



**SENATOR JERRY TILLMAN
SENATE MAJORITY WHIP**

SENATE UPDATE

March 6, 2018



UNANIMOUS JUDICIAL PANEL PRESERVES MERGED BIPARTISAN ELECTIONS, ETHICS BOARD

A unanimous three-judge North Carolina Superior Court panel on Monday preserved a merged Bipartisan State Board of Elections and Ethics Enforcement, rejecting Gov. Roy Cooper's arguments to enjoin the entire law and resurrect a law that was already taken off the books.

The General Assembly addressed the court's concerns when it passed HB 90 in February and gave the governor the ability to fire – at will and at any time – any member of the board who administers elections and investigates ethics violations, as long as he replaces the outgoing member with a member from the same party. The bill also allows the governor to appoint a ninth member, unaffiliated with either of the major parties, eliminating the possibility of deadlock.

We appreciate that the court preserved a merged bipartisan elections and ethics board, which polling shows nearly 80 percent of North Carolinians support, and rejected Gov. Roy Cooper's arguments to resurrect a law that was already taken off the books just because his party would benefit. We have addressed the court's concerns about the board's membership in a bill Gov. Cooper has already promised to allow to become law, and we once again encourage him to abandon taxpayer-funded and self-serving lawsuits.

NORTH CAROLINA'S 'RAINY DAY' RESERVES MEET PEW CHARITABLE TRUSTS BEST PRACTICES

North Carolina is the only state meeting all of the Pew Charitable Trusts best or good practices in taking care of its "rainy day" reserves.

North Carolina's reserve requires the state to set aside 15 percent of projected revenue growth to the reserve at the beginning of each fiscal year, and there are clear and objective conditions for withdrawals.

Sen. Brent Jackson, R-Duplin, mentioned the Pew study during a speech Dec. 6 during a luncheon hosted by the N.C. FreeEnterprise Foundation.

The Pew Charitable Trusts is an independent nonprofit focused on providing research and analysis on a slew of public policy subjects. Since 2014, Pew has released several reports on best practices for rainy day funds.

North Carolina became one of six states during this year's legislative session to reform its rules concerning the reserves. House Bill 7 passed almost unanimously with bipartisan support.

Pew gave its support for the bill and emphasized the four areas of H.B. 7 that matched Pew's best practices:

- Created a savings deposit rule tied to revenue growth
- Defined clear and objective conditions for fund use
- Established an evidence-based fund savings target
- Provided a means to re-evaluate the rules governing the fund

These practices include defining clear rules for depositing and withdrawing money from the reserves. According to Pew, deposits should be tied to economic growth or revenue. Withdrawals should be reserved for economic or revenue fluctuations.

“Rainy day funds are a really great way to smooth out the volatility of the business cycle,” said Stephen Bailey, an associate manager at Pew Charitable Trusts. “You’re making sure that when another Great Recession happens or a more milder recession, there is enough money in reserve to fund programs that the state cares about the most at all points of the business cycle.”

Pew recommends basing the maximum size of the fund on past revenue fluctuations. The fund should be large enough so that states can withdraw enough to offset a major recession, but not too large that it takes away from programs or could be used for tax cuts.

“What the bill did was create four distinct withdrawal conditions for when the funds could be withdrawn. It is tied to when revenue drops below zero, when revenue misses the forecast, to pay for the cost incurred by a court or administrative order, and to provide relief for an emergency.”

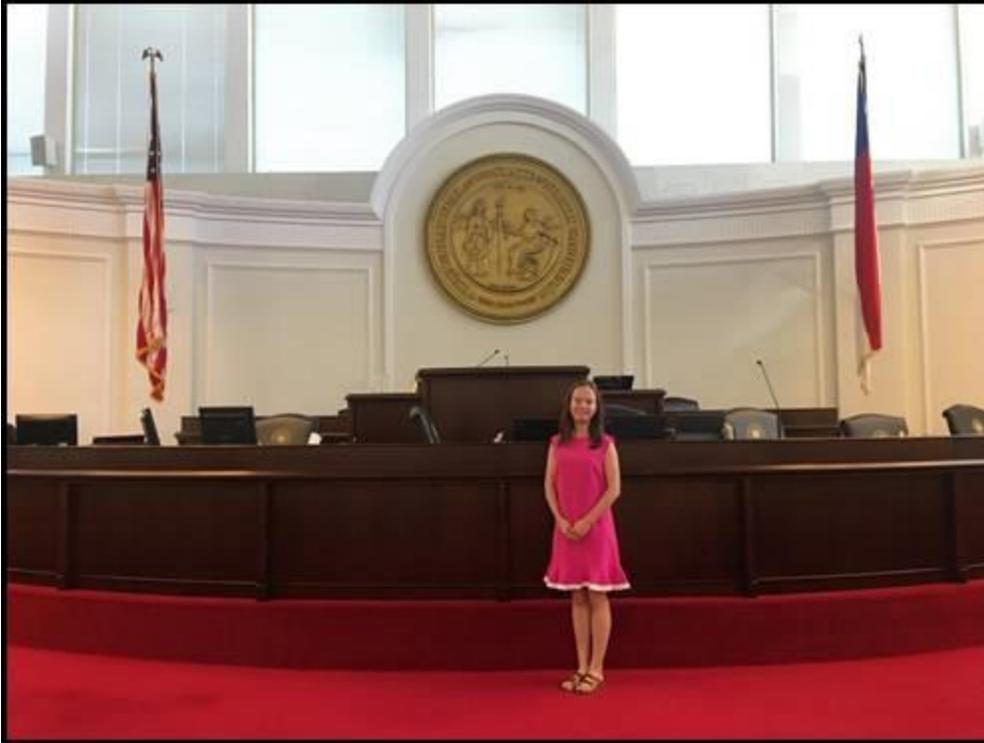
If one of those conditions is met, then a simple majority vote from the House and Senate is needed to withdraw from the fund. A two-thirds vote is required if the state wants to withdrawal money exceeding 7.5 percent of the previous year's General Fund budget.

**Article appeared in the January 2018 edition of Carolina Journal*

TRUMP'S TARIFFS

President Donald Trump insists that he is not backing down on his plans to impose tariffs on imported steel and aluminum. Trump is fed up with China and others dumping steel and aluminum on American markets. With Trump's negotiating skills, he may well be able to pull off this deal.

I've never been a fan of excessive tariffs as they quite often trigger reciprocal tariffs which lead to tariff wars that benefit no one. I do believe President Trump is acting on what he thinks is the best interest of America, and is once again honoring a campaign promise. He is continuing to fulfill his campaign promises to the American people. I won't fault him on his agenda; it's been good so far and so I trust his judgment. Let Trump be Trump... We'll see...



Ivy Carter Young, a junior at Asheville Christian Academy, had the opportunity to visit the Legislature and shadow Senator Tillman's staff. She is the daughter of Dr. Matt Young and Cindy Young, and the granddaughter of Bill and Sue Spencer of Randolph County.



Senator Tillman presenting Richard Petty with an economic incentive check.

BIBLE VERSES:

“I can do all things through Christ who strengthens me.” – Philippians 4:13 (NKJV)

“Confess your faults one to another, and pray one for another, that ye may be healed. The effectual fervent prayer of a righteous man availeth much.” – James 5:16 (KJV)

Senator Jerry Tillman can be reached on Facebook

Are you on Facebook?

You can reach Senator Jerry Tillman by going to this page:

<http://www.facebook.com/jerrytillman>

If you don't have a Facebook account, you can sign up for an account so you can start getting Jerry's updates.

Then tell your friends and neighbors who might want to know what Jerry is doing in Raleigh for the folks in Randolph and Moore counties.

You Can Follow Senator Tillman on Twitter

Go to <http://www.twitter.com/jerrytillman> and sign up to follow Senator Tillman.

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