College's gym Tuesday afternoon -- her first public appearance following Monday's debate with Republican Donald Trump. The gym filled with about 1,400 people well before the scheduled 1 p.m. start time. The audience cheered as she mentioned the debate. Clinton criticized Trump's performance in the debate, which was the first of three between the presidential contenders. "He made very clear that he didn't prepare for that debate," she said, noting that he was critical of her decision to take time out from campaign appearances to get ready. "Just trying to keep track of everything he says took a lot of time." Clinton said many of Trump's debate comments didn't make sense. "What I've heard from my opponent is dangerously incoherent," she said, referring to his take on foreign policy issues. "It's unclear exactly what he's saying."

While awaiting Clinton's arrival, the crowd heard from U.S. Senate candidate Deborah Ross, former Gov. Jim Hunt and Raleigh Mayor Nancy McFarlane. McFarlane, who is registered to vote as unaffiliated, endorsed Clinton for the first time during her speech. Hunt, a Democrat who led North Carolina in the 1990s, said Trump cannot be allowed to win the election. "Donald Trump is dangerous," he said. Ahead of the Clinton speech, N.C. Republican Party chairman Robin Hayes issued a statement criticizing the visit. "Clinton is in the Old North State in an attempt to energize North Carolina voters but they won't be fooled," Hayes said. "While our GOP leaders grew our state's economy by lowering taxes and creating jobs, Hillary Clinton will again today discuss her economic plan, which will increase taxes, cut jobs and implement more of the same failed policies that have hurt the American people over the last eight years."(Colin Campbell and Rachel Chason, THE NEWS & OBSERVER, 9/27/16).

### **Interstate Designation**

Greenville-area officials are "delighted" that talks of designating U.S. 264 as a future interstate have shifted into the fast lane. Last week, members of North Carolina's congressional delegation introduced the Eastern North Carolina Gateway Act of 2016. The bipartisan legislation aims to improve eastern North Carolina's highway system by designating portions of U.S. 264 as an interstate highway and create interstate access along U.S. 13 and N.C. 11. If approved, the request would be the third interstate designation obtained in eastern North Carolina this year. North Carolina gained two future interstate designations: I-42 for the U.S. 70 corridor between I-40 and Morehead City and I-87 for U.S. 64/17 between Raleigh and the Virginia state line. The new interstate would begin where the future I-87 splits from U.S. 264 in Zebulon and ends in Greenville.(Shannon Keith, THE DAILY REFLECTOR, 9/27/16).

## **Atkinson Visit**

State Schools Superintendent June Atkinson had an assignment for some of her former employees Tuesday: take every opportunity to promote North Carolina's schools, whether talking with friends or shaking hands at a wedding.

"Congratulations to the groom, best wishes to the bride and, oh, by the way -- did you know our graduation rate is at an all time high?," she instructed a room of laughing educators. "All of us can take pride in knowing we have moved the needle so much." Atkinson visited Wilmington on Tuesday to speak with the New Hanover County Retired School Personnel organization. The group is a local affiliate of the N.C. Association of Educators that brings together former teachers, principals, bus drivers and other local educators. Atkinson, a Democrat who has served as state superintendent since 2005, is up for reelection this year. Republican Mark Johnson, an attorney and member of the Winston-Salem/Forsyth County School Board of Education, is also vying for the job. But Atkinson did not touch on the race Tuesday and focused instead on the future of public schools. She noted recent successes like the state's four-year high school graduation rate climbing to 86 percent, up from 68 percent a decade ago. Last year New Hanover County saw its own rate climb to a record high of 83.3 percent. (Cammie Bellamy, WILMINGTON STAR-NEWS, 9/27/16).

## **Fayetteville Manager**

In a departure from past experience, Fayetteville's next city manager will start the job with a termination date. The City Council voted unanimously Monday night to offer interim manager Doug Hewett the job, pending both sides being able to reach an employment agreement by next month. Now, it appears Hewett would serve as the official city manager for about one year under a contract that would expire, according to council members who were interviewed Tuesday. The termination date hasn't been set, but it could be Dec. 31, 2017, sources said. Next year, council members could vote to extend the term and keep him, if they liked his service; or they could conduct a national search for his successor. "Everybody's comfortable giving him a shot," Councilman Jim Arp said a day after the council held a closed session to evaluate Hewett's five-month performance as interim manager. Past Fayetteville city managers had open-ended employment contracts that spelled out their benefits. The agreements also included negotiated severance packages, should they be fired or asked to resign by the council -- fates that have befallen at least the three prior city managers. (Andrew Barksdale, THE FAYETTEVILLE OBSERVER, 9/27/16).

## **Asheville Limits**

In a move to slow the number of new hotels and large projects being built downtown and possibly planned for other parts of the city, the Asheville City Council is looking to put more restrictions on new big buildings and lodging developments of nearly every size, including small- and medium-sized ones. The council's idea is to make it so that projects exceeding 100,000 square feet -- or that are taller than 100 feet downtown -- and any hotel bigger than 20 or 25 rooms anywhere in the city would have to get approval from the elected body before they could be built. Right now in what is called the "traditional downtown core," any project up to 175,000 square feet or 145 feet in height can get

approval without coming before the council, and hotels are treated the same as other development projects.

Councilwoman Julie Mayfield said the changes proposed at Tuesday's regular council meeting would preserve and add to the "urban fabric" and "vibrancy" of the city. "We're not saying that this means you're not going to develop here," she said. "We're saying, if you're going to develop here, what you build needs to add to the city." Any such rules would not affect hotels or projects under construction or that have already been permitted. There are five downtown hotel projects that have gotten a city permit or are under construction. The council took no vote, but decided by consensus that city planning staff should create proposed rules that would come back to the council for final approval. The council also asked the staff to look at the possibility of requiring similar approval for new retail projects of 3,000 square feet or more or when large downtown buildings are demolished.(Joel Burgess, ASHEVILLE CITIZEN-TIMES, 9/27/16).

### **State of Emergency**

Gov. Pat McCrory on Tuesday rescinded the State of Emergency declaration effective midnight for 11 counties in northeastern North Carolina. The governor also said damage assessment teams will begin surveying flood-ravaged areas of Bertie County tomorrow. On September 22, the governor made the emergency declaration after the remnants of Tropical Storm Julia dumped between 10 and 17 inches of rain across much of the area within a 72-hour period. McCrory, N.C. Emergency Management Director Mike Sprayberry, Transportation Secretary Nick Tennyson and Agriculture Commissioner Steve Troxler visited Bertie County Monday to survey storm damage. The transportation waivers for drivers who were transporting supplies and equipment for agricultural emergency response also will end at midnight. The North Carolina Emergency Operations Center will return to normal operations Wednesday.(NEWS RELEASE, 9/27/16).

### **Layoffs**

Biologics, an oncology services company that was acquired earlier this year by a unit of publicly traded McKesson Corp., is laying off 132 employees at its Cary facility. Biologics notified the state Department of Commerce last week that the layoffs will begin Nov. 21. The employees being laid off include 72 patient benefits specialists, 15 patient care coordinators and a dozen customer service representatives. Biologics, which manages treatment for patients with cancer and other complex diseases, was acquired in April by McKesson Specialty Health. McKesson officials couldn't immediately be reached for additional information regarding the layoffs. When the acquisition was announced in February, Biologics had 365 employees in Cary and the company said it was on track to add 150 new workers this year.(THE NEWS & OBSERVER, 9/27/16).

### **Animal Rescue**

The Cabarrus County Sheriff's Office and the Humane Society of the United States rescued nearly 130 animals from a suspected puppy mill Monday, according to Cabarrus County officials. Some of the animals were in urgent need of medical care, authorities said. Officials said an anonymous tip to law enforcement led deputies to investigate the property. Armed with warrants, deputies and Humane Society staff members entered the property Monday morning and found about 105 dogs, 20 cats and three goats

housed in what county officials described as "unsafe and unsanitary conditions." The animals were removed from the property and received immediate care from the Cabarrus Animal Hospital. Erica Geppi, state director for the Humane Society, said North Carolina is "one of a handful of states" without regulations for commercial dog breeders. She said the Humane Society is urging the General Assembly to pass regulations.(Steve Lyttle, THE CHARLOTTE OBSERVER, 9/27/16).

### **Lenovo**

Lenovo is laying off as many as 1,100 workers but isn't specifying where the job cuts are being made. Lenovo, which maintains one of its two executive headquarters in Morrisville, denied a report that it is moving the Motorola business unit to its North Carolina campus. The job cuts represent less than 2 percent of Lenovo's global workforce, the company added, noting that its global workforce numbers are 55,000. In August 2015, Lenovo cut more than 3,200 jobs with many of those taking place within the Motorola group. News website Droid Life was the first media to report the job cuts Monday, citing sources within the Motorola group. Lenovo paid nearly \$3 billion to Google for the Motorola Mobility business unit in 2014, and over time Lenovo has sought to incorporate the smartphone group with its own phone business.(WRAL NEWS, 9/27/16).

### **Price Spike**

The recent spike in gasoline prices in the Carolinas because of the Colonial Pipeline spill are among the highest weekly increases in the nation. AAA Carolinas reports that because of this month's spill, average gas prices increased 7 cents per gallon in South Carolina and 5 cents a gallon in North Carolina. The pipeline leak in Alabama resulted in gasoline shortages in several southeastern states for several days. The motor club based in Charlotte reported Monday that the average price for a gallon of gas in North Carolina is \$2.21 a gallon while the price in South Carolina \$2.11. The main difference in the price in the two states is North Carolina's higher state gasoline tax.(THE ASSOCIATED PRESS, 9/27/16).