The General Assembly

If nothing else, the 1998 sessions of the General Assembly will be remembered for their extraordinary length. Less than two weeks after concluding a five-week special session, the General Assembly returned to Raleigh on May 11, 1998, for its regular “short” session and remained in session for more than twenty-four weeks, adjourning on October 29, 1998 (less than one week before the general election). Together, the two 1998 legislative sessions lasted almost seven months (a total of 123 legislative days over a period of almost thirty weeks), equaling the number of legislative days during the General Assembly’s “long” 1997 regular session and shattering the record for the longest biennial legislative session in the state’s history.

This chapter provides an overview of the General Assembly’s 1998 legislative sessions, notes some of the most significant legislation that was considered or enacted by the General Assembly in 1998, and summarizes bills and legislation affecting the General Assembly as a legislative institution.

Overview of the 1998 Legislative Sessions

The General Assembly met in two legislative sessions during 1998: an “extra” session during March and April (to address the problem of health care for uninsured children) and its regular “short” session, which ran from May through October.

(Although there was talk of the Governor’s calling another extra legislative session earlier in the winter of 1998 to consider the juvenile justice reform proposals developed by the Governor’s Commission on Juvenile Crime and Justice, the commission did not complete its work until March 1998, and consideration of juvenile justice reform was deferred until the “short” session convened in May.)

The 1998 Extra Session

Pursuant to Article III, Section 5 of the N.C. Constitution (allowing the Governor to convene the General Assembly in extra session on “extraordinary” occasions), Governor James B. Hunt convened an extra session of the state legislature on March 24, 1998, to consider a proposal, developed by the Governor’s Commission on Children’s Health Insurance and the state Department of Health and Human Services (DHHS), to provide medical care, using up to $80
million in newly available federal funding and $28 million in matching state funds, to thousands of children in low-income families who are not covered by Medicaid or private health insurance.

Despite the Governor’s admonition that the special session be “productive—and short,” any hope that the General Assembly would quickly enact the children’s health insurance program proposed by DHHS Secretary David Bruton died within the first few days of the session after the Republican-controlled House refused to accept the “Bruton” plan approved by the Senate and instead passed its own children’s health insurance plan, including $220 million per year in state income tax relief for families that pay the out-of-pocket cost of health insurance for their children.

The House and Senate remained in session for the next four weeks while House and Senate conferees attempted to reach a compromise with respect to the proposed program. Negotiations, however, appeared at times to be stalemated. As the special session dragged on with no other work to do, many legislators returned home while the conferees continued their negotiations, and in response to criticism of the length and cost of the special session, a number of legislators declined their per diem payments for at least part of the special session.

After a month of negotiations, legislative leaders and the Hunt administration finally reached an agreement with respect to the children’s health insurance program and tax credits for families who pay the cost of health insurance for their children. After ratifying legislation authorizing the establishment of a new children’s health insurance program and providing tax relief for families who pay for health insurance for their children, the General Assembly adjourned its 1998 extra session on April 30, 1998, more than five weeks after beginning the session and less than two weeks before the beginning of its 1998 “short” legislative session. [The one bill enacted during the General Assembly’s 1998 special session, S.L. 1998-1 (Ex. Sess.) (S 2), is discussed in Chapter 11 (Health) and Chapter 26 (State Taxation).]

The 1998 “Short” Session

North Carolina’s constitution (N.C. Constitution, art. II, sec. 11) provides for a “regular” biennial session of the General Assembly that convenes in every odd-numbered year. Until 1973, the General Assembly held a single, regular legislative session (which convened in the odd-numbered year of the state’s biennium, lasted for several months, and adjourned sine die after the legislature completed its work) and did not meet in the following even-numbered year unless an extra legislative session was necessary.

Beginning with the 1973–74 biennium, however, the General Assembly has “split” its regular biennial session over both years of the biennium, holding a “long” regular legislative session from January until June or July in odd-numbered years and meeting for a “short” legislative session in May and June of the following year to make adjustments to the second year of the state’s biennial budget. Legally, the General Assembly’s “short” legislative session is a continuation of its “long” regular session, which is convened during the first year of the biennium and is adjourned until a specified date during the second year of the biennium (as opposed to being adjourned sine die).

Because the primary purpose of the legislature’s “short” session is to consider changes to the second year of the state’s biennial budget, rules adopted by the House and Senate generally limit the types of bills and resolutions that may be introduced or considered during the “short” legislative session. Under the adjournment resolution adopted during the 1997 regular session [Res. 1997-33 (H 306)], the General Assembly’s 1998 “short” session was limited to consideration of:

- bills directly and primarily affecting the state budget for 1998–99;
- bills and resolutions that (a) were introduced during the 1997 regular session, (b) passed third reading in the chamber in which they were introduced on or before the 1997 “crossover” deadline, (c) were received by the other chamber, and (d) were not acted upon unfavorably by the second chamber;
• bills recommended by study commissions that were authorized or directed to report to the 1998 legislative session, by the House Ethics Committee, or by the Joint Legislative Ethics Committee;
• “noncontroversial” local bills;
• bills or resolutions regarding legislative appointments or confirmation of appointments;
• bills relating to executive reorganization;
• bills to disapprove administrative rules under G.S. 150B-21.3;
• bills relating to pensions and retirement;
• other matters authorized by joint resolution adopted by a two-thirds vote of both the Senate and House;
• resolutions adjourning the 1997–98 General Assembly sine die.

The 1998 “short” session of the General Assembly convened on Monday, May 11, 1998, and adjourned sine die on October 29, 1998, setting a new record for the longest “short” legislative session and the longest regular biennial legislative session in the state’s history. See Table 1-1.

### Table 1-1. Length of Legislative Sessions

<table>
<thead>
<tr>
<th>Year</th>
<th>1992 Type of Session</th>
<th>1994 Type of Session</th>
<th>1996 Type of Session</th>
<th>1998 Type of Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Convened</td>
<td>Regular</td>
<td>Extra</td>
<td>Regular</td>
<td>2nd Extra</td>
</tr>
<tr>
<td></td>
<td>May 26</td>
<td>Feb. 8</td>
<td>May 24</td>
<td>May 13</td>
</tr>
<tr>
<td>Date Adjourned</td>
<td>July 25</td>
<td>March 26</td>
<td>July 17</td>
<td>June 21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senate Legislative Days</td>
<td>41</td>
<td>31</td>
<td>35</td>
<td>25</td>
</tr>
<tr>
<td>House Legislative Days</td>
<td>42</td>
<td>32</td>
<td>35</td>
<td>27</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>1989–90 Type of Session</th>
<th>1991–92 Type of Session</th>
<th>1993–94 Type of Session</th>
<th>1995–96 Type of Session</th>
<th>1997–98 Type of Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senate Legislative Days</td>
<td>172</td>
<td>147</td>
<td>175</td>
<td>155</td>
<td>246</td>
</tr>
<tr>
<td>House Legislative Days</td>
<td>185</td>
<td>155</td>
<td>177</td>
<td>155</td>
<td>246</td>
</tr>
</tbody>
</table>

There is no constitutional or statutory limit on the length of legislative sessions. The actual length of the General Assembly’s sessions, therefore, is determined primarily by the amount of time it takes to complete work on the state’s budget. Because of the sharp fiscal and ideological differences between the Republican-controlled House and the Democrat-dominated Senate in the 1997–98 General Assembly (as well as the legislature’s increasing tendency to include substantive legislation, such as welfare reform and victims’ rights legislation, in the budget bill), it took a significantly longer time for the House and Senate to reach an agreement with respect to the budget bill during the 1998 “short” session than during previous “short” sessions. In 1998, it took almost three months (exceeding even the eighty days required to resolve House-Senate differences with respect to the 1997 budget bill) for House and Senate leaders to resolve their differences with respect to the 1998–99 budget revisions and other substantive legislation included in the budget bill. [A more detailed description of the 1998–99 budget process and its impact on the 1998 legislative session is included in Chapter 2 (The State Budget).]

As a result of the protracted budget negotiations, the 1998 “short” legislative session lasted for more than twenty-four weeks—two to three times the length of a typical “short” session. [The additional cost of the extended “short” session, according to press reports, was approximately $7 million. Republican legislators, however, argued that the additional cost of the extended legislative session was more than offset by additional interest earned on the state budget surplus as a result of delaying enactment of budget increases for four months.]

Despite its length, the 1998 “short” legislative session was typical of other “short” legislative sessions with respect to objective measures of legislative activity. See Table 1-2.
Table 1-2. Statistical Analysis of Legislative Sessions

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bills &amp; Resolutions Introduced</td>
<td>683</td>
<td>1,062</td>
<td>911</td>
<td>8</td>
<td>1,036</td>
</tr>
<tr>
<td>Senate</td>
<td>311</td>
<td>427</td>
<td>442</td>
<td>5</td>
<td>520</td>
</tr>
<tr>
<td>House</td>
<td>372</td>
<td>635</td>
<td>469</td>
<td>3</td>
<td>1,770</td>
</tr>
<tr>
<td>Session Laws Enacted</td>
<td>282</td>
<td>220</td>
<td>222</td>
<td>0</td>
<td>229</td>
</tr>
<tr>
<td>Public laws</td>
<td>166</td>
<td>116</td>
<td>113</td>
<td>1</td>
<td>135</td>
</tr>
<tr>
<td>Local laws</td>
<td>116</td>
<td>104</td>
<td>109</td>
<td>1</td>
<td>94</td>
</tr>
<tr>
<td>Bills Vetoed</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Apart from the length of the “short” session, the most notable aspect of the 1997–98 General Assembly may have been the political composition of the House and Senate and its impact on the legislative process. Democrats held a comfortable ten-seat margin in the state Senate, while Republicans held onto a bare sixty-one- to fifty-nine-seat majority in the House of Representatives. In the Senate, Democrats used their numbers, on at least some occasions, to push legislation through the chamber, giving the Republican minority little opportunity to debate or offer amendments. By contrast, debate in the House tended, in general, to be more open-ended. The debate on the budget bill in the House, for example, lasted several hours while the chamber considered some thirty-six amendments (half of them offered by Democrats). But despite the somewhat freer atmosphere in the House, Republican leaders in the House held their members together on most key procedural and substantive votes and were able to use their slim majority effectively to advance their legislative agenda. The result of the partisan division between the House and Senate, however, was that a number of legislative initiatives (for example, the campaign finance reform proposals of Senate Democrats and the proposed repeal of certain child day-care rules advocated by some House Republicans) passed only one chamber and were not enacted, while political differences between the Senate and House with respect to the state budget, tax relief, expansion of Smart Start, and other issues produced weeks of legislative gridlock before the two chambers finally reached a compromise.

Partisan differences between the two legislative chambers, however, did not prevent the General Assembly from enacting a number of important pieces of legislation during the 1998 legislative sessions, including the following:

- **Blue Cross/Blue Shield conversion.** The General Assembly passed legislation that sets forth rules under which Blue Cross/Blue Shield may convert from a nonprofit to a for-profit corporation.

- **Congressional redistricting.** Legislators redrew the boundaries of North Carolina’s Twelfth Congressional District in response to a federal court decision holding that the district was unconstitutional due to racial gerrymandering.

- **Economic development.** The General Assembly amended the Bill Lee Act to create new tax incentives for a proposed steel recycling plan in eastern North Carolina and a Federal Express air cargo hub in Greensboro. Legislators also authorized the issuance of $800 million in general obligation bonds for water and sewer projects and $200 million in bonds for natural gas facilities. (Issuance of these bonds was approved by the state’s voters at the general election on November 3, 1998.)

- **Environment.** The General Assembly extended the moratorium on construction or expansion of large hog farms for six months, provided full funding for the Clean Water Management Trust Fund, and provided funding for monitoring coastal river basins and responding to fish kills in the Neuse and Tar-Pamlico river basins.

- **Health care coverage for uninsured children.** Legislators established a new program, using federal and state funds, to provide health care for uninsured children who live in low-income families.
• **Juvenile justice reform.** The General Assembly enacted legislation overhauling the state’s juvenile justice system; creating a sentencing structure for juvenile delinquents based on the seriousness of their actions, their prior involvement in delinquent activities, and their risk to the community; and providing funds for additional juvenile detention facilities and delinquency prevention programs.

• **Public schools.** The legislature appropriated funds to continue implementation of the ABCs of Public Education program and increased salaries of public school teachers by 6.5 percent.

• **Smart Start.** Legislators agreed to Governor Hunt’s request to expand the Smart Start program to all 100 counties.

• **Tax relief.** Legislators repealed the final two cents of the state’s sales tax on food (effective May 1, 1999); repealed the state’s inheritance tax; and approved state income tax credits for charitable contributions, long-term care insurance, and health insurance for dependent children.

• **Transportation board reform.** Legislators passed a law reducing the size of the state Board of Transportation, changing the board’s composition, requiring disclosure of political contributions and fund-raising by appointees to the board, and imposing new conflict-of-interest and ethical standards on board members.

• **Victims’ rights.** Legislators enacted a new law providing assistance to the victims of domestic violence and other crimes, implementing the provisions of a constitutional amendment on victims’ rights approved by state voters in 1996.

These acts and other legislation of interest to state and local government officials are discussed in the following chapters of *North Carolina Legislation*.

### The 1999 General Assembly

The 1999 regular session of the General Assembly will convene, pursuant to G.S. 120-11.1, in Raleigh at noon on Wednesday, January 27, 1999.

### The Legislative Institution

#### Legislative Salaries and Benefits

**Legislators’ Salaries.** The state constitution prohibits legislators from increasing their own salaries while they are in office but allows the General Assembly to increase the salaries of legislators who are elected to the next session of the General Assembly. Under G.S. 120-3(b), salary increases for members of the General Assembly may not exceed the average salary increase for state employees during the preceding biennium. The 1997–98 General Assembly, however, declined to grant any salary increase for members of the 1999–2000 General Assembly.

**Principal Clerks’ Salaries.** Effective November 1, 1998, Section 28.7 of S.L. 1998-212 (S 1366) increases the salaries of the principal clerks of the Senate and House of Representatives to $81,696 per year. [Section 10 of S.L. 1998-153 (S 879) had previously increased the principal clerks’ salaries from $59,861 to $61,657 per year effective July 1, 1998.]

**Sergeants-at-Arms and Reading Clerks.** Section 11 of S.L. 1998-153 increases the salaries of the House and Senate sergeants-at-arms and the reading clerks of the House and Senate from $258 to $266 per week (plus subsistence at the per diem rate provided for members of the General Assembly).

**Legislative Retirement System.** Effective July 1, 1998, Section 21(c) of S.L. 1998-153 increases the retirement allowance paid to members of the Legislative Retirement System by 2.5 percent.
Legislative Procedure

Legislative Review of Proposed Municipal Incorporations. S.L. 1998-150 (H 1361) amends Article 20 of G.S. Chapter 120 (legislative review of proposed municipal incorporations) to prohibit the Joint Legislative Commission on Municipal Incorporations from making a positive recommendation with respect to the incorporation of a proposed municipality unless the entire area proposed for incorporation meets the criteria for development set forth in G.S. 160A-36(c) or 160A-48(c) and the persons proposing incorporation submit a plan to provide at least two of the following municipal services: police protection; fire protection; garbage and refuse collection or disposal; water distribution; sewage collection or disposal; street maintenance, construction, or right-of-way acquisition; street lighting; citywide planning and zoning. The municipal incorporation and annexation provisions of S.L. 1998-150 are discussed in more detail in Chapter 15 (Land Use Regulation, Planning, Code Enforcement, and Transportation) and Chapter 16 (Local Government and Finance).

Appropriations for Construction or Renovation of State Buildings or Other Property. S.L. 1998-45 (S 1093) requires the state Department of Administration to certify the broad feasibility of certain state construction projects and amends the Executive Budget Act (G.S. 143-6) to make this certification a prerequisite for the General Assembly’s appropriation of funding (other than funds for advance planning) in the amount of $100,000 or more for construction or renovation of any state building, utility, or property development (other than a railroad, highway, or bridge structure).

Appointment of Legislators to State Boards and Commissions

G.S. 120-123 prohibits members of the General Assembly from serving on certain state government boards and commissions. In 1998, the General Assembly amended G.S. 120-123 to prohibit members of the General Assembly from serving as members of the State Personnel Commission [S.L. 1998-181 (H 1469), sec. 3]; the board of directors of the North Carolina Partnership for Children, Inc. (Smart Start) [S.L. 1998-212 (S 1366), sec. 12.37B(e)]; the boards of directors of local Smart Start partnerships [S.L. 1998-212, sec. 12.37B(e)]; and the N.C. Structural Pest Control Committee [S.L. 1998-224 (S 1428), sec. 19(c)].

Legislative Oversight Commissions

Joint Legislative Health Care Oversight Committee. Section 2 of S.L. 1998-1 (Ex. Sess.) (S 2) increases the size of the General Assembly’s Joint Legislative Health Care Oversight Committee to sixteen members and amends G.S. 120-70.111 to require the committee to review, on a continuing basis, the new Health Choice program for uninsured children established under Part 8, Article 2, of G.S. Chapter 108A. [The Health Choice program for uninsured children is discussed in Chapter 11 (Health).]

Legislative Services Commission

S.L. 1998-156 (H 349) amends G.S. 120-32.1 to extend the territorial jurisdiction of the Legislative Services Commission to all of Jones, Wilmington, and Salisbury streets proximate to the state Legislative Building and to the brick walkway proximate to the Legislative Office Building.

Political Contributions to Legislators and Legislative Candidates

In 1997, the General Assembly enacted legislation (G.S. 163-278.13B; S.L. 1997-515) strengthening the prohibition on political contributions by political committees and lobbyists to state legislators and state legislative candidates while the General Assembly is in session. In
1998, this law was ruled unconstitutional by a federal district court and by a state superior court. Appeals in both cases were still pending when the General Assembly adjourned.

**Lobbying by Former Legislators**

In 1997, the Senate passed legislation (S 3) that would have prohibited former members of the General Assembly from acting as lobbyists under G.S. Chapter 120 for a period of one year following the expiration of their terms. The House Judiciary Committee amended this bill to authorize the Legislative Research Commission to study the advisability of imposing a lobbying restriction on former state legislators and other state officials. Although S 3 remained eligible for consideration during the 1998 “short” session, it was never brought to the House floor for consideration.

**Legislative Session Limits**

In 1997, the Senate passed legislation (S 905) proposing a constitutional amendment to limit the length of regular legislative sessions to 135 calendar days in odd-numbered years and 60 calendar days in even-numbered years. In 1998, the House Rules Committee adopted a committee substitute for S 905 proposing a limit of 120 calendar days for regular sessions in odd-numbered years and 60 calendar days for regular sessions in even-numbered years, but the bill was not brought to the House floor for consideration before adjournment.

*John L. Saxon*