

Bill's Seat – A Report from the North Carolina Legislature - May 1, 2011

By Representative Bill Faison

Last week the House had hearings on provisions of the proposed Budget. Additionally we had hearings on the Repubs' additional fees/taxes to finance their Budget which spends more money than we have.

The Finance Package: The Budget spends money collected through taxes and fees. When the Budget spends money we do not have, additional money is raised by increasing taxes, fees or both. The Repub Budget plans to spend more money than we have. They plan to pay for their additional spending by raising over \$100 million in new and increased fees (a form of taxes). They plan to increase some fees/taxes by as much as 100% like the fees charged to folks who distribute fertilizer. Costs you pay for a traffic ticket are increased by almost 20% and Superior Court fees by almost 50%. License fees for auctioneers, kennel operators and pet shops are increased by 50%. They even make provisions to charge high school students as much as \$75 to take drivers education.

Cutting Education: The Repubs proposed Budget cuts almost \$623 million from K-12 education. It cuts another almost \$414 million out of the University System and almost \$104 million out of the Community College System. This is a total education cut of almost \$1.141 billion. Their Budget cuts teachers' assistants and teacher salary increases; it cuts dropout prevention funds, textbooks, instructional supplies, buses and transportation. It cuts funds for both at-risk students and academically or intellectually gifted students. It cuts More at Four by 20%. It hurts education.

Cutting Medicaid: The Repubs' proposed Budget cuts almost \$170 million out of Medicaid, and almost \$11 million out of pharmacy services. These cuts will hurt folks who need healthcare.

The Power of the Painless Penny: There is a solution to the worst of these Budget cuts. There is a penny sales tax that is scheduled to expire this year. If the little penny sales tax were kept it would save most of the jobs that will be lost. It will avoid the worst of the cuts in education and healthcare. I have talked with folks all across Caswell and Orange. Everyone I have talked with says keep the painless penny and save the jobs, education and healthcare. I have told the Governor what you have told me.

The Governor Will Veto: I have talked with the Governor. She is worried that education and healthcare are so badly hurt in this Budget. She

will veto this Budget. I will vote to sustain her veto and the Repubs will have to negotiate with both the Governor and the House Democrats to get a Budget we can all support.

See the Bill and Contact Me: You can see the bill discussed here by going to www.ncleg.net and using the “Find Bills by Number” tool. The bill discussed here is H200. I would really like to know what you think. Please contact me at Bill.Faison@ncleg.net to share your thoughts.