

Weekly Insider Reports

September 12-16, 2016



YOU DON'T SAY...

"It's clear something's wrong. Something's not working right."

Blue Cross and Blue Shield of N.C. CEO Brad Wilson, on the state's Affordable Care Act marketplace, from which two major insurance have dropped out after reporting unsustainable losses. BCBSNC will decide whether to remain this month.

THE CHARLOTTE OBSERVER, 9/09/16

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News Summary

Special Legislative Election

Voters who successfully sued to strike down nearly 30 North Carolina General Assembly districts told a federal court Friday they want new maps drawn by late January and a special legislative election sometime in 2017. The lawyers for the voters filed a short report laying out an accelerated schedule they want the legislature to follow to replace the current boundaries. Republican legislative leaders, through their attorneys, offered their own competing proposal earlier Friday that would give them until next July to enact new maps and until November 2018 to hold elections, which would be in keeping with the current biennial schedule. A three-judge panel last month determined 19 House and nine Senate districts were illegal racial gerrymanders. The judges decided it was too late in the election cycle to redraw new maps and conduct elections under them in November, so instead they directed the General Assembly to retool the districts in the 2017-2018 session.

The court has since asked the plaintiffs and legislative leaders for suggestions on how to proceed. Under the voters' proposed schedule, the legislature would have to enact new boundaries by Jan. 25, two weeks

after the session begins. Lawmakers would have seven days after that to tell the court how they resolved the gerrymanders. "This timeframe is essential to allow special elections to occur in 2017 under a reasonable election schedule," the voters' lawyers wrote. They did not provide a proposed special election date but suggested that a two-year state residency requirement in North Carolina's constitution to run for the House and Senate may have to be modified. Under the schedule proposed by General Assembly leaders, the legislature would have until next July 28, which they said would give them about the same amount of time it took them in 2011 to complete the current maps. Lawmakers also requested that legislators elected this November under current maps "be allowed to serve their full two-year term and that no special election for legislative offices be ordered for November 2017 or any other date."

U.S. District Judge Catherine Eagles in Greensboro, one of the three judges that wrote the unanimous opinion overturning the district boundaries, has asked both sides to provide briefs this fall to support their schedule. No date for a decision has been set. Given that so many districts were found to be illegal, any mapmaking likely would require redrawing most if not all of the 120 House and 50 Senate districts. The three-judge panel wrote last month that the 28 district maps violated the U.S. Constitution. In all but one of the maps, blacks comprised more than 50 percent of the voting-age population. The judges said there was no need for GOP legislative leaders to draw so many majority-black districts. Republican lawmakers said drawing majority-black districts this way would help them overcome legal claims that they violated the U.S. Voting Rights Act, which prohibits racial discrimination in elections. They could still appeal the judges' ruling. The 2011 legislative maps, based on 2010 census data, aided Republicans in padding their majorities in the two chambers after they took control of the legislature. (Gary D. Robertson, THE ASSOCIATED PRESS, 9/09/16).

First Term

With a growing economy, rising teacher pay and falling taxes, Republican Gov. Pat McCrory should be riding high in his bid for a second term. The former Charlotte mayor has guided North Carolina to its lowest unemployment rate in nearly a decade while redefining transportation strategy and repaying a \$2.5 billion federal loan. But for many voters, including some who know him best, such accomplishments are overshadowed by the issue that thrust him into the national spotlight: House Bill 2. McCrory is an ardent defender of the law, which bars transgender people from using the bathroom of the gender they identify with in government buildings and prevents cities from passing their own LGBT ordinances. He blames the ensuing controversy on the "political left" and spurns critics as part of the cultural or corporate "elite." All of that sounds alien to those who remember him as a Charlotte moderate. "The Mayor Pat McCrory that I came to know and respect and work with does not exist today," says former Matthews Mayor Lee Myers, a Democrat who twice voted for McCrory for governor. In addition to HB2, critics point to other bills he signed that were passed by a conservative General Assembly, including measures involving abortion, voting and taxes.

McCrory, a self-styled Eisenhower Republican, insists he hasn't changed. He defends what he calls his "moderate" response to what he views as a very liberal Charlotte ordinance that opened the transgender issue and led to HB2. "The Charlotte political system has become much more liberal since I left," he says, sitting in his Charlotte campaign office. "I haven't changed my political philosophy. The Charlotte political system has gone very far left." But facing a tough re-election race against Democratic Attorney General Roy Cooper, McCrory, who supports Donald Trump for president, is fighting perceptions that he's no longer the political moderate who led Charlotte for 14 years and won the 2012 governor's race with help from Democrats and independents in the state's largest counties. McCrory won Mecklenburg County for example, despite the fact that President Barack Obama carried it by 100,000 votes. Real Clear Politics shows Cooper with an average lead of 6 points in recent polls.

Other critics say McCrory began shifting right in 2012 in his second campaign for governor, when he advocated policies such as "fracking" and spoke on behalf of Americans for Prosperity, a group tied to the libertarian Koch brothers. Democratic candidate Walter Dalton said McCrory had embraced "the tea party agenda." But supporters say McCrory hasn't changed. "I always thought Pat was a conservative council member and mayor," says former GOP Mayor Richard Vinroot. "He had a conservative view of the world when he got there and hasn't changed." What has changed, they say, are the issues he faces and the political environment around him. He now has a broader constituency than the city voters who elected him 10 times. "Who he's trying to attract as voters has changed and he's adjusted accordingly," says former Republican Rep. Charles Jeter of Huntersville.

In Charlotte, McCrory dealt with city councils that, while dominated by Democrats, generally tackled issues in a bipartisan way. As mayor, McCrory championed the Blue Line, the state's first light rail project. He led the fight to get and later to keep the sales tax hike that helped pay for it. He pushed for public funding for the NASCAR Hall of Fame, an uptown arena and campus known as the Levine Center for the Arts. He advocated "smart" growth and pushed for coordinated planning along the light rail and other transportation corridors. Republican conservatives were among his strongest critics. But waiting for him in Raleigh was a highly partisan General Assembly with its own agendas, constituencies and hard-charging personalities. After Republicans took over the General Assembly in 2010 for the first time in 140 years, they had ambitious plans. That included drawing voting districts that led to the veto-proof majorities they've enjoyed since McCrory took office in 2013.

While cutting taxes and rolling back regulations, they blocked Medicaid expansion, cut jobless benefits, eliminated the earned income tax credit and repealed the Racial Justice Act that had put a de facto moratorium on executions. Before HB2, they approved controversial measures on abortion, guns and voting. McCrory has signed 727 bills. Critics say it was the legislature, not him, who set the agenda. "I think when he got up to Raleigh he got steamrolled by the legislature," says Mark Erwin, a Charlotte Democrat who has supported McCrory but now backs Cooper. McCrory's relationship has been particularly choppy with the Senate. He feuded with powerful GOP Sens. Bob Rucho of Matthews and Tom Apodaca of Hendersonville. Sen. Tommy Tucker of Waxhaw once said the governor seemed to have "real animosity" toward Senate leaders. A pundit described it as "a political death match." "Other governors go through very similar dynamics," McCrory says. "It's usually a balance of power issue. Some legislators wanted to replicate the old Democratic machine."

In 2014, McCrory actually sued the General Assembly. The landmark separation-of-powers case ended in January when the state Supreme Court ruled in his favor. "That was a pretty risky move as far as possibly eroding my relationship with the legislative leaders, but it was a move I think we had to make," McCrory says. Though the governor vetoed six bills, lawmakers overrode four. One was Senate GOP Leader Phil Berger's measure allowing magistrates to recuse themselves on religious grounds from performing same-sex marriages. Berger disputes critics who say the legislature has had the upper hand. He said most bills reflect a compromise. "They don't understand what's going on," Berger says of critics. "I just don't know that the characterization that the legislature 'ran over him' is a fair characterization... Unless you want to say he ran over us several times."

HB2 has exacted a cost around the state. The NBA moved its 2017 All-Star Game from Charlotte, an economic loss of up to \$100 million. PayPal canceled plans for a new operations center and 400 jobs. Bruce Springsteen and other entertainers canceled in protest. For McCrory, that has obscured a long list of accomplishments. He touts the fact that taxes are down by \$4.4 billion since he took office in 2013, even as officials predict a \$428 million revenue surplus. Last year Forbes ranked the state the nation's second-best for business. And notwithstanding HB2, officials say in the first six months of the year the state saw 66 business expansions with a capital investment of \$1.5 billion – twice as much as a year before. Charlotte Republican Edwin Peacock says while McCrory can boast of accomplishments, "the 'Carolina Comeback' has been swallowed by HB2." For that, McCrory blames the media. "It was being overshadowed long before HB2," he says. "Frankly none of this stuff was getting covered ... I was trying to focus on issues that really made a difference to the people of North Carolina." (Jim Morrill, THE CHARLOTTE OBSERVER, 9/10/16).

Voter Turnout

In a case that could affect voter turnout in a presidential battleground state, an alliance of activists and Democrats scored some successes last week in persuading North Carolina officials to curb local Republican efforts to scale back early voting hours this fall, particularly in areas with high minority and Democratic populations. But it's not yet clear whether the State Board of Elections' response will satisfy them. "It was a positive day for voters," Bob Hall, executive director of Democracy North Carolina, a voting reform group, said Friday about actions by the State Board of Elections the day before. Despite some setbacks, Hall added, "there were many successes." However, lawyers for the activists and local Democrats are reviewing the state board's decisions about early in-person voting in 33 counties and weighing whether to seek more fixes in court.

A federal appeals court ruled in July that North Carolina GOP lawmakers engaged in intentional discrimination against black voters through a 2013 ballot access law that required voter ID and reduced the

number of early voting days to 10. Early voting is used disproportionately by Democrats and by black voters. The 4th U.S. Circuit Court of Appeals ruling ended voter ID and restored 17 days of in-person voting, but it still left details of the 17-day schedule in the hands of local election boards, where Republicans hold majorities. Those board members had been urged by state GOP leaders to discourage broad early-vote expansions. The State Board of Elections stepped in Thursday in counties where local boards disagreed — usually along party lines — on dates, times and sites. That's about one-third of the state's counties.

The GOP-controlled state board preserved at least some Sunday voting in several counties where it had been used in 2012, and where local GOP officials attempted to eliminate it. The appeals court specifically noted that Sunday voting is popular with black voters and with predominantly black churches that operate "souls to the polls" efforts. The board would have to offer a good justification for getting rid of it, said state board member James Baker, a Republican, before agreeing to restore Sunday voting hours in Cumberland County, home to Fort Bragg. "When it's been in existence for us to cut it out completely, we have to have a good reason for doing that." The state board rejected local Republican efforts to drastically reduce or limit voting hours and sites in small, majority-black counties, but also expanded hours in and around Raleigh to deal with throngs of presidential-year voters. "I was very glad to see that some of the most egregious problems were corrected," said Anita Earls with the Southern Coalition for Social Justice, whose group sued over the 2013 law.

Republicans "were reluctant to expand the franchise even though there were plans that increased hours for people to vote," said Irving Joyner, an attorney representing the state NAACP — one of the groups that sued over the 2013 law. "They could have done better." Joyner, Earls and their colleagues in the litigation said Friday they were reviewing the board's decisions before determining whether to ask a court to fix early-voting schedules that the board declined to address. But Joyner said the NAACP may decide to focus its resources on get-out-the-vote efforts, rather than going to court to seek a few more hours of early voting. Any legal actions must happen soon. While early voting begins Oct. 20, counties began mailing absentee ballots Friday to the first people who requested them. Those returned ballots must be counted on early-voting tabulators and need to be coded based on early voting decisions. (Gary D. Robertson, THE ASSOCIATED PRESS, 9/09/16).

Lawmaker Emails

Still a state senator at the time, Tom Apodaca pointed to unnamed constituent concerns as a motivation for proposing to override the City Council by splitting Asheville into electoral districts. The problem came in proving that concern -- in writing. Responding to a Citizen-Times public records request for emails that might back the claim, an attorney for Senate leadership said in July that Apodaca would grant the request but was under no obligation to do it. Essentially, his inbox was confidential, the attorney said. His stance over the records request raises the question: When you write an email to your state legislator do other members of the public have a right to see it, or should you be afforded some privacy?

Government transparency advocates say yes, emails are public record. That kind of access helps keep tabs on state lawmakers and on the people trying to influence them. "The way the public records law is supposed to apply and the way the courts have consistently applied it, is that records will be public unless otherwise exempted," said Jonathon Jones, an Elon University professor and director of the N.C. Open Government Coalition. But confusion about the law abounds, even among state legislators. Some top-level lawmakers contend general statutes and "legislative privilege" exempt those emails from public view. Attorneys and experts in North Carolina public records law say the legal starting point is this: State statutes say government documents are "the property of the people." Then there are various exceptions provided by individual statutes. For example, when a government body gets advice from its attorney, that can be confidential. Or utility bills. Or "trade secrets." Or criminal investigations. Some personnel information about state and local government employees is also confidential. The law, however, does not speak directly about letters, emails or other correspondence between residents and legislators.

When the Citizen-Times asked for Apodaca's emails in June, the response came from Andrew Tripp, general counsel to Senate President Pro Tem Phil Berger. Tripp said in an email that Apodaca, former chairman of the influential rules committee, wasn't obligated to give his emails because of exemptions found in under Article 17, Chapter 120, sections 130 and 131 of state general statutes. Those protect communications between lawmakers and legislative employees when lawmakers ask for research or information about drafting bills. Any documents the employees provide in return are confidential. In

addition, Tripp said the emails would be "shielded by the common law doctrine of legislative privilege." He didn't explain what that meant and didn't return emails and phone calls asking for clarification.

Berger, too, didn't return an email or phone call, but his deputy chief of staff, Amy Auth, said the Senate leader agrees with Tripp's interpretation. "Sen. Berger values hearing from constituents across North Carolina and believes citizens should be able to contact their elected representatives in confidence for assistance with problems they encounter with state government or to voice their opinion on the many important policy challenges facing our state," she said. Auth said that idea isn't new and that the General Assembly's nonpartisan legislative analysis staff holds the same view. She sent a 2008 opinion written by legislative staff Director Walker Reagan to Democrat Marc Basnight, then Senate leader.

Reagan, who is now retired, focused on a phrase in General Statute 132-1 that defines public records and that says any government document is public that is "made or received pursuant to law or ordinance." He said "because no law or ordinance either requires the constituent to correspond with you...nor requires you to receive or act on constituent's correspondence, these documents would not meet the definition of a public record." But aside from that, emails about General Assembly business from either constituents or other legislators are not public record because of legislative privilege and immunity "which has existed since the English Bill of Rights in 1688."

That privilege is "codified" in General Statute 120-9, the legislative analysis attorney said. That statute says no lawmaker shall be "liable to impeachment or question" in a court or anywhere outside the legislature for things he or she says inside that body. Attempts to talk to a current member of the legislative analysis staff were unsuccessful. The Citizen-Times reached out to staff members multiple times, starting Aug. 22.

Frayda Bluestein, a public records expert with the UNC School of Government, agreed with Berger. She said an email might be public record at first, but then it can become confidential if it is used as a supporting document for research, something exempted in General Statute 120-130. "It could be a situation for example that a legislator gets an e-mail from a constituent then forwards it to an employee," she said.

Bluestein said she wasn't as familiar with legislative privilege but the idea is that legislators have those special rights unless they are specifically cancelled out by state laws.(Joel Burgess, ASHEVILLE CITIZEN-TIMES, 9/09/16).

ACH Marketplace

North Carolinians will know in the next two weeks whether they will have only one company offering insurance through the Affordable Care Act's online marketplace -- or none. Brad Wilson, CEO of Blue Cross and Blue Shield of North Carolina, said Friday that his company will decide this month whether to continue participating in the marketplace now that its major competitors, UnitedHealthcare and Aetna, have pulled out. If Blue Cross should drop out too, that would mean 600,000 to 700,000 North Carolinians, who have insurance through the marketplace now, would have almost no options. The uninsured will "continue to need and to get health care services. (But) nothing is free," he said. "Uncompensated care is paid for somehow, some way. It will show up in health care premiums ultimately."

Wilson said Blue Cross is weighing whether it could effectively handle the additional customers that would come from the departure of both UnitedHealthcare and Aetna, which announced its decision about three weeks ago. He said UnitedHealthcare had about 145,000 customers in the state, and Aetna had 200,000. He said it takes six months to hire and train customer service representatives, and there isn't enough time to staff up to handle enrollment of so many more people before open enrollment starts Nov. 1. The federal deadline for a decision is Sept. 23. "We're working very hard trying to figure out how to make this work," he said.

Overall, Wilson said the ACA has been good and bad. It's good because 500,000 to 600,000 more North Carolinians are insured today than before the law was passed. "Think of all the money that brings into the economy, (and) they are getting their (health care) needs attended to," he said. But despite the federal requirement to have insurance, too few young, healthy people are buying policies, and that means their premiums are not balancing out the high cost of caring for sicker, older people. "Costs are much higher, and quite frankly there is no end in sight," Wilson said.

In the past two years, Wilson said Blue Cross lost \$405 million on its 450,000 customers who bought insurance through the online marketplace. That's a fraction of the company's total 3.9 million customers statewide. Both UnitedHealthcare and Aetna, which are much larger, for-profit, national companies, also reported losses on marketplace business and announced they won't participate in multiple states next year.

That leaves Blue Cross as virtually the only marketplace option in six states, including North Carolina. Cigna has said it intends to offer marketplace plans in five counties in the Raleigh area. Blue Cross, the state's largest insurer, is seeking an 18.8 percent rate increase on average for 2017, and says it under-priced its ACA products in North Carolina because it underestimated the volumes of sick people who would enroll. The state insurance department won't announce the approved rates until Oct. 28. For 2016, Blue Cross was approved an average 32.5 percent rate increase. Instead of calling for repeal of the ACA, as Republicans in Congress have done many times, Wilson said the health reform law should continue, with changes to make it work better. He outlined several suggestions, including a reduction the number of special enrollment periods. As it is, he said, people can "jump in and jump out" at too many times, allowing them to get insurance when they need it and drop it when they don't. (Karen Garloch, THE CHARLOTTE OBSERVER, 9/09/16).

Chamber Ads

Television ads paid for by the N.C. Chamber will go on the air Monday in support of two Republican state senators in competitive races. The ads – supporting Sen. Michael Lee of Wilmington and Sen. Trudy Wade of Greensboro – focus on increases in average teacher pay and tax cuts under Republican leadership in Raleigh. The Chamber is spending about \$120,000 to support Lee, who faces Democrat Andrew Barnhill in Senate District 9. It is spending more than \$330,000 to help Wade, who faces Democrat Michael Garrett in District 27. The ads will air on broadcast TV stations in those areas for about a month. The Chamber also is sending mailers on behalf of two Republican House members in competitive districts - Rep. Susan Martin, R-Wilson, and Rep. Rob Bryan, R-Mecklenburg. Bryan faces Democrat Mary Belk in District 88. Martin faces Democrat Charlie Pat Farris in District 8. (Patrick Gannon, THE INSIDER, 9/12/16).

Segregated Schools

A new report from the UNC Center for Civil Rights said more than half of New Hanover County schools are "racially imbalanced," and called the district's four magnet schools "hyper-segregated." The report was published this week by the center's Inclusion Project, which documents segregation across North Carolina. In it, the authors argue a shift toward "neighborhood schools" has re-segregated the district and hurt student achievement at schools with higher minority populations. "Between 2006 and 2010, the New Hanover Board of Education adopted a student assignment model that emphasizes proximity and 'neighborhood schools'," the report reads. "The Board's reassignment decisions, which were prompted by capacity concerns and the construction of new schools in rural parts of the county, signaled an end to the district's effort to maintain racial and socio-economic diversity in its schools in the face of significant residential segregation." The UNC Center for Civil Rights has been involved in the district since at least early this year, when a group of black and Latino parents reached out the center with concerns about racial gaps in the district's Spanish-Immersion program. (Cammie Bellamy, WILMINGTON STAR-NEWS, 9/09/16).

State Treasurer

North Carolina voters will choose a new state treasurer this fall to replace Janet Cowell, a Democrat, who did not to seek re-election. Republican Dale Folwell and Democrat Dan Blue III talked about why they should be the state's next top financial executive during this week's episode of "On the Record." Folwell is a former state lawmaker and served as an assistant commerce secretary overseeing the state's unemployment compensation system. Blue is a former Wake County Democratic Party chairman and currently practices business law with his family's law firm. North Carolina's state treasurer oversees a pension fund currently worth about \$87 billion and helps run the health plan that serves teachers, state workers and retirees. The next treasurer will have to navigate how to keep health care costs down without alienating workers as well as how to produce expected returns on pension plan investments. Along with the governor and the attorney general, the state treasurer is one of 10 independently-elected statewide offices. (Mark Binker, WRAL NEWS, 9/10/16).

Elections Finding

Gov. Pat McCrory's re-election campaign has been cleared of accusations that it colluded with the committee promoting North Carolina's \$2 billion bond referendum this spring, state Elections Director Kim Strach found in a memo released Friday. In February, the liberal nonprofit Progress NC Action filed a

complaint alleging Connect NC Committee illegally coordinated production of a video advertisement with Gov. Pat McCrory, who was then running in the GOP primary. Such coordination could have constituted an illegal contribution to McCrory. The same memo dismisses the complaint against Rep. Ken Goodman, who like McCrory, sat down to answer questions for the media company working on behalf of the bond campaign. Those interviews and other activities by the bond committee, she said, followed guidance issued in late 2015 and early 2016.

"After a thorough investigation, we find no evidence that the Pat McCrory Committee or the Committee to Elect Ken Goodman coordinated with Connect NC on the ads identified in the complaints," Strach wrote. "All evidence indicates that the guidance provided in the advisory opinion of Dec. 4, 2015 and the response to Steve Long on Dec. 18, 2015 was followed in compliance with North Carolina campaign finance laws." Asked for a comment on the dismissal, McCrory spokesman Ricky Diaz used the occasion to accuse McCrory's Democratic opponent, Roy Cooper, of refusing to help pass the bond. "Thankfully, the voters could see right through Roy Cooper's political games and passed Governor McCrory's historic higher education and infrastructure bond by an overwhelming, bipartisan majority," Diaz said. Cooper attended rallies in support of the bond but asked that his name and image not be used as part of the campaign. (Mark Binker, WRAL NEWS, 9/09/16).

Endorsed

The state's largest group of small businesses, the N.C. chapter of the National Federation of Independent Business, endorsed Gov. Pat McCrory Friday during a news conference in Charlotte. The NFIB said it surveyed its members about whether it should endorse a candidate and, if so, who it should endorse. McCrory was the overwhelming choice of the group's 75,000 state members, said Gregg Thompson, the director of the NFIB's N.C. chapter. McCrory also spoke at the event, held at the Charlotte company Steel Fab on Old Dowd Road. McCrory said the state's "Carolina Comeback" is real. "We have the nation's fourth fastest-growing economy in the U.S. -- no one else can say that," McCrory said. McCrory also criticized his opponent, Attorney General Roy Cooper, a Democrat. McCrory assailed Cooper for not defending the state on several occasions, including fighting against new Environmental Protection Agency rules that McCrory said will hurt the state's economy. McCrory did not mention Cooper's refusal to defend House Bill 2 and the state's Voter ID law, two of the most controversial pieces of legislation during McCrory's tenure. (Steve Harrison, THE CHARLOTTE OBSERVER, 9/09/16).

Political Standoff

The standoff started on the first day of the General Assembly's 2011 session, when a newly elected majority of Republicans convened to reshape the state of North Carolina. Eager to assert their newfound power, GOP lawmakers took a pointed stand against President Obama's Affordable Care Act by proposing to prevent North Carolinians from being compelled to buy health insurance. Their measure, which specifically directed the attorney general to defend the law in court, sailed through the legislature in just a few weeks. But on the day it went to Gov. Bev Perdue, fellow Democrat and Attorney General Roy Cooper told her the legislation was unenforceable because it conflicted with federal law. Perdue vetoed it and the House was unable to muster the votes for an override. It was the first hint that Cooper's resistance to GOP officeholders would one day become one of the defining issues in a gubernatorial campaign. In recent weeks, state and national Republicans have amplified their criticism of Cooper in his bid to unseat Gov. Pat McCrory. They criticize the attorney general because of how he represented the state against lawsuits brought over more than half a dozen laws. It has become a central theme of the McCrory campaign. "It's amazing that the attorney general will not fulfill the oath of his office to defend our laws of North Carolina," McCrory said last month at a news conference, called after Cooper said he would not appeal a federal court ruling that overturned the state's voter ID and early voting law. Cooper says the concern is unfounded and Republican leaders are wasting state money by hiring private lawyers. There are more than two dozen lawsuits that Cooper's staff has defended since the Republicans took over, related to abortion, teacher tenure, magistrates opting out of performing same-sex marriages and more. In addition, the N.C. Department of Justice handles thousands of criminal cases and under Cooper has aggressively pursued consumer protections, bringing the state the proceeds of substantial financial settlements. Rep. Paul "Skip" Stam, a Republican lawyer from Apex, has a long history of fighting with the attorney general. After Perdue vetoed the health-care bill, Stam girded for a fight. He asked the nonpartisan legislative services staff for its legal opinion. The staff concluded a strong argument could be made that

Congress had exceeded its authority when it included an individual mandate for insurance coverage in the health-care law. The staff in an analysis noted state law requires the attorney general "to appear for the State in any other court or tribunal in any cause or matter, civil or criminal, in which the State may be a party or interested." It would be appropriate for Cooper to defend the bill if it became law, the staff concluded.

Stam and other GOP legislative leaders responded to the veto by filing a friend-of-the-court brief in a lawsuit brought by 26 states challenging the constitutionality of the federal health-care law, as a way of staking out their opposition to it and blaming Perdue and Cooper. "It is a shame we had to file this brief because our governor and attorney general refused to defend the constitutional right of North Carolinians," Senate leader Phil Berger said at the time. Stam's beef with Cooper goes back to a campaign finance lawsuit he brought on behalf of N.C. Right to Life a year before Cooper was elected attorney general in 2000. The justice department under then-Attorney General Mike Easley began the state's defense against the suit, but under Cooper the state fought it for another six years before finally losing. Stam contends Cooper should have quit long before but was motivated by politics.(Craig Jarvis, THE NEWS & OBSERVER, 9/10/16).

Trump Women

Republican presidential candidate Donald Trump's North Carolina campaign named Trump's daughter-in-law and North Carolina native, Lara, to serve as state Women for Trump coalition chair. Co-chairs include Labor Commissioner Cherie Berry, U.S. Rep. Renee Ellmers, Susan Tillis, wife of U.S. Sen. Thom Tillis, and Alice Forest, wife of Lt. Gov. Dan Forest. "We are very excited to have some of the top women leaders in North Carolina help manage the outreach to voters in our state," Bethany Hudson, state coalition director, said in a recent news release. Lara Trump is married to Trump's son Eric. She grew up in Wrightsville Beach, is an NC State University alum and began her career at a North Carolina TV station before working as a producer for CBS's "Inside Edition". She also helped coordinate Trump's March 15 North Carolina Republican primary victory. The campaign announced additional Women for Trump coordinators including NCGOP Vice Chairman Michele Nix, Sen. Kathy Harrington, R-Gaston, Rep. Julia Howard, R-Davie, Rep. Pat Hurley, R-Randolph, Rep. Linda Johnson, R-Cabarrus, Rep. Pat McElraft, R-Carteret, Rep. Michele Presnell, R-Yancey, Rep. Sarah Stevens, R-Surry, Rep. Rena Turner, R-Iredell, and Sen. Trudy Wade, R-Guilford. The Women for Trump coalition plans to host a number of rallies in the coming weeks, with Trump scheduled to return to North Carolina on Monday for an event in Asheville -- his second visit to the battleground state in less than a week.(Dan Boylan, THE INSIDER, 9/12/16).

Bus Tour

A conservative political advocacy group is putting an intensive focus on the election swing state of North Carolina in urging people to vote their values. The Family Research Council Action on Sunday started its coast-to-coast bus tour in North Carolina. The group's effort to get evangelical Christians to the polls visits Baptist churches and other locations in western North Carolina on Sunday and Monday. The tax-exempt lobbying arm of the Family Research Council plans 144 stops from Florida to Oregon, with more than 100 of those in North Carolina. Council President Tony Perkins says in North Carolina the group seeks to tip a single big state to electing like-minded candidates. The group's goals include banning abortion, public policies that favor heterosexual marriage, and fewer church-state restrictions.(THE ASSOCIATED PRESS, 9/11/16).

AFL-CIO Rally

Union members in North Carolina and their leaders are embarking on an eight-week sprint to help elect candidates from the top of the ticket to down-ballot races they say back pro-worker policies. The AFL-CIO scheduled a rally in Charlotte for their Labor 2016 electoral program on Saturday, followed by a four-hour door-to-door canvass designed to promote Hillary Clinton, U.S. Senate candidate Deborah Ross and other candidates they consider allies. The program will include direct mail, online ads and efforts to protect voter rights. The national AFL-CIO is bringing staff to North Carolina for the effort and spending more than double compared to what the group spent in the state four years ago. Saturday's speakers were to include David Cox, a North Carolina native and president of the American Federation of Government Employees.(THE ASSOCIATED PRESS, 9/10/16).

Biden Stop

Vice President Joe Biden will visit Charlotte's Central Piedmont Community College Monday to tout the administration's support of community colleges. Biden will speak about the Obama administration's support for "community colleges and businesses that are working together to create pathways to the middle class." He's scheduled to speak in the Overcash Building at 11:15 a.m. to an invitation-only audience. Later Monday he's scheduled to appear at a Fort Mill fundraiser for Democrat Fran Person, who's challenging Republican U.S. Rep. Mick Mulvaney in the 5th Congressional District. (Jim Morrill, THE CHARLOTTE OBSERVER, 9/09/16).

NAACP Tours

The North Carolina chapter of the NAACP is joining with local chapters and other advocacy groups in a tour to mark what it calls victories against voter suppression. The NAACP says in a news release that its tour is scheduled for Saturday, and starts at noon in New Bern. Another tour stop is slated for Elizabeth City. Along with the state chapter, representatives of the Craven and Pasquotank branches will be represented on the tours. Democracy North Carolina and local advocacy groups are scheduled to join the tour stops. The groups most recently celebrated the ruling by a divided U.S. Supreme Court, which refused to reinstate North Carolina's voter identification requirement and keep just 10 days of early in-person voting. (THE ASSOCIATED PRESS, 9/10/16).

WNC Races

Close observers of North Carolina legislative races typically list two mountain contests among those where the chances of a change in control of a state House seat between the political parties are the highest. People who contribute money to campaigns seem to have come to the same conclusions – and yes, those are sometimes the same people – as the two races have attracted the most donations among House contests in the region so far. One is the 114th House District race between incumbent Democrat John Ager and Republican Dr. Frank Moretz, both of Fairview. The other is the 118th District contest between Rep. Michele Presnell, a Burnsville Republican, and Democrat Rhonda Cole Schandavel of Canton. Campaign finance reports filed with the State Board of Elections say Ager had gotten \$107,979 in contributions in 2015 and the first half of 2016 and had \$81,764 in the bank as of June 30. Moretz reported \$89,629 in revenue for the same period and his campaign had \$35,911 on hand as of June 30. The race has the potential to be close partly because voting tendencies in the 114th don't strongly favor one party or the other. The district takes in eastern and northern Buncombe County, running in an arc from Fairview through Black Mountain to part of Leicester.

The 118th covers Madison and Yancey counties and most of Haywood. It tends to vote Republican but, as Presnell's previous races suggest, not overwhelmingly. Schandavel's campaign war chest was not as large as Presnell's as of June 30, but it was certainly large enough to suggest that the Haywood County Board of Education member will be able to run a competitive campaign. Schandavel reported \$100,526 in contributions and \$33,177 in cash on hand. Presnell has raised less this campaign cycle at \$37,312, but she has also spent relatively little and had nearly \$14,000 left over from her 2014 run. As of the end of June, she had \$42,273 in the bank.

The amount of campaign money raised and spent in other contested House races in the mountains are:

- In the 113th House District (Polk and Transylvania counties and part of Henderson County), Democrat Maureen Mahan Copelof had raised \$33,212 and had \$26,171 in hand. Republican Cody Henson had raised \$10,538 and had \$4,130 in the bank. Rep. Chris Whitmire, R-Transylvania, is not seeking another term in the Republican-leaning district.
- In the 119th House (Jackson and Swain counties and part of Haywood County) incumbent Rep. Joe Sam Queen, D-Haywood, had raised \$4,957 and had \$28,417 in the bank. Loans Queen has made to his campaign account for much of the funds in his campaign bank account. Republican opponent Mike Clampitt of Swain County reported \$1,890 in contributions and \$1,074 in the bank.
- In the 120th House (Cherokee, Clay, Graham and Macon counties) Republican Kevin Corbin, currently a Macon County commissioner, had raised \$15,477 and had \$198 in the bank. Democrat Randy Hogsed had raised \$125 and his report says he hasn't spent any of it.

(Mark Barrett, ASHEVILLE CITIZEN-TIMES, 9/10/16).

Remembering 911

Gov. Pat McCrory recognized and honored first responders on the 15th anniversary of September 11 for keeping our state and nation safe. In a video message, the governor recalls the bravery of first responders, military members and other citizens on September 11, 2001 and vows to support those who protect us. "It's first responders who I especially want to recognize on the anniversary of 9/11," said Gov. McCrory. "We will never stop supporting and protecting those who protect us."(NEWS RELEASE, 9/11/16).

Police Video

Fayetteville police have released a video showing an officer firing shots in the direction of a man who was paralyzed and later died. Police Chief Harold Medlock said Friday a federal judge unsealed the video, making it public in the midst of an ongoing wrongful death lawsuit between the estate of Lawrence Graham and the city of Fayetteville. On May 1, 2013, Graham was the passenger in a car that was stopped for improperly tinted windows. The video shows Graham climbing out of the driver-side door and Officer Denton Little chasing him before firing three shots. That December, the Cumberland County district attorney cleared Little of criminal wrongdoing in the shooting. A police spokesman said Little is now an unpaid reserve officer for the department.(THE FAYETTEVILLE OBSERVER, 9/09/16).

Deaths

For eight years, Rodney Ellis led the N.C. Association of Educators as vice president and president during difficult times. He began in 2008 just as the Great Recession forced teacher furloughs and severe budget cuts, and served well into the next decade when Republicans took over state government and tried to eliminate tenure. He stepped down from the teacher advocacy group in July after serving the maximum two, two-year terms as president. He told friends he looked forward to spending more time with his family, and returning to a Winston-Salem classroom to teach language arts to eighth-graders at a school that served a high number of lower-income families. But early Saturday morning, Ellis awoke in sudden physical distress and never recovered, his family said. He died at age 49, leaving many shocked and saddened at the loss of a powerful voice for public schools.

Several state and federal officials and education advocates expressed their condolences over the weekend. Gov. Pat McCrory said Ellis' devotion to education was a "labor of love," while U.S. Rep. Alma Adams called him a "true fighter for equality." Those who worked closely with him said that while he represented teachers, the kids came first. "I think his lasting legacy is whether you agreed with him or not, Rodney Ellis always stood up for kids, especially the most vulnerable kids," said Brian Lewis, who was the association's lobbyist for much of Ellis' tenure. "He made his decisions based on what was best for kids." It was a mindset drawn from his upbringing, the oldest of five children raised by a single mom. A Mocksville native, he spent much of his school years in Cleveland, Ohio, before returning to North Carolina to enroll at Winston-Salem State University. While there, he joined the student association affiliated with the NCAE and served as its president. He became an active NCAE member as a teacher in Forsyth County schools. He was elected to the NCAE's state leadership ranks after serving as the Forsyth chapter's president. The NCAE often collided with the state's Republican leaders. In 2013, the House and Senate agreed upon a budget that eliminated teacher tenure and added money for private school vouchers. In response, Ellis joined hundreds of "Moral Monday" protesters being arrested for civil disobedience at the legislature. Tripp Jeffers, a Forsyth teacher on the National Education Association's executive board, said Ellis had lobbied hard to persuade lawmakers to drop those proposals, and thought he had won those battles. "That's when we realized we were clearly not on the inside; we were on the outside throwing rocks at the castle," Jeffers said. "That's when (Ellis) got arrested." The NCAE successfully sued to turn back the tenure elimination for those teachers who had earned it, as well as shoot down a law that would have prevented the association from collecting dues from members who chose to pay through an automatic payroll deduction. Lewis, the former NCAE lobbyist, said Ellis was a voracious reader. He also enjoyed basketball, golf and step-dancing.(Dan Kane, THE NEWS & OBSERVER, 9/11/16).

Hillary's Health

Hillary Clinton's doctor says the Democratic presidential nominee was diagnosed on Friday with pneumonia, put on antibiotics and advised to rest and modify her campaign schedule. Dr. Lisa Bardack says

in a statement that Clinton is "recovering nicely" after attending a Sept. 11 anniversary event in lower Manhattan. Clinton was seen on video appearing to struggle to stay on her feet as she got into a vehicle to leave the event. Bardack says Clinton has been experiencing a cough related to allergies, and in a follow-up examination Friday of her cough, Clinton was diagnosed with pneumonia.

Less than two months from Election Day, it was an unwanted visual for Clinton as she tries to project the strength and vigor needed for one of the world's most demanding jobs. Republican rival Donald Trump has spent months questioning Clinton's health, saying she doesn't have the stamina to be president. Clinton's departure from the event was not witnessed by the reporters who travel with her campaign and aides provided no information about why she left or her whereabouts for nearly two hours. Spokesman Nick Merrill eventually said Clinton had gone to her daughter's nearby apartment, but refused to say whether the former secretary of state had required medical attention. Clinton exited the apartment on her own shortly before noon. She waved to reporters and said, "I'm feeling great. It's a beautiful day in New York." She was scheduled to fly to California on Monday morning for fundraising and it was unclear whether her schedule would change. Trump, who attended the same event marking the 15th anniversary of the 9/11 attacks, was noticeably restrained. Asked by a reporter about Clinton's health incident, Trump said, "I don't know anything." (Lisa Lerer and Julie Pace, THE ASSOCIATED PRESS, 9/11/16).

YOU DON'T SAY...

"A governor who can sustain a veto? That changes everything."

Republican strategist Carter Wrenn, on how the election of a Democratic governor paired with a loss of the Republican supermajority in the House would change the balance of legislative power in Raleigh.

WRAL NEWS, 9/12/16

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News Summary

HB2 Aftermath

The NCAA has pulled seven championship events from North Carolina, including opening-weekend men's basketball tournament games, for the coming year due to a state law that some say can lead to discrimination against LGBT people. In a news release Monday, the NCAA says the decision by its board of governors came "because of the cumulative actions taken by the state concerning civil rights protections." "This decision is consistent with the NCAA's long-standing core values of inclusion, student-athlete well-being and creating a culture of fairness," said Georgia Tech President G.P. "Bud" Peterson, the chair of the board of governors.

The law -- known as HB2 -- requires transgender people to use restrooms at schools and government buildings corresponding to the sex on their birth certificates. It also excludes gender identity and sexual orientation from local and statewide anti-discrimination protections. HB2 was signed into law by Republican Gov. Pat McCrory earlier this year. A spokesman with McCrory's office couldn't immediately be reached for comment Monday evening, but a

spokeswoman with the state Republican party blasted the decision in statement, saying it is "so absurd it's almost comical." "I wish the NCAA was this concerned about the women who were raped at Baylor," spokeswoman Kami Mueller said Monday night. The only championship events that can be hosted in North Carolina this academic year are ones determined when a team earns the right to play on their own campus.

North Carolina athletic director Bubba Cunningham and North Carolina State AD Debbie Yow both issued statements Monday evening saying they were disappointed at the loss of the events. "We certainly hope there will be resolution in the very near future," Yow said. The campaign spokesman for Democrat Roy Cooper, the state's attorney general and McCrory's re-election opponent in November, said the law needs to be repealed. "It seems that almost every day, we learn of a new consequence of HB2," spokesman Ford Porter said. "... We need to repeal this law and get our state back on track." The NCAA's move leaves the Atlantic Coast Conference football championship game in Charlotte as the marquee college sporting event in the state this year as the men's basketball tournament starts a two-year stay in Brooklyn, New York. However, that event also could be in jeopardy. In May, the ACC announced that member schools discussed the law during their annual spring meetings and said it could impact whether the state hosts league championship events. (Aron Beard, THE ASSOCIATED PRESS, 9/12/16).

Power Balance

While the presidential and gubernatorial races get lots of airtime and arguments on Facebook, it is members of the General Assembly who have the most direct impact on life and law in North Carolina. High on the list of important questions to be answered in November is whether voters take out their frustrations on incumbents or return the Republicans to their supermajority? The current makeup of the House has 74 Republicans, 45 Democrats and one unaffiliated lawmaker. On the Senate side, the Republican dominance is even bigger. The GOP holds more than double the number of seats that Democrats do. Most experts find it far-fetched to expect a flip in the balance of power, but a slight shift in the House and a Roy Cooper gubernatorial victory would be enough to change the power dynamic in Raleigh. A loss of just four seats in the House could pull Republicans below the three-fifths majority needed to override a gubernatorial veto, and that's a scenario that Tom Jensen, director of Public Policy Polling thinks is a real possibility. "You'll have a situation where Republicans pass something, Cooper vetoes it, Democrats sustain the veto. It keeps a lot of things from going into law," Jensen said. Republican strategist Carter Wrenn said Republican presidential candidate Donald Trump's unfavorable numbers among suburban independents could cost Republican legislators their seats. "In urban and suburban areas, Hillary (Clinton) is running stronger than Trump, unusually strong for a Democrat," Wrenn said, noting that independent voters who supported Mitt Romney in 2012 may shift away from Trump. (Cullen Browder, WRAL NEWS, 9/12/16).

Appointed

Rick Catlin, who resigned from the state House last month, has been appointed to the N.C. Coastal Resources Commission, the governor's office announced Monday. Catlin, a Republican from Wilmington, announced late last year that he

would not seek re-election to a third term. He said he needed more time to run his environmental, civil and geotechnical engineering company. Catlin was the co-chairman of the House Environment Committee. He received an award last year from the N.C. Coastal Federation for his efforts to protect and restore coastal resources. Catlin was one of 11 House members who received a perfect score from the conservative Civitas Institute. The governor has appointed Holly Grange to fill out the remainder of Catlin's term this year. Grange won the Republican primary in March; she is unopposed on the fall ballot. The Coastal Resources Commission establishes policies and adopts rules for coastal development.(Craig Jarvis, THE NEWS & OBSERVER, 9/12/16).

Trump Visit

Resources: ['The Basket of Deplorables' - New Trump Ad](#)

Republican presidential nominee Donald Trump came out swinging at Hillary Clinton on Monday, saying she had "hatred in her heart" and feasting on her comment that half of his supporters are "a basket of deplorables." Trump's appearance at Asheville's U.S. Cellular Center was his second visit to the battleground state in less than a week. Last Tuesday, he appeared in Greenville, where he promised to bring jobs back to North Carolina. "Hillary Clinton has been running a hate-filled, negative campaign with no policy, no solutions and no new ideas," he told around 7,000 supporters in Asheville. "She spoke with hatred in her heart for these working-class Americans. Trump's supporters braved a gauntlet of dozens of protesters, including one dressed like a clown and others holding signs with slogans such as "The only thing we have to fear is Trump himself." As he first did at a recent rally in Charlotte, he appealed for African-American votes, depicting inner-city crime and failing schools as the legacy of decades of Democratic control. "What do you have to lose?" he said to the overwhelmingly white audience. "It can't get any worse.... We're going to get people working, and we're going to love it."

Earlier, Democratic Sen. Terry Van Duyn and Rep. Susan Fisher joined Asheville Mayor Esther Manheimer in criticizing Trump at a news conference. Asked about the "deplorables" comment, Van Duyn said Clinton probably "wishes she had chosen her words better" but said Trump, "even at his core ... is a very offensive character." Fisher called Clinton's remark a soundbite that "will come and go," adding, "How many soundbites have we gotten from the Trump campaign?" But Trump and his supporters weren't about to let the matter go. One man wore a laundry basket on his head. Another held a sign saying, "Deplorable lives matter." Trump himself has been criticized for demeaning groups of people, including Muslims and Latinos. Nevertheless, his campaign began airing a new ad in North Carolina and three other battleground states Monday that blasts Clinton for her remark.(Jim Morrill & Bruce Henderson, THE CHARLOTTE OBSERVER, 9/12/16).

Trump-RNC Partnership

Donald Trump's campaign is teaming up with the Republican National Committee to open its first offices in North Carolina. Trump has been slow to catch up with Democrat Hillary Clinton's infrastructure in North Carolina, which includes 33 offices across the state as of this week. On Wednesday, the billionaire's daughter-in-law, Lara Trump, will open the first RNC "victory offices" in Charlotte and Huntersville, with additional offices expected to open in the coming days.

The offices will be led by the RNC instead of the Trump campaign and will promote Republican candidates up and down the ballot. Clinton's offices are also coordinating with other Democratic Party organizations, and volunteers there also promote other Democratic candidates. The disparity in offices has prompted questions about whether the Trump campaign has enough infrastructure at the local level to get its supporters to the polls. The Clinton campaign says its North Carolina offices have signed up more than 40,000 volunteers.

Trump's North Carolina state director, Jason Simmons, dismissed those concerns in a statement issued Monday. "Office numbers are a false metric and completely miss the point that, as we saw in the primary, Mr. Trump is not a typical politician and attempts to measure the strength of his campaign by old world comparisons like these fail to reflect the enthusiasm and grassroots support seen by the thousands of supporters and new voters he is attracting to his events and his campaign," Simmons said. While the RNC hasn't had much of a bricks-and-mortar presence in the state until now, its state operation has been in the works since 2013, and it used the 2014 Senate race as a test run. It currently has about 170 paid staffers and an additional 700 unpaid "team members" who have committed to weekly campaign work. A third Trump campaign office opening Wednesday will be in partnership with the Union County Republican Party in Indian Trail, a Charlotte suburb. (Colin Campbell, THE NEWS & OBSERVER, 9/12/16).

Biden Visit

After a weekend health scare, Hillary Clinton is doing well, Vice President Joe Biden said after arriving in Charlotte on Monday for a speech on education. "I've had pneumonia," Biden told Clinton campaign workers. "You take antibiotics and you rest a bit." Clinton, the Democratic presidential nominee, left a 9/11 memorial service early Sunday in New York and appeared faint. Later her doctor issued a statement saying she'd been diagnosed with pneumonia and had become dehydrated at the ceremony. "She's been transparent about her health," Biden said. "So we're in good shape."

Biden landed at about 10:20 a.m. and made a surprise appearance at a Clinton's campaign office in Charlotte on West Boulevard. He began speaking at 11:30 a.m. to an invitation-only audience in the Overcash Building at Central Piedmont Community College. His speech focused on ways to improve the economy, which Biden said includes investing in infrastructure and education. His comments were subdued. He did not mention Republican presidential candidate Donald Trump but criticized his party's views. However he offered direct criticism of Trump during his visit to the Clinton campaign office. "One of the things that the Republicans have done very successfully so far is raise doubt about our candidate. There's overwhelming doubt (about Trump)," he said. (Tim Funk, Steve Harrison and Mark Washburn, THE CHARLOTTE OBSERVER, 9/12/16).

Chelsea Clinton

Chelsea Clinton plans to spend a couple of days in North Carolina this week in support of her mother's campaign for president. Democrat Hillary Clinton's campaign announced details of the trip Monday. Chelsea Clinton plans to participate in a panel discussion at Wake Forest University in Winston-Salem on Tuesday, then lead the opening of a campaign office in Durham later that day. On Wednesday, the former first daughter is due to kick off a voter registration

drive at a Carrboro campaign office after a panel discussion in Raleigh on "women in tech and innovation." The panel is scheduled for 8:30 a.m. at HQ Raleigh in the warehouse district. North Carolina, where less than a percentage point separates Clinton and Trump in the RealClearPolitics average of recent polls, has become a destination on the presidential campaign trail. Monday's schedule alone is packed: Republican nominee Donald Trump rallies supporters in Asheville, while Vice President Joe Biden stops by a home in Raleigh after making remarks at Central Piedmont Community College in Charlotte. The Raleigh event is a fundraiser meant to help the Democratic Governors Association and N.C. Attorney General Roy Cooper, who is running for governor.(Jordan Schrader, THE NEWS & OBSERVER, 9/12/16).

Officer Death

A North Carolina police officer who was shot and wounded as he attempted to serve warrants on a man died Monday, authorities said. Shelby Police Chief Jeff Ledford said in a statement that Officer Tim Brackeen, 38 and who was a 12-year veteran of the force, died at a Charlotte hospital. Ledford said Brackeen was looking for 23-year-old Irving Lucien Fenner Jr. early Saturday morning to serve warrants on him. According to the chief, Brackeen found Fenner at a home, where the two struggled before Brackeen was shot in the chest. The chief said Brackeen was wearing his bulletproof vest at the time of the shooting. Gov. Pat McCrory's office announced Monday that the state is offering a reward of up to \$10,000 for information leading to the arrest and conviction of those responsible for the shooting. Brackeen leaves behind a wife and a daughter.(THE ASSOCIATED PRESS, 9/12/16).

D.C. Visit

Gov. Pat McCrory was slated to visit Washington, D.C. on Monday to talk about North Carolina's economy and to raise money for his re-election campaign. During the afternoon, he was to speak at the N.C. Business and Economic Development Summit, which is hosted by the state's congressional delegation and attended by business leaders. Monday evening, McCrory was to attend a fundraising reception at the offices of the Gibson, Dunn & Crutcher law firm. That's the law firm where former U.S. Solicitor General Ted Olson, who has written a friend-of-the-court brief in support of the U.S. Department of Justice lawsuit challenging North Carolina's House Bill 2, works. Gibson, Dunn is an international company with about 1,200 lawyers, but the HB2 connection didn't escape Attorney General Roy Cooper's campaign. "After complaining for months of a national HB2 conspiracy against him, Governor McCrory is actually raising money at the law firm representing the Human Rights Campaign," said Ford Porter, campaign spokesman for Cooper. "This is proof that despite all his crocodile tears, HB2 is just a political game for Pat McCrory." McCrory's campaign spokesman, Ricky Diaz, responded: "The attorney general is going to any lengths to distract from the fact he's refusing to do his job to defend the state and costing taxpayers millions for dollars in the process." Cost of the reception was \$1,000 for individual attendees up to \$5,100 for individuals or political action committees.(Craig Jarvis, THE NEWS & OBSERVER, 9/12/16).

Cooper Fundraiser

Women executives and philanthropists plan a fundraiser for Attorney General Roy Cooper later this month. Invitations titled "Women are powerful" describe the Sept. 25 event as cocktails and a visit with Cooper, valet parking available. It will be held at the Country Club Hills neighborhood of Easter Maynard, who runs ChildTrust Foundation, a corporate foundation focused on early childhood and literacy. Former secretary of the state Department of Cultural Resources Betty Ray McCain is among the host committee members.(THE NEWS & OBSERVER, 9/12/16).

Coordinated Protests

Activists in more than half the states in the nation marched and rallied Monday, calling on elected officials to view public policies through a moral lens that focuses on the poor, workers, the sick and other disenfranchised people. The rallies held Monday were part of the "Higher Ground Moral Day of Action," led by the Rev. William Barber. Barber is the architect of the "Moral Monday" protests that began in April 2013 in North Carolina to fight the conservative politics of a Republican governor and legislature. The rallies, scheduled in 30 state capitals and Washington, D.C., attracted crowds ranging from about 300 people in Raleigh to about 50 in Austin, Texas. People marched around state Capitol buildings, rallied and delivered petitions to governors and other elected leaders and candidates. "Today we declare ... a call to higher ground," said Barber, who took a spot in the national limelight when he spoke this year at the Democratic National Convention in Philadelphia. The activists asked elected officials and candidates to sign a "Higher Ground Moral Declaration" to support issues that include voting rights, economic justice, workers' rights, health care and the rights of LGBT people. In North Carolina, they said they were unable to reach Gov. Pat McCrory.

Rallies in other states attracted crowds of varying sizes with most people talking about the fight for \$15. About 200 people rallied on the steps of the Pennsylvania Capitol in Harrisburg before some brought their issues to the governor's office while others marched around the outside of the building. In addition to the minimum wage increase, they also advocated for action on climate change and greater use of clean energy, prison reform and union rights. In April, California became the first state to adopt a \$15 minimum wage so the rally in Sacramento focused on expanding union rights, improving working conditions and combating racism. In Nashville, Tennessee, the rally coincided with the first day of a three-day specially called session of the Legislature.(Martha Waggoner, THE ASSOCIATED PRESS, 9/12/16).

Carolinas HealthCare

Three months after the state and federal and government sued Carolinas HealthCare System over alleged antitrust violations, a San Francisco law firm has filed a class action lawsuit alleging the hospital system engaged in illegal and anti-competitive actions. The suit named Mecklenburg County resident Christopher DiCesare as its lead plaintiff, but gave no specifics about how he was damaged, except to say he's a customer of Cigna Healthcare of North Carolina, one of four large companies that provide 85 percent of the commercial insurance in the Charlotte area. In its June antitrust suit, the federal Department of Justice and the state attorney general claimed Carolinas HealthCare has driven up health care costs through illegal efforts to prevent competition.

Carolinas HealthCare has denied the allegations and asked the federal court to dismiss the complaint. In a recent statement, the hospital system said the government's complaint is baseless. Before filing the class-action suit late last week, the 65-lawyer California firm of Lieff Cabraser Heimann & Bernstein had advertised on its web page that it was looking for people who might have been harmed – by paying higher prices for insurance or having limited health care options – because of Carolinas HealthCare's alleged anti-competitive actions. Charlotte-based Carolinas HealthCare is the region's largest hospital system, a public nonprofit with \$9 billion in annual revenue and more than 60,000 employees at more than 40 hospitals and 900 medical offices. Both the governments' suit and the class-action suit allege that Carolinas HealthCare uses its dominance to persuade insurers to include language in its contracts that encourages consumers to use Carolinas HealthCare and discourages or forbids consumers from choosing Charlotte-area competitors, such as Novant Health and CaroMont Health. (Karen Garloch, THE CHARLOTTE OBSERVER, 9/12/16).

N.C. Obesity

About 30 percent of adult North Carolinians are considered obese -- a level that has remained unchanged the past seven years. North Carolina is tied for 22nd overall nationally at 30.1 percent, according to data from the Centers for Disease Control and Prevention's behavioral risk factor surveillance system for 2016. Obesity is defined as an excessively high amount of body fat in relation to lean body mass. Overweight refers to increased body weight in relation to height, which is then compared to a standard of acceptable weight. Adults with a body mass index of 25 to 29.9 are considered overweight, while individuals at 30 or more are considered obese and those at 40 or higher are considered severely obese. Although the N.C. rate has reached a plateau, it still represents a sharp increase from 1990 when the obesity level was at 12.3 percent and ranked ninth lowest nationally. By comparison, the highest rank for North Carolina has been 25th in 2013 at a 29.4 percent obesity rate. (Richard Craver, WINSTON-SALEM JOURNAL, 9/11/16).

Red Wolves

Federal officials announced plans Monday to sharply reduce the territory of the world's only wild population of red wolves -- a move that conservationists say will relegate the endangered animals to zoos. Starting in late 2017 the U.S. Fish and Wildlife Service plans to limit wild red wolves to a federal wildlife refuge and some adjacent land in eastern North Carolina's Dare County, rather than the five-county area where they currently roam. Wolves that stray beyond those boundaries would be captured and placed in a captive breeding program, said Leopoldo Miranda, an assistant regional director for the wildlife service. The new plan is contingent on modifying current program rules after a public comment period. Federal officials had been considering whether to continue, modify or abandon the program after a lengthy review and complaints from some landowners that the wolves cause problems when they stray onto private land. They also said Monday that the wild population of wolves has dwindled to about 45, less than half its post-reintroduction peak.

On Wednesday, conservationist groups are due in federal court to argue the wildlife service was neglecting its duty even before Monday's announcement. Their request for emergency intervention hinges on arguments that the federal

government twice gave landowners permission to kill wolves without meeting strict legal requirements since 2014. One wolf was shot as a result. The conservation groups note that the federal government has already halted practices that helped boost the population such as releasing captive-born pups into the wild and sterilizing coyotes that sometimes interbreed with the wolves. Lawyers for the federal government have countered that they have continued to track wolves with radio collars and provide veterinary care under a budget of more than \$1 million in 2016. They have also argued that the 200 or so red wolves living in captivity mean the wild wolves are "not essential to the continued existence of the species."(Jonathan Drew, THE ASSOCIATED PRESS, 9/12/16).

Soccer Academy

Spanish soccer giant Barcelona has opened a second training academy in the United States. The new academy is in Charlotte. The club founded its first American academy in Fort Lauderdale, Florida, in 2014. The new school has programs for boys and girls from 6 to 12 years old and a separate program for boys aged 12 to 16. The club says the academy's goal is to train young players in the same "creative and attacking style" its top team is known for. Barcelona's La Masia academy in Spain has produced several world-class stars, including Lionel Messi, Andres Iniesta and Cesc Fabregas. Barcelona has 20 training schools around the world. It says it plans to open others in Moscow; Mumbai, India; Ottawa, Canada; and Lagos, Nigeria.(THE ASSOCIATED PRESS, 9/12/16).

I-26

Work to alleviate traffic congestion on Interstate 26 in southern Buncombe and northern Henderson counties could begin in as little as four years. The state Department of Transportation wants to widen the road -- one of Western North Carolina's busiest - from four lanes to eight from Interstate 40 to the U.S. 25/Asheville Highway exit south of Fletcher, with construction scheduled to begin in 2020. The department will hold a hearing this fall to get public reaction to the idea.(Mark Barrett, ASHEVILLE CITIZEN-TIMES, 9/12/16).

YOU DON'T SAY...

"It's a continuing mess and governors are held responsible for messes."
Mac McCorkle, a Duke University professor and former Democratic consultant, on why the ongoing controversy over HB2 is a problem for Gov. Pat McCrory.

THE ASSOCIATED PRESS, 9/13/16

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News Summary

Repeal Call

Facing a tight race against a Democratic challenger, Republican state Sen. Tamara Barringer on Tuesday became the first GOP legislator to call for House Bill 2 to be repealed. Barringer said Tuesday that "if we want to preserve the proud heritage of North Carolina, it is time for our leadership to consider a substantial and immediate repeal of HB2." She'd voted for HB2 in March. But she said she still doesn't want boys or men to be able to use women's locker rooms or bathrooms. "Whenever legislative bodies rush to judgment on important public policy decisions, there are unintended consequences," she said in an emailed statement. "With the most recent announcements impacting our state, there are simply too many examples of very sad and unfortunate ramifications and unintended effects of HB2."

Barringer represents Cary and southwestern Wake County, which was scheduled to host several NCAA sporting events that were canceled Monday in response to HB2. Barringer has a well-funded election challenge this year from Wake County school board member Susan Evans, a Democrat. Evans' campaign spokesman, Dustin Ingalls, said Barringer's shift on HB2 won't help her chances of re-election. "When she voted for HB2 in March, Sen. Barringer knew what she was doing," Ingalls said. "She knew the legal and economic consequences her constituents would experience. Only now that she's in danger of losing her seat does she waffle."

No other Republican lawmaker in the state has publicly called for a full repeal of House Bill 2. But many legislators didn't return calls and emails seeking comment on Tuesday, including other Wake County Republicans up for re-election in November: Sen. Chad Barefoot, Sen. John Alexander, Rep. Marilyn Avila, Rep. Nelson Dollar, Rep. Chris Malone and Rep. Gary Pendleton. Legislators from more rural areas, however, said they still support the law despite the NCAA's decision.

Rep. Leo Daughtry, a Smithfield Republican who's not seeking re-election, said Republicans still support HB2. The chances of a repeal are "very remote," he said. Rep. Julia Howard, a Mocksville Republican, said she thought the GOP House members were still firm on it. She noted there was a lot of talk of revising it at the end of the session but that fizzled – legislators only agreed to make a minor tweak to a provision involving employment discrimination lawsuits. House Speaker Tim Moore and Senate leader Phil Berger were silent Tuesday on the NCAA decision.

But House and Senate Democrats on Tuesday called for a special legislative session to immediately repeal HB2. Democratic Rep. Grier Martin of Raleigh said he was under no illusion that he could convince GOP legislative leaders and Gov. Pat McCrory that they are responsible for economic damage caused by HB2. "The good news is in order to fix the problem, we don't have to agree who caused the problem," he said. "We just have to agree on a solution."

Daughtry said there may be a price for his party to pay for supporting HB2. "I think it will hurt the Republican ticket," he said. "That includes the governor. I think, unfortunately, it will hurt him." Rep. Mike Hager, a Republican from Rutherfordton who resigned from the General Assembly last month, said McCrory's stand on HB2 plays better in most rural parts of the state than it does in urban centers populated by newcomers. As a result, McCrory will do well in those areas, he said. "We're not willing to subjugate our moral values or philosophy just for the sake of getting another sporting event," Hager said. "We

all love the NCAA, the NBA, but we have priorities."(Colin Campbell & Craig Jarvis, THE NEWS & OBSERVER, 9/13/16; Patrick Gannon, THE INSIDER, 9/13/16; Jim Morrill, THE CHARLOTTE OBSERVER, 9/13/16).

NCAA Pressure

The NCAA's decision to pull seven championships out of North Carolina ratchets up the pressure on this college sports-crazy state to repeal its law on bathroom use by transgender people. Unlike the recent one-time cancellations by the NBA and various rock stars, the move by college sports' governing body could make moderate and conservative voters question whether the price tag for the law has finally become too high.

Economic development officials said the effect of the NCAA's action goes well beyond the projected \$20 million in lost revenue from the cancellation of the 2016-17 basketball, baseball, soccer, tennis, lacrosse and golf events. "College sports is part of the fabric of North Carolina. It's part of the culture. I can say with confidence that there's no other state in the country that loves its college sports more than North Carolina. That's why it hits so hard and feels so personal," said Scott Dupree, executive director of the Greater Raleigh Sports Alliance, which was coordinating four of the events being moved.

The law passed in March requires transgender people to use restrooms in schools and state government buildings that correspond to the gender on their birth certificate. It also excludes gender identity and sexual orientation from statewide anti-discrimination protections. The Obama administration is suing the state over the measure, calling it discriminatory. Gov. Pat McCrory and GOP leaders are defending it as a means of protecting the privacy and safety of women and girls. On Tuesday, Democratic lawmakers urged McCrory and leaders of the GOP-controlled legislature to call a special session to repeal the law. "This General Assembly and its extremist leadership are playing with people's livelihoods and the well-being of communities all across our state," said Sen. Mike Woodard, of Durham. But with weeks to go before Election Day, legislators in campaign mode and no regularly scheduled session until January, chances are slim the Republicans will act. GOP legislative leaders, who have veto-proof majorities in both chambers, are committed to costly court fights over the law and contend passing it was the right thing to do.

McCrory, who is locked in a tight race for re-election, issued a statement decrying the NCAA decision and saying the legal system will ultimately decide the issue. "The issue of redefining gender and basic norms of privacy will be resolved in the near future in the United States court system for not only North Carolina, but the entire nation," he said. But in the meantime, Michael Bitzer, a political scientist at Catawba College, said it will be hard for moderate voters who are passionate about sports to ignore the law's repercussions. "The blowback may be building up even more with this decision," he said.

Mac McCorkle, a Duke University professor and former Democratic consultant, said the NCAA's announcement reinforces the idea that McCrory has allowed the situation to get out of control. "Put aside the liberal and conservative arguments about the pros and cons," McCorkle said. "It's a mess." McCorkle said the removal of men's basketball tournament games from Greensboro hits hard because college basketball is the "civic religion" in the state that's home to UNC, Duke, N.C. State and Wake Forest.

The Greensboro area was expected to receive a \$14.5 million infusion from the tournament, as well as \$1.6 million from the soccer championships in December that are being moved, said Henri Fourrier, CEO of the Greensboro Area Convention & Visitors Bureau. The soccer, baseball, lacrosse and tennis events taken from Cary will deprive the area of about \$2 million, Dupree said. Greensboro, Cary, Raleigh and other North Carolina cities are seeking to host scores of other NCAA events over the next six years that could be worth tens of millions of dollars. The NCAA hasn't decided what to do about any North Carolina events beyond the current academic year. But NCAA President Mark Emmert said Tuesday: "It would have been impossible to conduct championship events in the state with that law in place that lived up to the values and expectations of the member universities and colleges."

The Atlantic Coast Conference, which has its football championship scheduled for December in Charlotte, could be next to act. The championship game, held in Charlotte since 2010, is the last marquee college sporting event left in North Carolina during the 2016-17 season. The conference has a regularly scheduled meeting this week in South Carolina, and ACC Commissioner John Swofford said the bathroom law is on the agenda. Lt. Gov. Dan Forest, a Christian conservative and strong defender of the law, called the NCAA's decision "shameful extortion." Previously, musicians including Bruce Springsteen and Pearl Jam canceled concerts, while the NBA decided to move next year's All-Star Game out of Charlotte. The game was expected to generate \$100 million. "Everybody should be concerned about lost revenue, but I don't put a price tag on our women and girls of any kind," Forest said. He added: "It's just unbelievable to me to think that these entities would think that it's OK to invade the privacy or security of a woman or a girl in a shower or a locker room." (Jonathan Drew and Gary D. Robertson, THE ASSOCIATED PRESS, 9/13/16).

Charlotte Impact

The City of Charlotte has already experienced a major sports-related loss over North Carolina's House Bill 2 with the relocation of the NBA All-Star Game. Now the law could strip the city of some future conference title games as well -- including the ACC Championship football game set for Dec. 3 at Bank of America Stadium. The Charlotte Regional Visitors Authority estimates the 2015 ACC football championship here had a total economic impact of \$32.4 million, making it one of the city's biggest annual events. The game's been held in Charlotte since 2010 and is under contract to be held in the city through 2019.

And on Tuesday, the Charlotte-based Central Intercollegiate Athletic Association also said it's assessing how to move forward with hosting its basketball tournament in Charlotte in light of the NCAA's decision. "The NCAA's announcement to relocate its seven championships demonstrates the ongoing, negative impact that HB2 has on the state of North Carolina. This continues to be of concern to the CIAA with eight of our 12 member-institutions residing in the state and our headquarters residing in Charlotte," CIAA commissioner Jacqie McWilliams said in a statement.

In a statement hours after the NCAA's decision, ACC commissioner John Swofford said HB2 was already scheduled to be "thoroughly discussed" at this week's ACC Council of Presidents meetings, which take place Tuesday night through Wednesday at Clemson University. Swofford offered no indication whether the ACC will follow the NCAA's lead, and NCAA President Mark Emmert

told the Associated Press Tuesday the league isn't pressuring the ACC either way.

Another major sporting event in Charlotte is the CIAA's basketball tournament, which has taken place here since 2006. The CRVA estimates its 2015 economic impact to be \$55.6 million. The CIAA, the oldest African-American sports conference in the U.S., said a possible relocation of its games is at the discretion of its board of directors. "The CIAA Board will continue to discuss and determine how to move forward for the collective interest of our student-athletes and stakeholders and for future of our conference. The CIAA is committed in providing the best experience for our student-athletes and creating a respectful and inclusive culture for our diverse membership and stakeholders," said McWilliams, the commissioner. (Katherine Peralta, THE CHARLOTTE OBSERVER, 9/14/16).

Bond Counsel

North Carolina's Office of State Treasurer has paid the family law firm of Dan Blue III, a Democratic candidate for state treasurer, \$180,000 over the past eight years for work related to issuing bonds. Blue Stephens & Fellers served as bond counsel on four separate occasions since 2009, according to figures obtained under a public records request from the office. Blue's campaign manager, Brad Kennedy, said Tuesday that the candidate would not use his family's law firm for any sort of work should he be elected. "No, he will not use his family's law firm as bond counsel. That would be off-limits," Kennedy said. "Likewise, he would not use his family's law firm for securities litigation." Blue is running for treasurer against Republican Dale Folwell. Both men talked about why they running and their differences during a recent episode of WRAL's "On the Record." Along with posts such as governor, attorney general and agriculture commissioner, state treasurer is one of 10 independently elected statewide officials. The office oversees the state's pension fund and health insurance plan for teachers, state workers and retirees. It is also responsible for issuing and refinancing bonds, the state's primary method of borrowing money. The current state treasurer is Janet Cowell, a Democrat who opted not to seek re-election.

Blue is the son of Sen. Dan Blue, D-Wake, the minority leader in the state Senate. Blue III's campaign biography says that, after working for investment banks and a pharmaceutical training business, he "returned to his family law firm in 2009, where he currently works." Blue mentions the work for the state in his campaign biography, and both he and his father disclosed the payments on required state ethics forms. Specifically, the firm worked on GARVEE bonds, or Grant Anticipation Revenue bonds, that help the state put federal transportation dollars to work. Asked how he would decide on bond attorneys if elected, Kennedy said Blue "will maintain a pool of qualified law firms to serve as bond counsel for the state. He would select firms through a competitive and transparent (Request for Proposal) process."

North Carolina spent \$3.06 million on bond counsel over the past eight years, according to the Office of State Treasurer. Bond lawyers certify that bonds have been properly issued and meet requirements for tax-exempt status. "My moral compass dictates that all transactions at (Office of State Treasurer) be based solely on who is qualified, not who is connected," Folwell said in an email Tuesday. "The only profit or savings of managing the \$100 billion operation of

OST goes to the people of NC." Folwell did not take direct aim at Blue in his comments, but he did suggest that political connections might sometimes play a role in who lands work from the state. "As the next State Treasurer, any deals by past or present employees that were to the benefit of them and not the people of NC will be pursued," Folwell said.(Mark Binker, WRAL NEWS, 9/13/16).

Lt. Gov. Debate

Lt. Gov. Dan Forest and his Democratic opponent, Linda Coleman, offered drastically different views on House Bill 2 Tuesday night as the controversial LGBT law became a major issue in the often overshadowed race. The candidates for lieutenant governor held their only scheduled debate at Barton College in Wilson, the first of several debates that will highlight different Council of State races. Forest and Coleman faced several questions about HB2 at the forum, which came one day after the NCAA announced it won't hold sporting events in North Carolina because it opposes the law.

In his role as president of the state Senate, Forest initiated the special legislative session that passed HB2. He's continued to defend the law, which requires transgender people to use the bathroom that corresponds to their birth certificate when in government facilities or schools. "It's hard for me to imagine that my wife would have to walk into a bathroom anywhere in North Carolina and have a man follow her into that bathroom," Forest said. He blamed the Charlotte City Council for prompting HB2 when it passed a nondiscrimination ordinance that allowed transgender people to use the bathroom of the gender with which they identify. "They said that in the city of Charlotte, you have to take the (gender) signs off your bathrooms," he said. "They're actually a test lab for a radical sexual revolution experiment." The Charlotte ordinance did not require the removal of gender-specific bathrooms, nor did its provisions involve signage.

Coleman, a former N.C. House legislator and Wake County commissioner, said HB2 needs to be repealed. "HB2 has cost the state of North Carolina millions of dollars," she said. "The NCAA will cost even more. The cost is going to be too tremendous for the state of North Carolina to bear." While Forest said there have been numerous cases around the country in which men attempted to enter women's bathrooms, Coleman disputed his claim. "There is not one documented case where we have had women in bathrooms where men came in to assault them," she said. "The protection of women is yet another disguise for promoting a bill that has no place in North Carolina. It is making North Carolina a test laboratory for state-sponsored discrimination."

Tuesday's debate also featured sharp divides between Forest and Coleman on voter ID, private school "opportunity scholarship" vouchers and nonpartisan redistricting. "The parent should have the choice for the education of their students," Forest said of the voucher program. "The government should not be the decider for that." Coleman disagreed. "I believe that people should be able to send their children to any school they want," she said. "I don't think it should be paid for with taxpayer dollars."

Coleman voiced support for a nonpartisan system to draw legislative and congressional districts, but Forest argued that "there's no such thing as impartial" and that current GOP-drawn districts are "not gerrymandered at all." Forest also defended the state's voter ID law, which was recently struck down by a federal court. "You need an ID to do just about anything to participate in

society," he said. "In other states where they've done this, they've actually seen minority participation go up." Coleman strongly opposed the law. "Voter ID was a bad, monstrous bill," she said. "It denied participation in democracy." Tuesday's debate was broadcast live only by radio, but video of the event will air Wednesday night at 9 p.m. on UNC-TV's North Carolina Channel. (Colin Campbell, THE NEWS & OBSERVER, 9/13/16).

Senate Spending

The Democratic Senatorial Campaign Committee announced this week that it will spend \$2.5 million to help Democrat Deborah Ross in her U.S. Senate race. The spending on TV and other ads was first reported by POLITICO. The move comes in the wake of the Senate Leadership Fund's decision to reserve \$8.1 million in TV ads supporting incumbent Republican Sen. Richard Burr. The super PAC is connected to Senate Majority Leader Mitch McConnell, and the spending is a clear sign that Republicans view Democrat Deborah Ross' campaign as a serious threat. The DSCC recently pulled resources out of Ohio, where what was initially a close Senate race now appears to favor the Republican candidate. The national group backing Democratic Senate candidates is calling its efforts on Ross' behalf the "Burr Bailout campaign," which is says is designed "to highlight all of the ways Burr's Washington special interests are trying to bailout Burr and his sinking campaign." In another boost for Ross, the group Democracy for America announced this week that it's spending \$200,000 on TV and radio ads in English and Spanish to "argue that Ross is the fighter Latinos need to stand up to bullies like Donald Trump." (Colin Campbell, THE NEWS & OBSERVER, 9/13/16).

Assault Accusation

A magistrate issued an arrest warrant Tuesday for a North Carolina football player accused of sexual battery and assault on a female student in February. The warrant charges Allen Artis, a 21-year-old junior linebacker from Marietta, Georgia, with two misdemeanors and says he had sex with the woman against her will when he "should have reasonably known that the other person was mentally incapacitated and physically helpless." The woman, Delaney Robinson, said she had become intoxicated after being out with friends and was unable to consent. Alleged victims of sexual assault aren't normally identified in news stories, but Robinson held a news conference Tuesday, saying she filed for the misdemeanor charges after police and prosecutors indicated there wasn't enough evidence to pursue felony charges. Artis could not be reached for comment. He did not practice Tuesday and was indefinitely suspended under a university policy that applies to athletes charged with misdemeanors, team spokesman Kevin Best said. Artis' attorney did not return a message.

Robinson's lawyer said campus police botched the handling of a rape kit and the questioning of Artis. Robinson, 19, said a video of that questioning angered her. "Rather than accusing him of anything, the investigators talked to him in a tone of camaraderie. They provided reassurances to him when he became upset, even laughed with him when he told about how many girls' phone numbers he was able to get on the same night," the sophomore said as her father was seated next to her. "I was treated like a suspect."

Orange County District Attorney Jim Woodall said no final decisions have been made on whether to prosecute, but Robinson's attorney Denise Branch pointed to an Aug. 2 email she received from one of Woodall's assistant prosecutors

about the felony charges. "As to a charging decision, that determination is made primarily by the investigating agency, in this case, UNC Public Safety," Assistant District Attorney Jeffrey Nieman said in the email. "UNC DPS has made clear their determination that the evidence does not support criminal charges, and our review of the investigation does not lead us to advise or otherwise take action to the contrary."

Woodall said he spoke Tuesday with campus police chief Jeff McCracken to confirm investigative efforts are continuing. The detective on the case consulted with Woodall's office as recently as late last month, the prosecutor said. "At this point, we're waiting on additional evidence," Woodall said. Woodall emphasized that winning a conviction on felony charges carry a high bar of evidence. Campus police had no comment. University officials also refused to respond to questions, instead issuing a statement that the school takes all allegations about sexual violence or sexual misconduct seriously. "These matters are complex and often involve multiple agencies including law enforcement. While the university always tries to complete an investigation as quickly as possible, our priority is to ensure that the factual investigations are complete and conducted in a fair and thorough manner," campus spokesman Joel Curran said in the statement. Two years ago, UNC-Chapel Hill revised its policy on discrimination and harassment, including sexual assault and sexual misconduct after four current and former students and a former administrator accused the school of underreporting sexual assault cases for 2010 in an annual report to the federal government. Their complaint also alleged that campus officials allowed a hostile environment for students reporting sexual assault. The university denied underreporting crimes. (Emery P. Dalesio & Aaron Beard, THE ASSOCIATED PRESS, 9/13/16).

Post-Conviction Evidence

North Carolina prosecutors would have to reveal evidence of innocence obtained after a person is convicted under a rule that a State Bar approved Tuesday. Previously, prosecutors only had to reveal the evidence of innocence before a conviction. After agreeing to that rule, the panel went a step further and tentatively signed off on another new rule that requires all attorneys, including criminal defense attorneys, to reveal post-conviction evidence of innocence, provided they're not violating rules including attorney client-privilege. "A clear decision was made by the subcommittee today that it was not comfortable making years ago," said defense attorney Brad Bannon, referring to a decision several years not to send the prosecutors' rule to the full committee. "We have seen these wrongful conviction cases increase in the years since, and we need to be sure that the people most able to correct that injustice -- prosecutors and other lawyers -- take steps to do so." The proposal from the ethics subcommittee now goes to the full ethics committee, which meets in October. If it is approved, it's then sent to attorneys for comment. The five-member subcommittee had met several times previously to discuss the rule and discussion Tuesday was brief and mostly concentrated on language to tell prosecutors that they must consider the evidence they receive and not just focus on the credibility of the source. The American Bar Association says 14 states have a rule about prosecutors and post-conviction evidence of innocence and recommends that each state approve such a rule.

For the proposal involving all attorneys, the subcommittee discussed whether to allow attorneys to ignore attorney-client privilege. Eventually, the panel said the importance of protecting that relationship was greater. "This is the classic example of a clash of values," said Alice Mine, the State Bar's assistant executive director and ethics counsel. "We've got this value of preventing wrongful convictions. But we also have this value of protecting the interest of our clients. And the duty of confidentiality is really core to the attorney-client relationship." Advocates cited a Buncombe County murder case as a prime example of why North Carolina needed the rule for prosecutors. Five innocent men served prison terms in connection with a 2000 home-invasion murder they didn't commit. Another man confessed in 2003 and implicated an accomplice whose DNA was eventually found on masks and bandanas near the scene. The district attorney said in a deposition that he didn't believe the confession and that he never saw the DNA evidence, although the report from the State Bureau of Investigation showed it was copied to the DA. The five received a total \$8 million for their wrongful convictions. Some of them had pleaded guilty to avoid the threat of the death penalty. (Martha Waggoner, THE ASSOCIATED PRESS, 9/13/16).

Fairground Police

As interim N.C. State Fairgrounds police chief, Amy Alford's first serious security detail was Donald Trump's first major North Carolina rally last December. "She had to coordinate with the Secret Service for that one," said Brian Long, public affairs director for the N.C. Department of Agriculture and Consumer Services. "She's no stranger to the state fair or the fairgrounds." The agriculture department recently announced Alford is now the official chief, overseeing a force of full- and part-time officers who patrol fairgrounds events and Department of Agriculture buildings in Raleigh. "Chief Alford joined the department in 2008 and has been a vital part of our law enforcement efforts at the State Fairgrounds, coordinating with local and state law enforcement and emergency response agencies to ensure fairgoers' safety," said Agriculture Commissioner Steve Troxler. Last November, Alford replaced Joel Keith, who left for the Wake County Alcoholic Beverage Control Commission. Before joining the department, Alford served with the Wake Forest Police Department as the first female officer hired by the town. Alford is preparing for next month's State Fair, which anticipates about a million visitors from October 13-23. "We're already working with our many partners to plan a safe and successful 2016 State Fair," Alford said in an email. Last year's fair had safety concerns after gun rights group Grass Roots North Carolina wanted concealed carry permit holders to be allowed to bring weapons to the event. Officials urged fair-goers to leave weapons in their vehicles and lawmakers passed a law that bolstered Troxler's ability to ban firearms during the fair. Weapons are again banned at this year's event, officials said. (Dan Boylan, THE INSIDER, 9/14/16).

Clinton Visit

After a break while she recovers from pneumonia, Democratic presidential candidate Hillary Clinton will resume campaigning Thursday with an event in Greensboro, her campaign announced Tuesday evening. The event is expected to be Clinton's first since her campaign announced that she has pneumonia. It will be her second visit to the state in about a week, underscoring that North Carolina has become a key battleground state. Clinton hosted a campaign rally

last Thursday in Charlotte at Johnson C. Smith University. She canceled a campaign trip to California this week after she was seen struggling to walk while abruptly leaving a 9/11 event on Sunday. Republican presidential candidate Donald Trump was in North Carolina on Monday, where he criticized Clinton at a rally in Asheville for her "basket of deplorables" comment. It was also his second stop in North Carolina in a week. Recent polls averaged by RealClear Politics give Clinton a lead over Trump in North Carolina of less than 1 percentage point. (Ronnie Glassberg, THE CHARLOTTE OBSERVER, 9/13/16).

Bush Event

Former President George W. Bush is scheduled to headline a Charlotte fundraiser for Republican U.S. Sen. Richard Burr next month. No other details of the Oct. 11 fundraiser were available Tuesday. Burr faces Democrat Deborah Ross for a third -- and he says final -- term. (Jim Morrill, THE CHARLOTTE OBSERVER, 9/13/16).

Rally Charge

One man was arrested Tuesday and a warrant was issued against another wanted in two separate assaults at a Donald Trump rally in Asheville, police said. Thomas Vellanti Jr. was arrested on a disorderly conduct charge after investigators followed up on an assault caught on video Monday night inside the U.S. Cellular Center, Asheville police spokeswoman Christina Hallingse said. The recording was shared on social media and broadcast by media outlets. Vellanti turned himself in to the Buncombe County Magistrate's Office Tuesday, Hallingse said. (ASHEVILLE CITIZEN-TIMES, 9/13/16).

CHS Meeting

With a new chief executive and primed for a fresh start, the Carolinas HealthCare System board of commissioners met behind closed doors for about five hours Tuesday to discuss plans for the \$9 billion public nonprofit health care system. Board chairman Edward Brown declared the day's intention to take a "deep dive into our competitive strategies for the future." Brown cautioned the 37 board members and staff in attendance that the information shared "is going to be highly confidential, not to be shared outside this room."

An Observer reporter, who regularly attends the public system's board meetings, had objected in writing to the board's plans to hold the meeting in private. But she agreed to leave after Keith Smith, the system's general counsel, read a list of North Carolina laws that permit the public body to hold private meetings to discuss privileged, confidential and competitive health care information and to consult with attorneys. "There are statutory bases for going into closed session," Smith said.

The board met from 10 a.m. to 5 p.m., with portions of the meeting open to the public, but most of it closed. Agenda topics included "Assessing CHS's Current Competitive Situation and Activities" and "Small Group Discussions on Competitive Strategies and Models." Gene Woods, who replaced Michael Tarwater as CEO in May, told the Observer recently that he looked forward to the special board meeting to talk about the system's future. After more than 120 days on the job, Woods said: "I think we're at a point of reinvention." (Karen Garloch, THE CHARLOTTE OBSERVER, 9/13/16).

Park Grants

Gov. Pat McCrory announced Tuesday that grants totaling \$8.4 million from the Parks and Recreation Trust Fund will be awarded to 32 local governments to help fund land acquisition, development and renovation of public park and recreation areas. The Parks and Recreation Authority considered 66 grant applications requesting \$18.3 million. A maximum of \$500,000 can be awarded to a single project. Since 2013, more than 136 grants have been awarded from the Parks and Recreation Trust Fund totaling more than \$29.7 million.(NEWS RELEASE, 9/13/16).

Honored

EMPAC, the political arm of the State Employees Association of North Carolina, presented Rep. Pat Hurley, R-Randolph, with the Lisa B. Mitchell Legislator of the Year award. Sen. Erica Smith-Ingram, D-Northampton, was awarded the Lisa B. Mitchell Freshman Legislator of the Year award. Hurley and Smith-Ingram accepted the awards in front of 660 delegates at the 33rd Annual SEANC Convention in Greensboro. According to a news release, Hurley stood up for state retirees in May when a bill that would have taken away the ability to deduct SEANC dues, insurance premiums and PAC donations from pension checks began moving in both chambers. Smith-Ingram, during the budget process, offered an amendment that would have given raises and COLAs.(NEWS RELEASE, 9/13/16).

Scholarship Eligibility

As thousands of people streamed into the Greensboro Coliseum Complex Tuesday night, about 15 people stood outside protesting the Say Yes to Education scholarship program's exclusion of undocumented immigrants. Say Yes to Education is a New York-based college scholarship and educational resource program for students through an endowment funded by private donors and a \$15 million grant in Guilford County. A requirement of the program is that all students who want to attend publicly funded colleges must first fill out a Free Application for Federal Student Aid. That form requires a Social Security number, something undocumented immigrants aren't going to have.(Joe Gamm, THE NEWS & RECORD, 9/13/16).

YOU DON'T SAY...

"At some point, Pat McCrory has to understand that this is not a grand conspiracy against him."

Rep. Chris Sgro, D-Guilford, who also is the director of LGBT advocacy group Equality North Carolina, on his view that GOP leaders need to realize that the jury is in on HB2.

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News Summary

ACC Decision

ACC sports are as much a part of North Carolina culture as beach music, barbeque and bluegrass, but the college sports conference on Wednesday became the latest in a growing line of organizations to turn its back on the state in protest of North Carolina's controversial House Bill 2. Two days after the NCAA pulled its championships out of North Carolina because of HB2, the ACC followed and announced it would move the 10 neutral-site championships it had scheduled in the state during the 2016-17 academic year. That includes the football championship game, which had been scheduled for Dec. 3 in Charlotte. It was unclear on Wednesday where that game and other affected championships would be played.

The ACC announced the decision after its Council of Presidents concluded previously-scheduled meetings in Clemson, S.C. ACC Commissioner John Swofford said earlier this week that HB2 would be on the agenda during the presidents' meeting. "The ACC Council of Presidents made it clear that the core values of this league are of the utmost importance, and the opposition to any form of discrimination is paramount," Swofford said in a statement on Wednesday.

In addition to football, the other ACC championships that are being relocated are women's basketball, women's soccer, men's and women's swimming and diving, men's and women's tennis, women's golf, men's golf and baseball. Three of those had been scheduled for venues in the Triangle: the women's soccer championship and men's and women's tennis championships in Cary, and the baseball tournament at Durham Bulls Athletic Park.

The ACC's decision affects all neutral-site championship events that had been scheduled in North Carolina. Championships that had been scheduled to take place at a North Carolina ACC school aren't affected. In explaining the rationale, the ACC Council of Presidents in a statement reiterated the conference's "collective commitment to uphold the values of equality, diversity, inclusion and non-discrimination." "Every one of our 15 universities is strongly committed to

these values," the council said in a statement, "and therefore, we will continue to host ACC Championships at campus sites." All four ACC schools in North Carolina will host championships that had been scheduled for their campuses: Field hockey at Wake Forest, men's and women's fencing at Duke, wrestling at N.C. State and softball at UNC-Chapel Hill.

For months, Swofford and league officials had criticized HB2. Before Wednesday, though, they had remained non-committal about its potential affect on the ACC, and its ability to schedule events in North Carolina. As recently as July, on the day news broke that the NBA was moving its all-star game from Charlotte, Swofford said that ACC championships scheduled in North Carolina during this academic year would go on as planned. He referenced the league's fall meetings in October as another checkpoint. "Depending on what's happened at that point in time," Swofford said in July, "I'm sure our schools will want to have some further discussion about it." It didn't take that long. The ACC pulled championships out of North Carolina two days after the NCAA did the same. Here is a list of what's leaving North Carolina:

- **ACC championships**

- Women's soccer, WakeMed Soccer Park, Cary, Nov. 4 and 6
- Football, Bank of America Stadium, Charlotte, Dec. 3
- Women's swimming & and diving and men's Diving, Greensboro Aquatic Center, Feb. 15-18
- Women's basketball, Greensboro Coliseum, March 1-5
- Women's golf, Sedgefield Country Club, Greensboro, April 21-23
- Men's golf, Old North State Club, New London, April 21-23
- Men's & and women's tennis, Cary Tennis Park, Cary, April 26-30
- Baseball, Durham Bulls Athletic Park, Durham, May 23-28

- **NCAA**

- 2016 Division I women's soccer championship, WakeMed Soccer Park, Dec. 2 and 4
- 2016 Division III men's and women's soccer championships, Greensboro, Dec. 2 and 3
- 2017 Division I men's basketball tournament first and second round games, Greensboro Coliseum, March 17 and 19
- 2017 Division I women's golf championships regional, Greenville, May 8-10
- 2017 Division III men's and women's tennis championships, Cary, May 22-27
- 2017 Division I women's lacrosse championship, Cary, May 26 and 28
- 2017 Division II baseball championship, Cary, May 27-June 3

(Andrew Carter, THE NEWS & OBSERVER, 9/15/16).

Gunn Statement

Another North Carolina Republican state senator is urging colleagues to consider repealing a law about LGBT rights that's caused the NCAA and Atlantic Coast Conference to pull championships from the state this week. Sen. Rick Gunn, R-

Alamance, said late Wednesday he's concerned about the effect House Bill 2 is having on the state and the region he represents. For more than 60 years, ACC headquarters have been located in nearby Greensboro, which is also where early rounds of the NCAA men's basketball tournament would have been held in March before the decision. While dozens of Democratic lawmakers at the General Assembly have called for repeal of the law approved in March, Republican legislative leaders and GOP Gov. Pat McCrory have defended the law robustly, asking a federal court to uphold it. "I think it is time we give serious consideration to modifying, or possibly repealing," the law, Gunn said in a statement. Sen. Tamara Barringer, R-Wake, also urged repeal on Tuesday, the day after the NCAA announced its decision to pull seven championship events this school year. Four of the events were located in Cary, where Barringer lives. The legislature is next scheduled to convene in January. (THE ASSOCIATED PRESS, 9/15/16).

Repeal Calls

The chorus of cries for a repeal of House Bill 2 is growing louder as the Atlantic Coast Conference on Wednesday followed the NCAA's lead and pulled its tournaments from North Carolina because of the state's insistence on maintaining a law that the college athletic organizations find discriminatory.

"This is not just about sports. This is about communities in North Carolina suffering real economic blows," Attorney General Roy Cooper, the Democratic candidate for governor, said in a videotaped statement. "The solution is simple: Repeal House Bill 2, and do it now."

As he did Tuesday in response to the NCAA's move, Republican Gov. Pat McCrory called on the ACC to wait for federal courts to resolve the issue over transgender rights. "I strongly encourage all public and private institutions to both respect and allow our nation's judicial system to proceed without economic threats or political retaliation toward the 22 states that are currently challenging government overreach," McCrory said in a statement.

"Everybody has been saying for months now this bill is discriminatory -- it's bad for business, it means we can't very easily come to North Carolina with our events," said Rep. Chris Sgro, D-Guilford, who also is the director of LGBT advocacy group Equality North Carolina. "This is information that (McCrory) has, and he is continuing to create this problem instead of trying to find any sort of solution." It appears, however, that Republican legislative leaders, who have framed the law in terms of protecting women and girls in public bathrooms, have no immediate plans to back away from House Bill 2. "The truth remains that this law was never about and does not promote discrimination," House Speaker Tim Moore said in a statement. "We will continue to advocate that North Carolina is a great place to live, do business, hold events and to visit."

Dave Miranda, a spokesman for the North Carolina Democratic Party, said voters themselves will have a chance to repeal the law in November by changing the leadership in the General Assembly and the Executive Mansion. Tami Fitzgerald, executive director of the North Carolina Values Coalition, said she doesn't think the loss of sporting events will influence the upcoming election. "I don't think it's going to have an effect. In fact, I think it's going to make people reconsider whether it's that important to go to a basketball game or a soccer match or a football game," Fitzgerald said, adding that lawmakers who backed House Bill 2 should stand firm and keep the law in place. "The ACC and the NCAA are trying

to bully the state of North Carolina into us coming to a radical sexual agenda that they're pushing off on the state," she said. "So, the real question is how much is it worth to compromise the safety and the privacy of even just one little girl." Critics of the law point out there is no evidence that anti-discrimination ordinances in more than 100 U.S. cities and states have endangered the safety of women or children.(Laura Leslie, WRAL NEWS, 9/14/16).

Decision Reaction

The Atlantic Coast Conference has pulled this year's football title game from Charlotte amid the ongoing firestorm over North Carolina's House Bill 2. Here's a look at reactions:

- **N.C. House Speaker Tim Moore:** "It is very unfortunate that the NCAA and ACC have decided to move their scheduled events out of North Carolina. No one ever wants to lose events under any circumstances, but these organizations are certainly entitled to host their events wherever they choose. The truth remains that this law was never about and does not promote discrimination. We will continue to advocate that North Carolina is a great place to live, do business, hold events and to visit."
- **Gov. Pat McCrory:** "The issue of redefining gender and basic norms of privacy will be resolved in the near future in the United States court system for not only North Carolina, but the entire nation. I strongly encourage all public and private institutions to both respect and allow our nation's judicial system to proceed without economic threats or political retaliation toward the 22 states that are currently challenging government overreach."
- **Attorney General Roy Cooper:** "It's clear we cannot wait until November to repeal House Bill 2. This is not just about sports. This is about communities in North Carolina suffering real economic blows. ... Unfortunately we've seen no leadership from our governor on this issue. He has doubled down on this bad law as our state has taken hit after hit. ... The solution is simple. Repeal House Bill 2, and do it now."
- **N.C. Family Policy Council:** "Insanity of today's decision: ACC presidents unaware? 28 states have similar laws to NC & 25 states suing Obama admin over bathroom policy!"
- **Equality NC Executive Director Chris Sgro:** "On Monday it was the NCAA. Last month it was the NBA. Today, the ACC -- home conference to many of our beloved teams -- will take their marquis events out of North Carolina. It has never been more clear than it is right now -- HB2 is hurting our state every minute that it remains law. ... I'm calling on Pat McCrory today -- accept responsibility for the legislation you signed. It's crystal clear that HB2 is bad for us."
- **NC Democratic Party Executive Director Kimberly Reynolds:** "This is another loss for North Carolina that could have been easily avoided -- another disappointing day for the state. How much more money and how many more jobs does North Carolina have to lose before Governor McCrory stops pointing fingers and fixes his mistake? It is way past time to repeal this disastrous law."

- **Tami Fitzgerald, Executive Director of NC Values Coalition:** "The ACC and NCAA announcements are an attempt to force the State of North Carolina to sacrifice our children's safety on the altar of political correctness, and legislators who voted to stop this trend should think twice before they abandon our children."
- **Carolina Panthers:** "As we stated last summer, after more than 20 years of operations, we undoubtedly have had transgender persons attend events here and, presumably, they have used the restroom of the gender with which they identify. Our organization is against discrimination and has a long history of treating all of our patrons at Bank of America Stadium with dignity and respect."

(THE CHARLOTTE OBSERVER, 9/14/16).

Southern Conference

Southern Conference commissioner John Iamarino has hinted that the men's and women's basketball tournaments in the collegiate sports league could be moved from Asheville. Iamarino's comments Tuesday came a day after the NCAA pulled seven championship events out of North Carolina because of a law requiring transgender people to use bathrooms matching the sex on their birth certificate. Iamarino said Tuesday that upcoming meetings of athletic administrators in October and of presidents and chancellors in November could result in the tournament being moved. He says the groups will "have a full discussion" on the issue. Currently, the 2017 SoCon tournament is scheduled for March 2-6 at the U.S. Cellular Center.(ASHEVILLE CITIZEN-TIMES, 9/14/16).

Counting Costs

The ACC's decision to move its championship games out of North Carolina might be the biggest blow to the state since the passage of House Bill 2. The foremost loss is the ACC title football game, which was to be held at Bank of America Stadium in Charlotte in December -- by far the most successful host site for the game. A leading replacement site could be Orlando, Fla., according to ESPN. "The latest moves by the NCAA and ACC really move the costs of the intransigence in solving the HB2 issue to a new level," said Mark Vitner, a senior economist with Wells Fargo Securities. "Up until recently, the losses have primarily been bad public relations and missed opportunities. Now, we are looking at substantial losses and a significantly larger hit to the state's prestige." Revenue losses from the 12 lost championship events are likely to exceed \$40 million.

Tom Murray, the chief executive of the Charlotte Regional Visitors Authority, said in a statement that losing the ACC football championship "is a blow to Charlotte's visitor economy and is irreplaceable at this late date." The 2015 title game added \$32 million to the local economy, the authority said. Also leaving are four events set for Greensboro: men's and women's swimming and diving at the Greensboro Aquatic Center; women's basketball at the Greensboro Coliseum; and women's golf at Sedgefield Country Club.

Michael Walden, an economics professor at N.C. State University in Raleigh, cautioned that "there is legitimate reason to worry about long-run impacts from a potential adverse hit to the state's business reputation." "With states now in such close competition for business location," Walden said, "any negative factor

may be enough to tip the scales to a competing state. HB2 will clearly be an issue in the statewide elections, especially with the losses being focused on sports."

John Sweeney, a marketing professor at UNC Chapel Hill with a focus on sports, said part of the collateral damage from the NCAA and ACC decisions, as well as the NBA pulling the 2017 All-Star Game from Charlotte, is that they "do not represent political organizations." "These are organizations making business decisions," Sweeney said. "The HB2 law is clearly viewed as extremist and discriminatory by mainstream organizations in sports and traditional business." Roger Beahm, the executive director of the Center for Retail Innovation at Wake Forest University, said one ripple effect from the HB2 fallout is a reminder that "our state is a brand in and of itself." "Over time, North Carolina has come to stand for different things in people's minds," Beahm said. "Sometimes, when you change what your brand stands for -- as HB2 has done -- it can have a polarizing effect among customers in the marketplace. When the judgments and feelings toward the brand don't align with some of those customers, we know what happens ... they switch brands."

Beahm said it's time for state officials "to practice some good brand management principles, more clearly defining the brand's marketing objectives, and deciding/testing which strategies are going to best accomplish them." "Doing nothing is the fastest way for a brand on the decline to lose further share in the marketplace. And the loss of these ... events shows that, from a marketing standpoint, share is going in the wrong direction," he said. (Richard Craver, WINSTON-SALEM JOURNAL, 9/14/16).

Voter Encouragement

Ric Elias, the CEO of Red Ventures and an outspoken critic of North Carolina's House Bill 2, is giving his workers extra time off to vote this fall. In an open letter posted to Twitter on Tuesday, Elias cited the political controversies embroiling North Carolina, from sports leagues pulling games from the state because of the new LGBT law to hotly contested voter ID requirements. The privately held company employs more than 2,800. Elias' letter addressed other business leaders, asking them to give their employees more paid time off specifically to allow them to vote, something workers in North Carolina aren't guaranteed. Although Red Ventures is headquartered just over the state line in Indian Land, the company was founded in Charlotte and still has offices in the city. Many Red Ventures employees also live in North Carolina. He didn't call for employees to vote Democratic, but his tone was clearly not sympathetic to North Carolina's Republican leadership. "We've made national news for discriminatory laws, back office politicking and egregious misuses of power." (Ely Portillo, THE CHARLOTTE OBSERVER, 9/14/16).

Stated Goals

Representatives of state Democratic legislators, women's and LGBT rights organizations held a news conference Wednesday morning to say women and those in the LGBT community don't need the protections Republican leaders claim House Bill 2 provides. They were responding to recent remarks by HB2 supporters saying that the legislation restricting public restroom use to the gender assigned at birth was meant to protect and provide privacy to women. On Tuesday, Lt. Gov. Dan Forest said despite economic losses the state has suffered

because of the law, there can't be a "price tag on women." Rep. Rosa Gill of Raleigh, Jen Ferris of N.C. Women United, Alexis Dee of the Southern Comfort Conference board of directors and Gloria De Los Santos of Action N.C. participated. They claimed GOP leaders are trying to disguise discrimination as protection. Gill, who is in her fourth term in the state House, repeated her party's call for a full repeal of the bill. She said it was "admirable" that Sen. Tamara Barringer of Cary on Tuesday become the first Republican legislator to call for a repeal, due to the bill's "unintended consequences" of economic harm, such as the NCAA decision to pull championship events from North Carolina in protest. "I hope her other colleagues will be energized to come forward," Gill said. (Craig Jarvis, THE NEWS & OBSERVER, 9/14/16).

Munn Departure

Andy Munn has left Republican House Speaker Tim Moore's staff to take a position leading the government relations team at Moore & Van Allen law firm in Raleigh. His last day in the speaker's office was Tuesday. Munn will serve as the firm's director of state public affairs, representing clients before the General Assembly and state agencies. "He brings a tremendous wealth of experience, with an esteemed background in public policy, policy analysis, and legislative and community relations," said Walter S. Price, managing director and head of public affairs, in a news release. "He is highly regarded in Raleigh and beyond, and will certainly be a valuable asset to our clients and firm." Munn had served as Moore's deputy chief of staff and spokesman. Before that, he was director of policy for former House Speaker Thom Tillis. He also has worked for former Republican U.S. Reps. Sue Myrick and Robin Hayes. In the private sector, he has managed state and local public affairs for a global manufacturing company and a real estate and development organization. He earned a bachelor's degree from Appalachian State University, where he currently serves on the Board of Visitors. The speaker's office plans to fill Munn's former position in the near future. (Patrick Gannon, THE INSIDER, 9/15/16).

Water Conference

The water managers, farmers and scientists meeting in Charlotte this week aren't just figuring out how to cope with a dry future in a warming world. They will also have to handle deluges. Climate change experts say flooding from intense rainfall will increase along with more frequent droughts in the Southeast. Preparing for that future drew 260 people to the Carolinas Climate Resilience Conference, a 30 percent increase from the initial conference in 2014. Climate assessments predict that rising temperatures will evaporate more freshwater as competition for it grows in the Southeast. "In the long view, climate is going to be a very challenging problem for water resources. Too much, too little, wrong times," Susan White, executive director of UNC Chapel Hill's Water Resources Research Institute, said in an interview. Short term, she said, bursts of heavy rainfall are "going to cause a lot of problems, and that's flooding. We've seen this in Charleston and in North Carolina on the coast." Rising sea level will amplify flooding on the coast. Carolinas water utilities are increasingly collaborating on long-range water forecasts, conservation measures and drought response plans. Utilities in the Charlotte region factored in climate change for the first time in a recent 50-year study of water supplies from the Catawba River, which supplies Charlotte. Evaporation takes an estimated 300 million gallons of

water from Catawba reservoirs on a hot summer day. If local temperatures rise 3.2 degrees by 2065, as the plan estimates, water loss would go up 11 percent - an additional 33 million gallons daily. (Bruce Henderson, THE CHARLOTTE OBSERVER, 9/14/16).

Wolf Removals

Conservationists asked a judge on Wednesday to limit how red wolves can be removed from private land in a case that could shape the course of the animals' dwindling population. The groups argued that the federal government hasn't followed strict rules on when to allow landowners to kill wolves, and that even supposedly humane removals have contributed to deaths. Some landowners have complained that the wolves cause problems when they stray onto private land. The arguments concern current red wolf rules, but the case could also affect new plans by the federal government to sharply reduce red wolf territory. Federal Judge Terrence Boyle said he'd rule later on the preliminary injunction request.

About 45 red wolves roam wild in eastern North Carolina, less than half the peak population since they were reintroduced three decades ago. Southern Environmental Law Center lawyer Sierra Weaver argued that the removal methods they're challenging will be central to the new plan to reduce the wolves' territory. "Our concern is that they have decided to end this population, but they have avoided judicial review," she said. "Taking animals off the landscape and putting them in zoos is not consistent with the Endangered Species Act." The hearing came two days after federal officials announced plans to reduce the wolves' territory starting in 2017 to a federal wildlife refuge and adjacent land in Dare County, rather than the wolves' current five-county territory. The new plan is contingent on modifying current program rules after a public comment period. (Jonathan Drew, THE ASSOCIATED PRESS, 9/14/16).

Presidential Campaigning

Lara Trump helped kick off her father-in-law's ground game in the Charlotte area Wednesday, rallying volunteers at four field offices. Critics have said Donald Trump's presidential campaign has lagged behind that of Democrat Hillary Clinton in North Carolina in setting up offices and putting staff on the ground. Lara Trump, a Wilmington native married to Eric Trump, disputed that. "Just because we're opening offices now don't make any assumptions on that," she said outside a GOP Victory office on Park Road. "We have a very strong game here in North Carolina. We feel very good about things." Lara Trump also visited offices in Huntersville and Indian Trail. North Carolina is a battleground for both campaigns, but could be particularly important for Trump. Polls show the race virtually deadlocked.

Meanwhile in Raleigh, Chelsea Clinton promoted her mother's plans for education and emphasized the significance of the "hugely important" North Carolina race on Wednesday. Clinton spoke with local leaders on a panel at HQ Raleigh about the role of women in technology and innovation fields and said her mother's administration will prioritize increasing the presence of women in fields related to science, technology, engineering and math. The daughter of the Democratic presidential nominee made four stops in North Carolina this week, in Winston-Salem and Durham on Tuesday and Raleigh and Carrboro on Wednesday. "North Carolina will receive -- as it has -- a lot of attention from the

campaign, because we hope that we can win here," Clinton told The News and Observer. These issues are the among the ones Hillary Clinton will address when she campaigns in Greensboro on Thursday, her daughter said. The former secretary of state's appearance in Greensboro will mark her return to the campaign trail following an unexpected three-day break as she recovered from pneumonia.(Jim Morrill, THE CHARLOTTE OBSERVER, 9/14/16; Rachel Chason, THE NEWS & OBSERVER, 9/14/16).

NRA Ad

The National Rifle Association Wednesday began a new round of TV ads against Democratic Senate candidate Deborah Ross, bringing to \$3 million its investment on behalf of Republican U.S. Sen. Richard Burr. An NRA spokeswoman said the ads began on stations in Charlotte, Greensboro and Wilmington. In the ad, a narrator says while Ross talks about individual freedom, "as a legislator, Ross voted against personal liberty." "Ross voted for gun control," the ad continues. "Ross opposed your right to self-defense. The press said Ross voted against almost all legislation on firearms." Ross, a former state representative from Wake County, voted against many pieces of firearm legislation, according to the voter-education website Project Vote Smart. Among other things she sought to block state legislation that would allow North Carolinians to carry concealed handguns into restaurants and state parks. Ross has called for thorough background checks that would weed out potential terrorists and people with a violent history, according to a campaign press statement. Last month Burr told McClatchy that he favors gun-control restrictions that would prevent terrorists from using guns to carry out attacks against U.S. citizens but only if those restrictions do not infringe on the rights of U.S. citizens.(Jim Morrill, THE CHARLOTTE OBSERVER, 9/14/16).

Arsenic Levels

A state environmental group is using water quality tests released Tuesday to argue that Duke Energy is polluting the Yadkin River with discharges from the company's coal ash ponds. Test results released by the Southern Environmental Law Center show arsenic levels in a portion of the Yadkin River at four times water safety standards. The tests occurred at the spot where coal ash ponds discharge water into the Yadkin River. In the results, arsenic levels were 43.5 parts per billion. The state surface water standard is 10 parts per billion. Other chemicals detected at elevated levels include aluminum, copper and lead. It's the latest step in a legal battle between the Yadkin Riverkeeper -- represented in court by the SELC -- and Duke Energy. Filed in 2014, the Riverkeeper's suit alleges that Duke Energy is violating the Clean Water Act. The tests were conducted as part of a discovery process in the suit. Results are further confirmation of something Duke Energy has known for years, said SELC attorney Frank Holleman. "Coal ash pollution is leaking out of its coal ash pits and into surrounding waters," Holleman said in a news release. Yadkin Riverkeeper Will Scott said the discharges are proof that coal ash should be excavated, not capped in place.

When asked about the tests, Duke Energy spokeswoman Erin Culbert drew attention to the location that tests occurred, immediately at the spot where the company is permitted to discharge water from its coal ash ponds. If tests were truly representative of water quality, they would have occurred farther from the

permitted site, she said. The company isn't in violation of its state permit, Culbert said. The test results have not yet been submitted to the U.S. Middle District Court for North Carolina, where the Riverkeeper's lawsuit was filed. Questions about levels of chemicals seeping into the Yadkin River are separate from the ongoing controversy about well water contamination in communities such as Dukeville.(Josh Bergeron, THE SALISBURY POST, 9/14/16).

Monument

Two North Carolina commissions agree that a monument commemorating the achievements of African-Americans in North Carolina shouldn't focus on one individual but instead should reflect various narratives. The N.C. African American Heritage Commission and the N.C. Historical Commission made a few basic decisions about the monument's design during a meeting Wednesday in which the members also accepted a draft report of comments received at eight public hearings held earlier this year. The members agreed unanimously that the traditional materials used in all monuments on the Capitol grounds -- granite and bronze -- will be used for the monument. They also accepted a location in the southeast corner of the Capitol square for the monument's location. The commissioners will use comments made at public hearings to help determine the monument's design.(THE ASSOCIATED PRESS, 9/14/16).

Bayer Merger

A huge merger between Bayer and Monsanto that will likely have a big impact on the crop science community in the Triangle has been made, the crop science giants announced early Wednesday. In a joint statement, the firms said the deal creates a "global leader in agriculture." The announcement also confirmed earlier news from Bayer that its crop science headquarters in RTP would be moved to St. Louis, where Monsanto is based. Bayer Crop Science has several hundred employees in RTP and has invested heavily in expansion efforts over the past several years. Post-merger, the Triangle operation will remain "an important presence," the companies said. Bayer is paying \$128 per share in cash for Monsanto for a total price of \$66 billion, including debt.(WRAL NEWS, 9/14/16).

Named

The city of Fayetteville has named Assistant Police Chief Anthony Kelly to the role of interim chief, effective Sept. 30. The announcement was made Wednesday by Interim City Manager Doug Hewett. According to Hewett, Kelly has served as an assistant chief since January 2015, and has more than 22 years of professional policing experience. Kelly succeeds Harold Medlock, who in August announced his retirement after four years of leading the department. Medlock said at the time that he would step down at the end of December, but planned to take a medical leave of absence beginning Oct. 1 to have surgery on his shoulder and arm.(THE FAYETTEVILLE OBSERVER, 9/14/16).

YOU DON'T SAY...

"I've got to assume it's politics because this is the No. 1 state in the presidential campaign, this is the No. 1 gubernatorial race in the United States of America."

Gov. Pat McCrory on the NCAA's reaction to HB2.
THE CHARLOTTE OBSERVER, 9/15/16

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News Summary

Special Session

Rep. Gary Pendleton of Raleigh is the third Republican legislator to call for repealing parts of House Bill 2, saying he'd like to see a special legislative session within weeks to address the issue. Pendleton spoke to The News & Observer Thursday, days after the NCAA and ACC announced they'd be moving sporting events out of North Carolina in response to the controversial LGBT law. "I think we ought to go back into session for a day or two and definitely revisit it," he said, adding that any changes still must prevent men from entering women's bathrooms. "I wouldn't vote to repeal it unless we passed a law that covered the safety of bathrooms and showers and all that." Pendleton joins Sen. Tamara Barringer of Cary and Sen. Rick Gunn of Burlington, who have made similar statements this week.

Pendleton says he's talked to other Republican lawmakers who'd support revising HB2, but he's not sure they'd form a majority of the legislature. "Even if it doesn't pass, at least the people will know that a certain group of people tried," he said, adding that some Republicans likely would still vote against any changes. "Some people are so far out there on the right that they don't care." Pendleton didn't vote for HB2 in March, but he also didn't vote against it, instead getting an excused absence from the special session along with two other Republicans. "When I saw it was coming up, I didn't go to the session," he said, adding that he instead wanted state leaders to sue the city of Charlotte for overstepping its authority in passing a nondiscrimination ordinance that allowed transgender people to use the bathroom of their choice. "I wasn't going to go down there and get harassed and harassed and harassed to vote for something I just didn't want to vote for."

Pendleton said most Republicans thought HB2 would only address the bathroom issue. "When they got there, here was this thing with about 15 other things tacked on it," he said. He said he joined other lawmakers in the short session to seek a compromise revising HB2. But Democrats refused to support anything

other than a full repeal, and some Republicans also wouldn't back the compromise.

Pendleton says no one expected the level of economic losses HB2 has brought to North Carolina. "I think it's gone further than most people would have dreamed it would," he said. He says he thinks HB2 will cost him some votes in November's election, when he faces Democrat Cynthia Ball. She issued a news release earlier Thursday calling for Pendleton to back a full repeal of the law, which she says he "has always been a dedicated supporter of." (Colin Campbell, THE NEWS & OBSERVER, 9/15/16).

HB2 Controversy

Gov. Pat McCrory Thursday blamed politics for House Bill 2 fallout that has cost Charlotte and other North Carolina cities high-profile college games, citing the state's pivotal role in the presidential election. He made the comments in a lunchtime speech in Charlotte to the Hood Hargett group of business and civic leaders, just one day after the Atlantic Coast Conference pulled this year's football title game from Charlotte amid the ongoing firestorm over North Carolina's HB2. And on Monday, the NCAA said it would yank seven championship events out of North Carolina because of the law.

As he has done in the past, McCrory said boycotts were being inconsistently applied to the state, noting that the NCAA held its men's basketball championship in Houston this spring even though that city voted down an anti-discrimination ordinance. "I've got to assume it's politics because this is the No. 1 state in the presidential campaign, this is the No. 1 gubernatorial race in the United States of America," McCrory said. "I can't prove that, but why would they not be doing this in Texas right now?"

McCrory showed no sign of backing down from his position, which has also caused entertainment acts such as Bruce Springsteen to scrap North Carolina appearances. PayPal canceled plans to bring 400 jobs to Charlotte, and the U.S. Department of Justice has sued the state. "We're going to plug on," McCrory said. "North Carolina is resilient. North Carolina is strong. North Carolina is inclusive. North Carolina is welcoming. And I am going to defend North Carolina." Opponents of HB2 want to mandate that businesses and universities "recognize the definition of gender as what you think you are or the expression you like to have, not based on your anatomy," McCrory said. "That is a pretty big change in society norms, which I thought deserves to be challenged. It's going to be resolved in the Supreme Court."

In his remarks about the NCAA and ACC decisions, McCrory took aim at academic boards meeting "in private behind closed doors with no transcripts of what they've done." He said the organizations were unfairly punishing the hospitality workers, rental car companies, concession workers and others who make a living from sports events. "Do they feel good about this?" he asked. "It's amazing." The governor also complained that he received no courtesy phone calls from the groups. Later, when he talked to G. P. "Bud" Peterson, the president of Georgia Tech and the chair of NCAA Board of Governors, he said his first comment was, "You could have called."

Asked if there was a point where he would take another look at the law, McCrory said he "has never stopped working on a compromise." After this week's announcements, Republican senators Rick Gunn of Burlington and Tamara Barringer of Cary have called for changes to HB2. In addition, Sen. Jeff Tarte, a

Cornelius Republican, told the Observer Wednesday that he would like to get both sides together to make changes. "It's going to continue to get worse if we do nothing," he said. "Doing nothing is not a good option. Simply waiting for the courts to mandate what we do, that's bad public policy." Also on Thursday:

- **Endorsements** : The two gay and transgender rights organizations leading the battle against House Bill 2 in North Carolina endorsed candidates for the state legislature on Thursday. The Human Rights Campaign, which has been organizing in the state since the passage of HB2 in March, and Equality N.C. think their candidates have a good shot at unseating incumbent Republicans and retaining key Democratic seats based on the numbers. An HRC spokesman says there are more than 300,000 gay, lesbian, bisexual and transgender adults living in North Carolina. The margin of victory in the last three presidential elections was about 180,000 votes. HRC issued a statement with the endorsements citing national polling that shows support for LGBT protections. The two organizations are also teaming up to get out the vote in North Carolina. None of their 15 endorsements are Republicans. They include incumbent state senators Jay Chaudhuri of Raleigh, Jeff Jackson of Charlotte and Joyce Waddell of Newell. They are endorsing Susan Evans of Cary, who is running against Republican Sen. Tamara Barringer, who this week called for the repeal of HB2 because of the economic impact of sports, entertainment, conference and contract cancellations. Others endorsed are incumbents Rep. John Ager of Fairview and Rep. Brian Turner of Asheville, and challengers Cynthia Ball, Chaz Beasley, Mary Belk, Jane Campbell (who is unaffiliated), Sue Counts, Terence Everitt, Jennifer Ferrell, Joe John and Rochelle Rivas. The groups have previously endorsed Attorney General Roy Cooper for governor and Hillary Clinton for president.
- **Graham Perspective** : North Carolina-based evangelist Franklin Graham said Thursday he's "outraged" at the ACC's decision to pull games from North Carolina because of House Bill 2. And he called on pastors to join him in speaking out. In a strongly-worded letter to ACC commissioner John D. Swofford, a copy of which was sent to the presidents of its 15 member schools, Graham called on him not to make "political pawns of student-athletes." He also told Swofford that the ACC, NCAA and other companies and organizations now boycotting North Carolina because of the controversial law are guilty of "profound hypocrisy" for "making calculated business decisions disguised as moral outrage." He pointed out that Dr. Pepper (and its parent company), the corporate sponsor of the ACC football championship that had been scheduled for December in Charlotte, sells its products in countries where homosexuality is illegal. Graham also weighed in on his Facebook post Thursday, saying North Carolina was being "bullied" by the ACC, the NCAA "and some of corporate America who are influenced by LGBT activists." He urged pastors to join him in speaking out.

(Rick Rothacker, THE CHARLOTTE OBSERVER, 9/15/16; Craig Jarvis, THE NEWS & OBSERVER, 9/15/16; Tim Funk, THE CHARLOTTE OBSERVER, 9/15/16).

Apodaca Lobbying

Former state Sen. Tom Apodaca, a Hendersonville Republican, is moving toward lobbying the institution he served in from 2003 until he resigned in July, Business North Carolina magazine reports. News that Apodaca plans to start what he told the magazine would be a "business development and public relations firm" is no surprise. He had said earlier that was a possibility, and the timing of his resignation allows him to do that in January, when a six-month cooling off period required by state law before former legislators can lobby will expire. If he had served out the rest of his term, he would have missed the chance to ply his apparent new trade for most of the legislature's 2017 session. The headline on the Business North Carolina item calls Apodaca "Tough Tom" and notes his forceful role in several acrimonious issues the General Assembly has dealt with since Republicans gained a majority there in 2011. One interesting note is that Apodaca told the magazine his support for HB2 was not as strong as it might have appeared when he voted for it in a special session March 23. The article, written before the NCAA and Atlantic Coast Conference announced they were pulling events from the state over the bill, says Apodaca "says he preferred that the bill not emerge, but he accepted the House's decision to move forward because of its supporters' passion."(Mark Barrett, ASHEVILLE CITIZEN-TIMES, 9/15/16).

Burr Spending

North Carolina Sen. Richard Burr's political committees have paid nearly \$200,000 over the last 16 years to his in-laws and a firm employing his son for office rent and administrative services. The previously undisclosed arrangements appear to be legal, but they could provide campaign fodder for Burr's Democratic challenger, Deborah Ross. A spokeswoman for Burr's Senate office declined to comment on the payments. From 2011 through 2014, Burr's campaign reported renting office space for \$600 to \$625 per month -- for a total of \$29,550 -- from the Brand Intelligence Group, an internet marketing research startup. Burr's son, Tyler, was listed as a vice president in corporate filings until last year. Federal Election Commission rules give congressional candidates wide latitude over how they spend their campaign funds, permitting them to hire a spouse or other relative so long as bona fide services are provided at fair market rates. In the past, the commission has ruled that a candidate could even lease a portion of his residence to his campaign. It's permissible as long as the candidate doesn't convert campaign money to personal use by paying rates that exceed fair market value. Burr had even greater legal leeway in the use of money collected by his separate leadership political action committee, which similarly collects donations but not directly for his reelection. That committee paid his wife's sister for administrative work and leased space from her husband. Since 2000, the committee has paid \$88,724, at the rate of \$464.10 per month, to his sister-in-law, Mary Fauth. She has served as treasurer of his leadership PAC, the Next Century Fund. Over that same span, the Next Century Fund also has paid \$400 monthly in rent and utilities, totaling \$75,600, to Fauth's husband, Gerald W. Fauth III, a lobbyist based in Alexandria, Va., across the Potomac River from the nation's capital. Fauth's firm, G.W. Fauth & Associates, Inc., describes itself as "a transportation consulting firm specializing in economic, regulatory, public policy and legislative issues."

The Federal Election Commission's 2013 legislative recommendations to Congress noted that the Federal Election Campaign Act never forbids members of Congress from spending their leadership PAC money for personal benefit. The commission recommended that Congress amend the law to prohibit all independent PACs from using donated money for expenses that would exist regardless of the committee's activities. Congress has taken no action on the recommendation. (Greg Gordon, McCLATCHY DC, 9/15/16).

HB2 Stance

Leaders from the state's four Atlantic Coast Conference member universities were mostly mum about where they came down in the decision to move 2016-17 championship events from North Carolina because of House Bill 2. Duke University President Richard Brodhead voted in favor of moving the championships out of the state, said Michael Schoenfeld, Duke's vice president for public affairs and government relations. Duke officials have been vocal in their opposition to the law from the beginning. Duke's athletic director, Kevin White, recently called the legislation "discriminatory, troubling and embarrassing."

N.C. State University Chancellor Randy Woodson and UNC-Chapel Hill Chancellor Carol Folt declined to reveal how they voted but did issue a joint statement saying, "The ACC Council of Presidents discussions, deliberations and breakdown of votes are confidential. We can confirm it was a thoughtful and vigorous discussion and was not a unanimous vote." Wake Forest University President Nathan Hatch also would not say how he voted, but maintained that the university's commitment to diversity and inclusion is "unwavering." "I support the goals of the ACC to create a welcoming and inclusive environment," Hatch said in a statement Wednesday. "I hope in the near future the state can eliminate any doubt we all hold the same values." Woodson and Folt found themselves in the uncomfortable position of voting as ACC members and public university leaders in a heated political battle in North Carolina over HB2, the so-called bathroom bill that limits anti-discrimination protections for LGBT people. The UNC system is caught in the middle of a lawsuit about the law, which is not being enforced on the campuses.

UNC system President Margaret Spellings said in a statement she hopes for a speedy resolution to the matter in the courts. She said she appreciates that the ACC shares UNC's commitment to an inclusive environment for all, but its decision will penalize host communities and fans throughout the state.

"Intercollegiate sports and the ACC are integral parts of North Carolina's economy and way of life," her statement said. (Jane Stancill, THE NEWS & OBSERVER, 9/15/16).

Duke Energy

Duke Energy Corp. aims to stay out of the fight over North Carolina's law limiting protections for LGBT people, the company's CEO said, noting the company is heavily regulated by the state. "I'm in a regulated industry with responsibility for keeping the lights on, and my focus is there and attracting a workforce that makes us better, and that's a diverse workforce," CEO Lynn Good told The Associated Press. However, Good also said that while the largest electricity company in the U.S. focuses on legislation involving energy, she would like to see state leaders revisit the law. Republican Gov. Pat McCrory, who worked for

Duke Energy for nearly 30 years, staunchly supports the law. He has appointed four of the seven members of the commission that regulates the company's operations in North Carolina and sets its electric rates. Those members must be confirmed by the GOP-led Legislature.

More than 100 companies — including Charlotte neighbor Bank of America and tech giant IBM, which employs tens of thousands at its Research Triangle Park hub — have condemned the law. PayPal and Deutsche Bank said they revised plans to add hundreds of jobs in the state. But Duke Energy, 115 on this year's Fortune 500 list, has stayed out of what has become a new front in the American culture war. Good, who became CEO in 2013, has spent more than two years coping with fallout from the country's third-worst spill of toxic coal ash from one of the company's holding basins. The February 2014 spill fouled 70 miles (about 110 kilometers) of the Dan River along the Virginia-North Carolina line with the residue left after coal is burned for electricity. Months later, North Carolina became the first state to require the removal or permanent dry storage of coal ash, which contains arsenic, mercury, lead and other heavy metals. Utilities elsewhere also are moving coal ash pits. (Emery P. Dalesio, THE ASSOCIATED PRESS, 9/15/16).

Straw Poll

Triangle area candidates and political professionals casting ballots in the recent Political Pig Pickin' straw poll gave Libertarian presidential nominee Gary Johnson 23.5 percent of the vote, as Republican nominee Donald Trump bested Democratic nominee Hilary Clinton 40.8 percent to 32.7 percent. The informal and nonscientific Sept. 8 straw poll was based on about 100 ballots completed by candidates in Triangle-area elections for Congress, state House and Senate, county commissions and school boards. Lobbyists, campaign staff members and supporters attending the event also voted, according to organizers. The 14th annual Political Pig Pickin' straw poll was conducted by the nonpartisan public policy advocacy group, the Triangle Community Coalition, at Raleigh's Angus Barn. It featured stump speeches, whole barbecued hogs and massive displays of N.C. election paraphernalia. "We served a little pig and lots of politics," organizers said. Notable results also included Republican U.S. Sen. Richard Burr beating Democratic challenger Deborah Ross, 45.9 percent to 31.6 percent. The governor's race saw Republican Pat McCrory top Democratic challenger Roy Cooper, 45.9 percent to 36.7 percent. In U.S. House races, Republican Sue Gooe bested Democratic Rep. David Price, 51 percent to 34.7 percent. In addition to the presidential and statewide offices, the ballot included dozens of local races. See all straw poll results at [http://www.tricc.org/political/\(Dan](http://www.tricc.org/political/(Dan) Boylan, THE INSIDER, 9/16/16).

BCBS Fine

The N.C. Department of Insurance has levied a record \$3.6 million fine against Blue Cross and Blue Shield of North Carolina for widespread problems that led to billing and enrollment errors for Blue Cross customers since January. The Insurance Department and Blue Cross, the state's largest health insurer, agreed to the fine amount Thursday, ending a six-month agency investigation in a voluntary settlement agreement. Blue Cross paid the fine Thursday for over-billing, double-billing, failing to confirm coverage, canceling coverage customers wanted, and signing customers up for policies they didn't want. Nearly 3,500

customers and medical providers lodged complaints with the agency through the end of August. The doctors and other providers said Blue Cross insurance reimbursements were delayed by weeks and even months. The Insurance Department intervened on behalf of patients in immediate need of medical attention and in other dire circumstances.

"As your insurance commissioner and an advocate for consumers across North Carolina, Blue Cross and Blue Shield had to be held accountable," Insurance Commissioner Wayne Goodwin said in a statement. The fine is twice the amount of the previous record fine, which had also been levied against Blue Cross in 2003, for failing to provide coverage for emergency care. The funds will be drawn from Blue Cross's reserves and will not affect rates, according to the Department of Insurance. Blue Cross began experiencing problems in early January while enrolling customers through the Affordable Care Act and other individual policies. The company blamed its software platform for crashing and preventing the transfer of some 400,000 customer accounts into a new technology system. (John Murawski, THE NEWS & OBSERVER, 9/15/16).

Cannon Release

Former Charlotte mayor Patrick Cannon, the city's first chief executive convicted of public corruption, has left his West Virginia federal prison after serving half of his 44-month sentence. Cannon has been transferred to the supervision of the federal Residential Re-entry Management office in Raleigh, said Marily Veltri, public information officer for Federal Correctional Institution Morgantown, the 49-year-old Democrat's home since November 2014. The federal re-entry office oversees some 200,000 federal inmates released from prison and transitioning back to freedom. Cannon's next stop remains unclear. It's about a six-hour drive between Morgantown and Charlotte. Under federal guidelines, Cannon can serve out the remainder of term at his south Charlotte home or a government-approved halfway house. He officially becomes a free man Jan. 25, when he begins two years of supervised release.

WBTV, an Observer news partner, reported that several people, possibly federal agents, were seen entering the Cannon home just after 1:30 p.m. Probation officers were expected to meet Cannon upon his return to install an electronic monitor the former mayor must wear on his ankle. Cannon's attorneys did not immediately return phone calls or messages seeking comment. Cannon did not answer the cell phone number he had before his imprisonment. If placed under home confinement for the next four months, Cannon can leave his house only for work, medical reasons or church. He has to report to his probation officers shortly after his arrival and he and his home are subject to spot checks by authorities. All travel must be pre-approved, and Cannon cannot abuse drugs or alcohol. He also must find a job and "support his dependents and meet other family responsibilities." If he violates this or any of the other 25 stipulations attached to his case, Cannon can be taken back into the custody of the U.S. Bureau of Prisons for the remainder of his 44-month term. Cannon will remain a federal inmate until Jan. 25 when he begins two more years of supervised release. His original sentence included a \$10,000 fine and some \$50,000 in restitution, the latter covering the amount of bribes he took from undercover FBI agents over a 13-month period ending with his March 2014 arrest. Court documents indicate his debt was paid in full about a month after Cannon entered prison. Public records indicate Cannon still owes more than \$11,116 to the

Internal Revenue Service.(Mark Price & Michael Gordon, THE CHARLOTTE OBSERVER, 9/15/16).

Clinton Campaign

After a break while she recovers from pneumonia, Democratic presidential candidate Hillary Clinton spoke in Greensboro Thursday, where she criticized House Bill 2 and said she is OK with not being the "showman" Donald Trump is. Clinton began her speech by mentioning her illness, and said there are millions of Americans who can't take time off to recover as she did. "They either go to work sick or they lose a paycheck," Clinton said. She said she is running for president for the "LGBT teenager." She criticized HB2 for hurting gay, lesbian and transgender individuals, as well as the N.C. economy. "This is where bigotry leads and we can't afford it," Clinton said. She also criticized Trump, who said he would shoot Iranian ships "out of the water" if they harassed American ships. "He would start a war over that," Clinton said. Later in her speech, she said Trump is a "loose cannon" who would risk "everything that generations of Americans have built." Clinton has had a difficult week, and Trump has narrowed her lead in public polls. Clinton was criticized for not disclosing her pneumonia, and at a private fundraiser she said half of Trump's supporters belong in a "basket of deplorables." Recent polls averaged by RealClear Politics give Clinton a lead over Trump in North Carolina of less than 1 percentage point.(Jim Morrill & Steve Harrison, THE CHARLOTTE OBSERVER, 9/15/16).

Trump Campaign

Lara Trump described her father-in-law Donald Trump's ground game as "extremely strong" at the opening celebration of a campaign office in a strip shopping center in Cary on Thursday. The office in Cary is one of three "RNC victory offices" in North Carolina -- all opened this week. They are run by the Republican National Committee instead of the Trump campaign and meant to promote Republican candidates up and down the ballot. The Clinton campaign has more than 30 offices in the state. But Lara Trump, a Wilmington native and graduate of N.C. State University, said the campaign isn't concerned with trying to match the number of offices the Clinton team has. "We don't feel like we need to oversaturate the market in a way," Trump told The News and Observer. "We feel great. We feel strong." She also told The N&O that she realizes debate surrounding the economic impact of House Bill 2 is a "big issue in the state" -- and that she didn't realize how big of an issue it was until she arrived in the state and watched local news. "It's everywhere," she said. Trump said the campaign wants to concentrate on national problems, and that she thinks it does "have bigger things to focus on" than the issues raised by HB2. "Mr. Trump has always said that should be a state issue, and let the states figure it out," Trump said. Donald Trump at one point suggested North Carolina should "leave it the way it is" and let people "use the bathroom that they feel is appropriate" but later described it as a state issue and told The N&O in July: "generally speaking I'm with the state on things like this."(Rachel Chason, THE NEWS & OBSERVER, 9/15/16).

High-Rise Bridge

For generations of Topsail Island tourists, feeling a unique rumble under the tires of the family car meant the long trip to the beach was over when they drove

over the Surf City swing bridge. For locals, the swing bridge can represent waiting in traffic to get on or off the island as boats pass through. But as of 2020 the landmark bridge will be gone and a new high-rise bridge will fly drivers over the Intracoastal Waterway with no interruptions. With 65-feet of clearance, boats and larger vessels will be able to pass under the new bridge without having to wait for an opening. It will also include a path for pedestrians and bicyclists. At a meeting earlier this month the N.C. Board of Transportation approved a \$53 million low bid for the project submitted by Balfour Beatty Infrastructure of Wilmington. The project was given the green light by the DOT in July.(Ashley Morris, WILMINGTON STAR-NEWS, 9/15/16).

Rally Dispute

A lawyer for a South Carolina man who police say assaulted a 69-year-old woman after Monday's Donald Trump rally in Asheville is rebutting the woman's story, saying she made "multiple false statements." Asheville Attorney Ruth Smith on Wednesday said her client Richard Campbell, 73, of Edisto Island, South Carolina, never hit protester Shirley Teter as Teter and witnesses reported. Smith has indicated Campbell might sue in civil court. "She assaulted him. You can't come up to strangers especially in that environment and grab them from behind," Smith said. Campbell is being represented by another attorney, Jack Stewart of Asheville, in criminal court for the assault charge. Stewart did not return a phone call Wednesday. The Citizen-Times tried to reach Campbell by phone Tuesday after police announced they had taken out a warrant for the retired electrical engineer for assaulting Teter, a downtown resident who has chronic obstructive pulmonary disease and carries an oxygen tank to help her breathe.

Teter was among protesters gathered outside the U.S. Cellular Center as Trump eventgoers were leaving. Protesters pressed in on both sides, and the situation turned heated as some shouted at rally attendees and some Trump supporters responded. Teter said she was telling supporters that "they better learn Russian" and that Campbell turned and struck her jaw with his fist. Several witnesses also said Campbell turned and struck her. Smith, though, said Campbell only acted defensively. She said he was in town with his wife to celebrate their 50th wedding anniversary and that they had extended their stay after they heard Trump was coming. Campbell has poor vision from cataracts and was being led out of the rally by his wife, the attorney said. She said as Campbell and his wife were leaving they noticed liquid on their clothes they thought was saliva. Soon after that Teter approached Campbell from behind and grabbed his left shoulder, Smith said, and Campbell "reflexively moved his arm to release himself from Ms. Teeter's (sic) grip," causing Teter to fall to the ground. Tuesday, a day after the encounter, Teter strongly denied ever touching Campbell. She repeated that Wednesday.(Joel Burgess, ASHEVILLE CITIZEN-TIMES, 9/15/16).

Tobacco Watch

The turnover on Reynolds American Inc.'s board of directors continued Thursday with two new appointments, including John Boehner, former speaker of the U.S. House. Boehner, a noted Camel cigarette smoker, will fill a new seat on the board, expanding it to 14 members. Boehner has long had significant ties to the industry, and he received at least \$186,600 in direct and indirect campaign contributions from the manufacturer from 1997 to 2010. The

other appointment is JeanMarc Levy, executive-in-residence at the IMD Business School in Lausanne, Switzerland. He serves as one of British American Tobacco Plc's five representatives on the Reynolds board. Boehner serves on the corporate governance, nominating and sustainability committee, while Levy serves on the compensation and leadership development committee.(Richard Craver, WINSTON-SALEM JOURNAL, 9/15/16).

Foundation Departure

Bob Geolas, who has presided over an ongoing effort to remake Research Triangle Park in his nearly five years as president and CEO of the not-for-profit that manages the iconic park, is departing the organization. Smedes York, chairman of the Research Triangle Foundation, confirmed Geolas is stepping down but declined to say why. "You need to talk to Bob," York said in an interview Thursday. He added that the timing of Geolas's departure "is not absolutely set."

York said that Geolas's departure doesn't signal a rollback of any of the major initiatives Geolas has been knee-deep in at the 7,000-acre park, which boasts more than 200 companies and 50,000 workers. "I have positive things to say about Bob," York said. "He has created a great vision for the park and we are poised to move forward." Geolas, who has headed the foundation since November 2011, couldn't immediately be reached for comment.

With Geolas at the helm the park developed a master plan to transform itself from a series of self-contained corporate campuses into a place where people can not only work but also live and socialize. The park also assumed control of Park Center, an aging office park at N.C. 54 and Davis Drive, and at the outset of this year began the \$50 million first phase of redeveloping that property with public spaces – including a dog park, a sculpture garden and 5,000-seat amphitheater.

Under his watch, the foundation also experimented with leasing to startups and small businesses in a building it dubbed The Frontier at 800 Park Office Drive. In August the foundation declared that endeavor such a success that it is expanding the concept to other buildings to create a Frontier campus. "I think he's done a great job," said Ted Conner, vice president of economic development at the Durham Chamber of Commerce. "Bob has been a dynamic and visionary leader of RTP. ... His vision of the park in many ways is transforming RTP."

Ken Atkins, who headed Wake County's economic development efforts for more than 16 years before retiring at the end of 2013, worked with Geolas and his staff when companies were interested in potentially relocating to the Triangle or expanding to the region. "I can tell you he and his team did an excellent job of not only marketing the park, but marketing the entire region," said Atkins, who today is director of economic development in the Raleigh office of the Kilpatrick Townsend & Stockton law firm.

Geolas joined the foundation after more than seven years as executive director of Clemson University's International Center for Automotive Research, which was in its infancy when he signed up. ICAR attracted nearly \$250 million in investments and 2,300 announced jobs during his tenure there. Prior to that, Geolas worked at N.C. State University's Centennial Campus for a decade and led it from 2000 to 2004. York declined to discuss the foundation's plans regarding Geolas's successor. "I don't want to say anything about that yet," he said.(David Ranii, THE NEWS & OBSERVER, 9/15/16).

Corning Proposal

Corning Optical Communications LLC has signaled its willingness to increase its Winston-Salem workforce by 33 percent, or by 100 jobs to 404, as part of \$30 million manufacturing expansion. In exchange, Corning is requesting up to \$384,872 in performance-based economic incentives from Forsyth County, according to a legal notice filed Thursday. The incentives would be paid over five years, with the county portion coming from its General Fund. The city of Winston-Salem is likely being asked to provide a matching incentive amount. "Corning continues to be a valuable business in the Triad," said David Plyler, chairman of the Forsyth commissioners. Corning Optical officials could not be reached for immediate comment on the expansion and incentive request. Corning has 304 employees at its 3180 Centre Park Blvd. facility, one of the world's largest fiber cabling plants. The expansion would take place at that facility. (Richard Craver, WINSTON-SALEM JOURNAL, 9/15/16).

Solar Ranking

North Carolina ranks second in the U.S. for solar energy capacity after a huge number of installations last year, an industry report says. The Solar Energy Industries Association says the state had 2,295 megawatts of solar capacity at mid-year. Half that was installed in 2015, when solar developers raced to build projects before state tax credits for 35 percent of their cost expired at year's end. North Carolina passed Arizona for second place overall. Both trail far behind California, which has nearly 14,000 megawatts of solar capacity and installed 3,200 megawatts last year alone. Home rooftop solar in the U.S. rose 29 percent in the second quarter, compared to a year earlier, but utility-scale solar farms are driving the industry's growth nationwide, SEIA reported. That's also true in North Carolina, which has dozens of farms.

Congress last year extended 30 percent federal tax credits for solar projects, a powerful boost to the industry, through 2019. The credits will be gradually reduced over the following three years. Prices for solar installations of all types also continued to drop. Solar energy accounted for more than one-quarter of all new U.S. electric generating capacity brought online in the first half of 2016, SEIA says. The federal government projects that renewable energy, which includes solar, wind and hydroelectric plants, will generate 23 percent of the nation's electricity by 2025 compared to 13 percent in 2015. (Bruce Henderson, THE CHARLOTTE OBSERVER, 9/15/16).

Honored

North Carolina has been honored for a state program supported by Gov. McCrory that helps local governments, state agencies, schools and universities save money on utility projects. Staff with the North Carolina Utility Savings Initiative received the 2016 Energy Stewardship Champion Award on Aug. 24 from the National Energy Services Coalition. North Carolina is one of only six states recognized this year. The award honored North Carolina, in large part, because the Utility Savings Initiatives provides a service that helps state agencies, University of North Carolina institutions, local governments and schools secure performance contracts with private energy service companies. Unlike a traditional contract, a performance contract guarantees a project's energy cost savings will pay for the cost of the project for the entire term of the contract. The energy service company agrees to pay for any shortfall if the amount of

money saved does not pay for the project every year.(NEWS RELEASE,
9/15/16).