

We passed six resolutions at our April 19 county convention. The first resolution has already been passed by NCDP, but was submitted to put JCDP on record on the matter of anti-torture and Aero Contractors' (based in Smithfield) role in transporting CIA detainees. Resolution 6 is county specific for a bond referendum. Resolutions 4 and 5 are related.

An education document for the resolution in support of the NC Medical Protection Act (Resolution 2) appears at the end of this file.

These resolutions unanimously passed the Second Congressional District Convention on May 19th and moved to NC Democratic Party Resolutions Committee where they were combined with other resolutions of similar content. The resolution in support of the NC MPA (Resolution 2) was presented as written and was passed unanimously at the August 25th meeting of the full NC Democratic Party State Executive Committee. For more information on the NC MPA please see the document at the end or connect to <http://ncmedicalprotectionact.blogspot.com/>

Resolution #1

Submitted by Walt Caison

Passed by West Selma Precinct

Note: The NC Democratic Party, at its 2006 State Convention on June 24th, 2006, passed as Resolution #98, For Ending United States Sponsorship of Torture. Districts #4, #5, and #1 had previously passed it.

Note: Walt Caison inserted language in brackets.

For Ending United States Sponsorship of Torture

RESOLVED That the Democratic Party of North Carolina call on the leadership of the United States government to eradicate current torture practices by the United States, and to charge [former] United States Secretary of Defense Donald Rumsfeld, former Central Intelligence Agency director George Tenet, and United States Attorney General Alberto Gonzales with aiding, abetting, ordering, and conspiring to commit the illegal physical and psychological torture of detainees in the custody of the United States in Iraq, Afghanistan, and Guantanamo, as well as secret United States-controlled prison facilities elsewhere, and further charge these officials with the illegal transport, or extraordinary rendition, of certain detainees to countries known for their systematic torture of prisoners; and be it further

RESOLVED That the United States live up completely to the articles of the Geneva Convention; and be it further

RESOLVED That the Democratic Party of North Carolina call on US Senators Elizabeth Dole and Richard Burr, US Representatives David Price, Brad Miller, [and Bob Etheridge], Governor Michael Easley, and the NC State Legislature to support proposed legal restraints and to ban the United States policies and practices of torture, including the transport of detainees of the Central Intelligence Agency by hiring Aero Contractors,

situated in Smithfield and Kinston, North Carolina, through appropriate and immediate legislative restraints

Resolution #2

**Submitted by Tara Ansley Niebaum, Vice Chair, West Clayton 1 Precinct
(see education materials in your packet)**

For Support of the North Carolina Medical Protection Act

BE IT RESOLVED that the Johnston County Democratic Party calls upon the state Democratic legislative delegation to sponsor legislation establishing the North Carolina Medical Protection Act. *If this bill passes, it shall serve to protect a North Carolina citizen's **primary residence** (valued up to \$250,000.00) from lien placement, seizure, or forced sale by hospitals and/or medical providers as a means of settling medical debt for which the debtor/homeowner has no other means to pay.*

Resolution #3

**Submitted by Richard Roberts
Passed by West Selma Precinct**

For Support of A Simplified Federal Income Tax System

Be it resolved that the Johnston County Democratic Party petition Democratic Representatives of Congress to introduce and support legislation to simplify the Federal Income Tax System.

Resolution #4

Submitted by John M. Booker, DVM and James W. Narron

Passed by the North Smithfield Precinct

(a similar resolution submitted by CP Thompson, Jr., was passed by East Ingrams Precinct)

Resolution for Fair Taxation: School Construction

Whereas, the overwhelming growth of Johnston County has resulted in traffic congestion, overburdened school construction needs, along with increased demand for water, sewer, and other public services;

Whereas, to meet these growing needs, our current County Commissioners and State Legislators have placed an excessive burden on homeowners through school bond revenues; and

Whereas, the Democratic Party has historically stood for fair taxation policies. However, the current county taxation system puts an undue burden on homeowners through the ad valorem tax rate. Currently, to fund new school construction, homeowners are paying more than their fair share through bonds while other tax revenue sources are not being utilized.

Impact fees on new construction could be a valuable revenue source to fund school construction and relieve this unfair burden. Permission from the legislature is required to impose such fees. However, present Johnston County Commissioners and Johnston County Legislators are reluctant to do so. Impact fees could allow the burden of paying for school construction to be more fairly shared.

The Johnston County Democratic Party supports the utilization of impact fees and the legislative authority to do so.

RESOLUTION #5

Submitted by Leslie Hubbard, Chair, North Clayton Precinct

Resolution in Support of a Local Revenue Option Transfer Tax of up to 1% for all NC County Governments

Whereas Johnston County is one of the fastest growing counties in NC; and

Whereas high growth counties across North Carolina that do not have the option of levying a Transfer Tax annually struggle to build and maintain schools, services and infrastructure due to limitations on local government revenue options; and

Whereas a 1% Transfer Tax has been beneficial to the six NC counties that currently have the voter approved authority to levy such a Tax; and

Whereas a 1% Transfer Tax has had, in the decade since first being levied in Dare County, no negative effect on home sales, but has allowed the county deliver excellent service and infrastructure to it's citizens while maintaining the lowest property tax rates in NC (0.26); and

Whereas the NC Association of County Commissioners and the NC Association of County Managers both support a local Transfer Tax option for NC counties; and

Whereas the 2006 NCDP Convention (via resolutions from Districts 2, 4 and 13) passed resolutions against High property taxes and in support of a progressive, fair and equitable tax code; and

Whereas the NC Democratic Party Platform sets forth clear support for progressive tax systems and opposition to excessive reliance on regressive tax systems which unfairly burden the poor and middle classes (section "Paying for Progress");

Therefore be it resolved that the Johnston County Democratic Party supports a local option Transfer tax and strongly urges Johnston County Town Councils, our Board of Commissioners, and our Representatives in the NC General Assembly (Senate District 12, Legislative Districts 26 and 28), and the NC Democratic Party to support and work to pass legislation that gives all NC County governments the option and authority to put a modest Transfer Tax (up to 1%) before their citizens in county wide referenda.

RESOLUTION #6

Submitted by Don Rains, mayor of Princeton, North Boon Hill Precinct

Resolution in Support of “Bonds 1, 2, & 3” on May 8th Ballot

Whereas the Johnston County Democratic County has previously resolved that alternative funding be used to meet the needs of our rapidly growing county, this party recognizes that there are immediate needs that must be met with respect to school building, recreation and other county required services.

Therefore be it resolved that the Johnston County Democratic Party supports the current bond referendum before the people.

The North Carolina Medical Protection Act – Introduction

In 2004, my father, Jerry Ansley, was hospitalized following a rare case of mosquito born encephalitis that left him in a coma. Complications from the encephalitis turned into a year long catastrophic medical event that eventually exhausted my parents' health insurance, life savings, and led to litigation that threatened to place a lien on their home by the state of North Carolina. Ultimately, the lawsuit against them was dropped, but others should not have to endure the same type of litigation in the wake of a catastrophic medical event.

Since 2006, my family has worked closely with the Johnston County Democratic Party to find a legislative sponsor for the ***North Carolina Medical Protection Act*** which aims to prevent hospitals and medical providers from forcing North Carolina citizens to choose between their health and their home. I ask that you join us in our efforts to protect our fellow North Carolinians from losing both.

A brief history of how my family came to this advocacy and a draft of the NCMPPA follows. ***For more information, please visit www.ncmedicalprotectionact.blogspot.com***

Thank you for your time and support on this important matter.

Tara Ansley Niebaum
Proud daughter of Jerry Ansley
280 Nathan Drive
Clayton, NC 27520
919-550-6205

North Carolina Medical Protection Act – History

In 2004, my father—Clayton resident, Jerry Ansley, was hospitalized following a rare case of mosquito born encephalitis that left him in a coma. Six months of ensuing medical complications requiring hospitalizations at WakeMed, UNC, and Duke left him physically disabled, financially devastated, and owing more than 2.5 million dollars to medical providers. In 2005, UNC hospital sued him for the entire “fair market value” of his Clayton home in attempt to settle the debt. Under the pressure of public scrutiny and a media campaign to spotlight the current North Carolina law that allows hospitals and medical providers to seek judgments against former patients and private residences, the hospital dropped the lawsuit.

While my parents no longer face the threat of losing their home, others who have not had the benefit of advocacy and media attention continue to face that threat or have already lost their homes. From 2004-2006, UNC Hospital, alone, sued more than 2,300 former patients seeking more than 16 million dollars in judgments. Of these 2,300 cases, UNC won 1,647 judgments—most of these against patients' primary residences. In the wake of the controversy, UNC Hospital reversed its policy regarding the unrelenting litigation against the primary residences of patients requiring “catastrophic care” who show no ability to repay the debt. However, North Carolina law does not bind UNC to maintain this policy nor does it require other North Carolina hospitals and/or medical providers to follow suit. These statistics reflect only litigation relating

to UNC and are readily available because of its status as the state's only "public, not-for profit" hospital. The number of private North Carolina hospitals and medical providers seeking judgments against former patients and their primary residences could be even more staggering.

According to an article in *USA Today*, by 2004 nearly 50% of all bankruptcy cases nationally were a result of medical debt. It is estimated that every year in North Carolina—hundreds if not thousands—of North Carolina citizens lose their homes due to medical bills although our state laws make no distinction between consumer and medical bankruptcy. As healthcare costs continue to skyrocket and a growing number of Americans join the ranks of the uninsured and the underinsured, more and more North Carolina citizens will lose their homes to medical providers unless a change is made in the law.

North Carolina Medical Protection Act – Draft

Article I - Need for NC Legislative reform:

In an era of unrestricted, run-away medical costs, states like Florida, Iowa, Kansas, Oklahoma, Texas, Massachusetts, Minnesota, Nevada, Rhode Island, Arizona, California, Montana, New Hampshire, and many others have passed legislation or amended their homestead acts to restrict the ability of hospitals and medical providers to seize or place liens on a citizen's primary residence as a means of settling medical debt. Protection of the primary residence in the states listed above ranges from unlimited to \$250,000. The residents of North Carolina are currently not protected by such legislation (even in the event of bankruptcy). NC State Law in place specifically entitles public and private hospitals to seize a patient's home for unpaid medical bills via use of the courts and the Attorney General's Office. North Carolina law only protects \$10,000.00 of the value of any given primary residence for an unmarried homeowner and \$20,000.00 of the value of any given primary residence of married homeowners.

North Carolina law which allows hospitals and medical providers to place liens on or seize a patient's primary residence violates the implied social contract each NC citizen has with both the State and Federal Governments. Since all legally employed NC citizens mandatorily pay Federal Income Tax, Social Security Tax and Medicare Tax, it is understood that any legal NC citizen is entitled to necessary life-saving medical treatment without the risk of losing their primary residence due to medical debt.

Current North Carolina law which allows private and public hospitals to place liens on and seize the primary residence of a NC citizen to settle medical debt violates the citizens' of North Carolina basic housing rights. These existing laws can make NC citizens with disabilities homeless as a result of liens or seizure of their primary residence to settle medical debt which is in conflict with the Fair Housing Act.

Article II - Intent of the North Carolina Medical Protection Act

The NC MEDICAL PROTECTION ACT (hereafter referred to as NCMPA) is intended to:

- a) The NCMPA shall protect a citizen's primary residence against liens or seizure as a means to settle medical debt placed by public and private hospitals or medical providers for necessary life-saving medical treatment or treatments that are not covered by health insurance companies and for which the citizen has no other means to pay. The value of the protection listed above is to be \$250,000.
- b) The NCMPA shall in no way void or amend current Homestead Exemption laws, nor should the NCMPA alleviate a homeowner of their obligation to pay property taxes.

- c) The NCMPA shall not absolve insurance companies from their legal obligations to reimburse public or private hospitals, clinics or other medical providers for actual medical services provided.
- d) The NCMPA shall not restrict public or private hospitals, clinics or other medical providers from pursuing payment for medical services provided to a citizen by the use of a payment plan or payment schedule. Such a payment plan or payment schedule shall be consistent with the citizen's income, assets and ability to repay.
- e) The NCMPA shall not restrict public or private hospitals, clinics or other medical providers from placing liens on or seizing a citizen's second home or rental property or properties to settle medical debt.
- f) The NCMPA shall apply to the value of \$250,000 of a citizen's primary residence. Equity above this value is subject to liens and seizure by public or private hospitals, clinics or other medical providers as a means to settle medical debt. All legal fees incurred by the public or private, clinics or other medical providers to place liens or initiate seizure of a primary residence to settle medical debt shall be paid by debtor but shall not be deducted from the \$250,000 exemption.
- g) In cases where a primary residence exceeds \$250,000 and a public or private hospital, clinic or medical provider seeks to legally place a lien on or seize a primary residence to be sold at public auction, the entity pursuing the seizure or lien shall disclose in writing to the citizen their legal rights under the NCMPA prior to any legal action against the citizen.
- h) In cases where a primary residence exceeds \$250,000 and a public or private hospital, clinic or medical provider has sought to legally seize a primary residence to be sold at public auction, the entity pursuing the seizure shall pay to the citizen upon whom property seizure has occurred a sum of \$250,000 on the day of public auction. After public auction, the State shall make no restriction on how this \$250,000 is to be spent by the citizen.
- i) Widows and widowers who lose a spouse following a catastrophic illness or injury shall be protected under the NCMPA from liens or seizure of their primary residence up to a value of \$250,000 as a means to settle medical debt incurred by a deceased spouse.
- j) The NCMPA exemption value of \$250,000 shall be adjusted annually to reflect the state-wide median appreciation or depreciation of housing values.
- k) The NCMPA shall apply to legal citizens of the United States of America only.

Article III – Other Legislation affected by the NCMPA

NC bankruptcy law shall be amended to distinguish between medical debt and consumer debt. Medical debt shall be further distinguished between necessary life-saving medical treatment or treatments and cosmetic or other elective procedures. Reference shall be made in the NC bankruptcy laws indicating citizen rights granted under the NCMBBA as relating to medical debt incurred by necessary life-saving medical treatment or treatments.

Article IV - Definition of Terms

Lien - The right to take and hold or sell the property of a debtor as security or payment for a debt or duty

Seizure – meaning “forcible possession”

Medical Debt – includes medical services performed by doctors, nurses, administrators, technicians, etc. Also includes medical procedures, medications, laboratory tests, use of medical equipment, hospital room fees, etc.

Consistent – meaning “in agreement with” or “compatible”.

Citizen – meaning “a person owing loyalty to and entitled by birth or naturalization to the protection of a state or nation”

Primary Residence – meaning “principal dwelling or principal place in which one lives”

Alleviate – meaning “to make less severe or more bearable”

Absolve – meaning “to relieve of a requirement or obligation”

Payment Plan – meaning “the act of paying according to a scheme, program or method worked out beforehand”

Payment Schedule - meaning “the act of paying according to a timetable”

Restrict – meaning “to keep or confine within limits”

Exemption – meaning “the state of being [exempt](#); immunity”

Actual – meaning “existing and not merely potential or possible; real”