



North Carolina  
**Retired  
Governmental  
Employees'**  
Association



**LEGISLATIVE  
— REPORT —**

## **Legislative Update #19-15    May 17,2019**

### **A Slow Week in the Legislature with a Focus on Tax Reform**

The House passed [H 667- Local Sales Tax Flexibility](#) which provides counties, via referendum, authorization to increase local sales and use taxes by .25% for use on “any public purpose and/or public education purposes”. The issue is a major priority for the counties. The bill does not increase the current maximum tax rate allowed.

The Senate held its second reading on [S 622 - Tax Reduction Act of 2019](#). This bill amends personal, franchise, internet taxes and makes other changes to the tax laws. The standard deduction was raised to reduce personal income tax. By fiscal year 2020-2021, the net impact of S 622 tax reductions, which largely benefits businesses, will be approximately \$200 million. The bill is on the calendar for its third reading in the Senate on Monday and then will be sent to the House for consideration.

### **Senate Budget Process Very Quiet**

[H 966 - 2019 Appropriations Act](#) has been in the Senate for two week and there have been no budget committee meetings. The Budget chairs are working behind closed doors to develop the Senate version of the 2019-2021 Biennial Budget. We will continue to meet with leadership and budget chairs urging them to add funds for retirees.

Please continue calling your Senators to let them know there are no COLA or Bonus funds for state and teacher retirees in the budget in calendar year 2019 (Fiscal Year 2019-2020).

Legislators continue to be unwilling to address the COLA needs of local government retirees with state dollars and cities and counties continue to oppose efforts to introduce legislation that provide an LGERS COLA. We will continue to encourage legislators and local governments to support you by enacting an LGERS COLA. All local government retirees are encouraged to talk with their local elected officials about the need for a COLA.

**To get the contact information for your member of the NC Senate, go to [www.ncleg.net](http://www.ncleg.net), click on **SENATE**, then click on **Member List** (for an alphabetical list by last name), or click on **Representation by County**. You can get office phone numbers and email addresses.**

Your NCRGEA legislative team is still working to get a COLA for our state and local government retirees.

**Stay Tuned!!**

Richard Rogers  
NCRGEA Executive Director