



# Federal & State Legislative Update

**AUGUST 7, 2023**

BUDGET, GOVERNANCE AND INTERGOVERNMENTAL RELATIONS COMMITTEE

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## Overview

**2023 Sessions**

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## 2023 Sessions

**Now in second half of 2023**

**City has been successful with several of its federal and state objectives while others are progressing**

**City's federal and state lobbying teams will continue implementing 2023 legislative agendas**

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## US Congress Update

**Members of US House and Senate are working in districts and states through Labor Day Holiday**

- Senate returns on September 5
- House returns on September 12

**Key Legislation:**

- FY 2024 federal budget
- Reauthorization of the Federal Aviation Administration
- FY 2024 National Defense Authorization Act

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## Federal FY 2024 Budget

### Senate Appropriations Committee has reported all 12 appropriations bills on a bipartisan basis

- Spending levels meet parameters of the May spending limit agreement

### House Appropriations has reported out 10 of 12 bills on a partisan basis

- House Freedom Caucus is seeking spending reductions beyond the May spending limit agreement
- Caucus threatening to withhold 20 votes

### Differing approaches to spending levels could lead to:

- Extended appropriations process
- Government shutdown

## Pending FY 2024 Community Project Funding Requests

**Hospital-Based Violence Interruption Program (Atrium) - \$963,000**

**CMPD CARES Team - \$963,000**

**Westside Community Land Trust - \$500,000**

## 2023 Federal Priorities

### Destination CLT:

- Working with CLT staff to secure federal funding for the fourth parallel runway and associated projects
- Secured FY 2023 Airport Terminal Program: Concourse E Renovation, \$32 million

### 2030 Transit Corridor System Plan:

- Secured FY 2023 Low- and No-Emission Buses: Purchase battery electric and hybrid-electric diesel buses, \$30.9 million

### Immigration:

- No discernible movement on immigration issues

## 2023 Federal Priorities

### Sustainability and Resilience:

- Working with departments on securing grant funding offered through the Inflation Reduction Act of 2022
  - *Direct Pay Tax Credits, Sustainability*
  - *Urban & Community Forestry Program, General Services*
- Working with Charlotte Water on securing competitive grant funding from the Charging and Fueling (EV) Infrastructure program

### Infrastructure:

- Secured FY 2022 Safe Streets and Roads for All: Proven Countermeasures to Implement Vision Zero, \$4.5 million
- Secured FY 2022 Thriving Communities Program: Corridors of Opportunity Capacity Building, Technical Assistance
- Secured FY 2022 Reconnecting Communities Planning Grant: Reconnecting the West End, \$1 million
- Secured FY 2023 RAISE: West Sugar Creek Corridor, \$12 million

## NC General Assembly Update

**General Assembly scheduled to return week of August 14**

**With respect to the state budget, Speaker Moore and Senate Pro Tem Berger announced agreement on major tax policy and budget reserve issues**

**Agreement allows other parts of the budget to be agreed upon more easily**

**Speaker Moore anticipates a state budget vote in late August**

## 2023 State Priorities

### **Mobility:**

- Legislative action was not pursued as city elected officials and staff are participating in countywide and regional forums to advance solutions for regional mobility needs

### **Safe Charlotte:**

- Civilian Traffic Investigators (HB 140 – Faircloth) enacted into law (SL 2023-52)
- Pretrial Integrity Act (HB 813 – Bradford) enacted into law (SL 2023-75)
- Enhanced Street Takeover Penalties (SB 91 – Galey) enacted into law (SL 2023-97)

## 2023 State Priorities

### Affordable Housing:

- Homestead Act:  
Legislation increasing the threshold to support older adults aging in place was not introduced due to constitutional issues
- Landlord – Tenant and HOA Changes (HB 551 – Bradford):  
Secured amendment to the to ensure city’s Source of Income Discrimination policy in city supported housing can continue
- Regulation of Accessory Dwelling Units (HB 409 – Winslow):  
Seeking amendments to HB 409 to ensure city’s policies remain in place
- Legislation purports to lower the cost of development has not advanced to enactment:
  - *Commercial and Multifamily Plan Reviews (HB 332 – Zenger)*
  - *Workforce Housing Act (HB 537 – Zenger)*
  - *Addressing the Workforce Housing Crisis (HB 562 – Bradford / SB 317 – P. Newton)*
  - *Private Commercial Building Inspections (HB 893 – Brody)*

## 2023 State Priorities

### Infrastructure & Sustainability:

- Powell Bill:  
Full funding not included in House (April) or Senate (May) budgets
- Wastewater Regulatory Relief Act (SB 673 – P. Newton):  
Secured amendment to ensure that Charlotte Water’s future water demand modeling practices would not be impacted; enacted into law
- Backflow Preventers / Local Authority (SB 166 – Krawiec):  
Convened stakeholder's group, with the blessing of the House floor manager, to develop consensus amendments
- Regulatory Reform Act of 2023 (HB 600 – Riddell):  
Secured amendments to ensure the Stormwater Fund would not face a significant unfunded mandate of \$17 million year
- Code Council Reorganization and Code Amendments (HB 488 – Brody):  
Legislation presents issues related to disaster prevention and energy efficiency; passed by the General Assembly; vetoed by Governor

## 2023 State Priorities

### Governance:

- Extend Meals Tax and Occupancy Tax Sunset (HB 408 – Bradford):  
Rep. Bradford anticipates the meals tax extension will be included in the state budget
- Address Environmental, Social, and Governance (HB 750 – D. Hall): Secured amendment to ensure that local retirement systems, such as Charlotte Firefighters Retirement System, were not subject to new rules concerning investments; enacted into law
- Land Use Clarifications and Changes (SB 675 – Lee):  
Secured amendments to ensure that the city’s extraterritorial jurisdiction powers would not be repealed
- Revise Pharmacy Benefit Manager Provisions (HB 246 – Sasser):  
Received verbal assurances from bill sponsor’s office that city requested amendment will be added to exempt local government self-funded benefit plans thereby preventing \$4 million cost increases to employee benefits programs

## Next Steps

**City’s federal and state lobbying teams will continue implementing 2023 legislative agendas**

**2023-2025 City Council takes office on December 4**

**2024 will be short sessions for both the US Congress and NC General Assembly**

**Staff will present staff-proposed 2024 state and federal legislative issues to BGIR on January 2**

## Calendar

| Date                     | Event   |
|--------------------------|---|
| September 5<br>October 2 | BGIR Committee meetings   |
| December 4               | 2023-2025 City Council takes office   |
| January 2                | Present staff-proposed 2024 state and federal legislative issues to BGIR  |
| January 3                | US Congress 2024 session convenes   |
| February 5               | BGIR recommends 2024 state and federal legislative priorities to City Council   |
| February 12              | Action Review presentation of BGIR recommendations  |
| February 26              | Charlotte City Council adopts 2024 state and federal legislative priorities   |
| March 11 – 13            | Brief Congressional Delegation on 2024 federal legislative priorities while at the National League of Cities Conference in Washington, DC |
| April TBD                | Brief State Delegation on 2024 state legislative priorities   |
| Mid – May                | 2024 NCGA short session starts  |

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## Questions and Answers

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